



**TESTIMONY ON HB 2881
HOUSE COMMITTEE ON HUMAN SERVICES & HOUSING
SUBMITTED BY PHILLIP KENNEDY-WONG
MARCH 28, 2017**

Oregon Food Bank supports HB 2881, which adds back funds to the Oregon Hunger Response Fund to the Governor's proposed 2017-19 budget with an appropriation of \$700,000 in state General Funds. HB 2881 contributes to the Oregon Food Bank Network's ability to distribute food to 950-plus local agencies spread across our state.

STATE CUTS WOULD EXCERBATE HUNGER CRISIS

Oregon has a hunger crisis. Despite 50 consecutive months of job growth, Oregon had the highest rate spike in hunger in the nation over the last three years. Oregon's food insecurity rate rose to 16.1 percent as compared to the national average of 13.7 percentⁱ from 2013 to 2015. The average number of Oregon households in that period unable to secure all of their nutritious needs was over 250,000.ⁱⁱ

- One in five Oregon households are food insecure
- Nearly 700,000 Oregonians access SNAPⁱⁱⁱ
- About 250,000 individuals/month access the food bank network
- Rural and low-income communities of color experience higher hunger rates
- Single mothers are at greatest risk to food insecurity
- Renters are more at risk than homeowners to food insecurity

Unfortunately this crisis could get worse unless the Legislature acts. The Governor's Recommended 2017-19 budget reduces General Fund support dramatically for food assistance programs, much of this is not continuing one-time funds adopted for the 2015-17 biennium (see table).

Divesting in the food programs while hunger is on the rise is not a recipe for economic and social progress nor is it a wise budget decision. This is why the Legislature must prioritize funding services for food insecure Oregonians especially those struggling to pay rent, schoolchildren trying to graduate, and low-income seniors trying to make ends meet while staying healthy.

Throughout the economic recovery, the Oregon Food Bank Network has continued to distribute recession levels of food across the entire state. The network worked overtime to go from distributing 72 million pounds in 2009-10 to over 90 million pounds just last fiscal year. We rely on private sources for the majority of our costs. Roughly 86 percent of our combined \$38 million annual operational costs of the 20 regional food banks come through the generosity of private supporters.

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The proposed cut for 2017-19 biennium to the Oregon Hunger Response Fund is concerning because of the dual-role that food banks play in Oregon. Food banks are the state's back-up system to federal hunger relief programs and play a key role in emergency management for natural disasters. Expectations are that federal food programs, especially SNAP, will be cut again, driving more people to food pantries. Food banks are also a part of the planning efforts for a major earthquake in the northwest where food distribution is vital. The proposed \$2.8 million for the fund is a small contribution for such large undertakings. We are asking between \$3.5 million and \$4 million for the biennium to bolster food banks in a time of high need in rural and urban Oregon and greater responsibility in earthquake preparedness.

FOOD BANKS HELP WITH HOUSING AND STATE BUDGET

Imagine: helping 250,000 Oregonians each month with their rent, housing cost or utilities by providing each from \$50 to \$150. That is the number of people that seek food boxes from the Oregon Food Bank Network and that is the value of the food they receive. This is why the Oregon Hunger Response Fund is important to the families, seniors and children who are surviving difficult financial circumstances.

We recognize the enormous challenge you face in balancing the state budget. This is why the Oregon Food Bank Network is honored to assist Oregon in drawing additional federal funds by volunteering as a contributor in the Third Party Maintenance of Effort provision in the Temporary Assistance for Needy Families program. From 2012 to 2015, Oregon was awarded over \$64 million additional federal dollars, an average of \$16 million a year. This is really a boon to helping single-mothers escaped poverty and this was not possible without the Oregon Food Bank Network support. We will volunteer to contribute as long we believe that Oregon is making a good-faith effort to improve the lives of the many single-mothers and their children the program is intended to serve; and not as a budget gimmick to shift funds to other uses.

All of this is saying that food banks can't fight hunger alone. The public sector can't fight hunger alone and neither can the private sector. Defeating hunger requires every segment of our society to work together, each playing to their unique assets: from private citizens, businesses, philanthropy, to government.

Oregon needs its state government to step up its contributions to food assistance programs. The attached table shows the minimum funding level requested for food assistance programs. Funding the minimum level ensures that we are not going backwards. But we know there is more that can be invested given the right political and revenue environment. Oregon Food Bank will advocate for investments beyond the minimum funding level, the kind that makes a real difference in the lives of the people we hold at the very center of what we do.

Thank you for your consideration.



BUDGET COMPARISON: State of Oregon Food Assistance Programs

Program	Agency	2015-17 LAB		2017-19 GRB		2017-19 OFB
		State General Fund	One-time State General Fund	State General Fund	One-time State General Fund	Food Bank Recommendations
OR Hunger Response Fund*	DHS	\$2,813,438	\$400,000	\$2,854,423	\$0	\$3.5 to \$4 million
Food Assistance: TEFAP	DHS	n/a	n/a	n/a	n/a	n/a
OR Hunger Task Force	DHS	\$0	\$150,000	\$0	\$0	\$150,000
SNAP (Employment & Training state match)	DHS	\$701,925	\$0	\$701,925	\$0	\$701,925
Home Delivered Meals	DHS	n/a	n/a	n/a	n/a	n/a
Congregate meals	DHS	n/a	n/a	n/a	n/a	n/a
Farm Direct Nutrition - Senior	OHA	\$80,000	\$200,000	\$80,000	\$0	\$434,000
Farm Direct Nutrition: Women, Infant, Children (WIC)	OHA	\$219,558	\$100,000	\$219,558	\$0	\$3,300,000
School Breakfast	ED	\$1,692,086	\$0	\$1,692,086	\$0	\$1,692,086
Lunch/Snack Reduced Price Subsidy	ED	\$0	\$2,395,593	\$0	\$0	\$2,395,593
Milk	ED	n/a	n/a	n/a	n/a	n/a
Summer Food	ED	n/a	n/a	n/a	n/a	n/a
Child/Adult care food	ED	n/a	n/a	n/a	n/a	n/a
After School/At Risk	ED	\$556,693	n/a	\$556,693	\$0	\$556,693
Farm to School*	ED	\$1,429,549	\$3,300,000	\$0	\$0	\$4,500,000
Farm to School*	Agriculture	\$228,864	\$0	\$228,864	\$0	\$228,864
Crop Donation Tax Credit*	Revenue	<u>\$300,000</u>	n/a	<u>\$300,000</u>	\$0	n/a
	Total**	\$7,722,113	\$6,545,593	\$6,333,549		\$17,959,161
<i>All programs include federal funds except *</i>	Combined Total	\$14,267,706.00				\$17,959,161

Crop donation tax credit not calculated into total.**

PLEASE NOTE: The data provided is accurate to the best of our knowledge. Oregon Food Bank will make corrections as we learn of errors. The data was sourced from LFO, state agency staff, and budget documents.

UPDATED: MARCH 8, 2017

¹ Food Insecurity in Oregon: Considering the Role of Housing. Oregon State University School of Public Policy and the Rural Studies Program. October 2016

² Profile of Hunger, Poverty, and Federal Nutrition Programs: Oregon. Food Research & Action Center. 2016

³ SNAP Flash Figures. Oregon Dept. of Human Services. January 2017

