

OPENING STATEMENT BY SENATOR BOB DOLE (R - Kans)

HEARING - 1980 FNS/USDA BUDGET

TUESDAY, FEBRUARY 27, 1979

9 am, 322 RSOB

I appreciate having this opportunity to review the President's 1980 budget proposals for the nutrition programs in the Food and Nutrition Service. I welcome Assistant Secretary Foreman from the Department of Agriculture and Mr. Henry Eschwege of the General Accounting Office.

These are tough times monetarily. On the heels of Proposition we now hear a national call to cut federal spending, balance the federal budget, and reduce the federal budget deficit. Like other members of this subcommittee, however, I would not like to see the poor and needy of this nation bear the entire burden of this call for budget balancing and reduced federal spending.

I

The Administration has come this morning to share how it feels the taxpayers' dollars should be allocated on food programs. I am anxious to learn the rationale and approaches behind the President's budget proposals for food assistance to needy individuals and families.

The Administration's child nutrition budget requests raises a number of issues. A major one is the re-targetting of expenditures to those groups most in need of services. You have proposed such actions as: modifying the income eligibility standards to concentrate subsidies in the lower income populations; eliminating duplicate milk service in schools and child care institutions; and reducing federal subsidies to the non-needy child. Some view this latter as a move towards having the paying child bear the increased costs of a lunch. It is still unclear in my mind why you focused on these particular programs, and what was your rationale in doing so.

II

The Administration's food stamp budget actions are more understandable; in particular the \$132 million savings thru error rate sanctions.

The serious and unexpected problems of rising food prices have resulted in a need for a legislative change in the Food Stamp Act. When Congress placed the ceiling on food stamp outlays in 1977, projections for food prices were 12.5 and 16.9 percent, respectively for 1979 and 1980. Those projections are now 26 and 36.2 percent, respectively.

Recognizing this, last January 15 I introduced a bill (S. 1), along with my colleague George McGovern to authorize the appropriations of such funds in fiscal years '80 and '81 as may be necessary to supply persons truly in need with food stamps. You will recall that the thrust of the comprehensive 1977 food stamp bill was to get these coupons to people really in need and to tighten up program management.

In our bill we also called for a systematic assessment of the food stamp program by the Department. We are seeking answers to potential legislative changes which would:

- reduce the error rate by increasing accuracy in determining program eligibility;
- provide more control of food coupon redemption procedures; and
- offer more timely investigations and resolutions of suspected violations.

In drafting this comprehensive food stamp package in 1977, the absence of sufficient documentation on program cost benefits and nutritional impact was very evident. This lack of sufficient evaluation data cannot go on indefinitely.

III

It disturbed me then as it does now that our federal food assistance programs have expanded dramatically over the past decade. The increase has been almost tenfold in ten years -- from \$1.2 billion in fiscal year '69 to \$9.5 billion in fiscal year '79. Yet, a critical evaluation of these programs has not been accomplished. We do not even know the cost benefits and nutritional impact which may have come from our food programs. The absence of a systematic and thorough review makes it next to impossible for the Congress to continue to make sound policy decisions and reliable budgetary recommendations.

I hope that along with the President's current budget proposals, you can leave us this morning with some assurance that a sound and rational approach lies behind all your recommendations.

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