

Testimony to Ohio Senate Finance Committee
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Ohio Association of Foodbanks
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Amended Sub. H.B. 110

Good morning Chairman Dolan, Vice Chair Gavarone, Ranking Minority Member Sykes, and members of the Senate Finance Committee.

I'm Lisa Hamler-Fugitt and I serve as the executive director of the Ohio Association of Foodbanks, Ohio's largest charitable response to hunger. We represent 12 Feeding America foodbanks, and nearly 3,600-member charities, who distributed over 270 million pounds of food to more than 2.5 million Ohioans last year.

Thank you for the opportunity to discuss our association's budget request and for your current and previous support of our longtime public-private partnership, the Ohio Food and Agricultural Clearance Programs (OFPACP), which are funded through the Ohio Department of Job and Family Services.

These programs began in the early days of welfare reform and have received bipartisan support from 5 governors and 12 General Assemblies since inception.

Last year, the programs provided more than 20 percent (54.245 million) of all the food we distributed.

The Agricultural Clearance Program allows us to partner with Ohio farmers, growers, and commodity producers to purchase their surplus or unmarketable perishable foods (cosmetically challenged fruits and vegetables) for just pennies on the pound. This is the most healthy and wholesome food we have to distribute.

The Ohio Food Program allows us to purchase shelf-stable foods, directly from food manufacturers and wholesalers by the semi-tractor trailer. These foods provide a steady and reliable source of center-of-the-plate staples that are missing from our other sources of food, including federal commodity programs and retail, manufacturer, food drive, and local donation programs.

Foodbank eligibility is limited to households with gross incomes at or below 200 percent of the <u>Federal Poverty Level</u> (FPL). Nearly a third of all Ohioans were eligible for help from foodbanks prior to the pandemic. The chart included in my testimony details the number of your constituents who are eligible for foodbank services. 200 percent of FPL for one person is \$25,760; for 2 people is \$34,840; for 3 people is \$43,920.

Region	People ≤ 200% FPL	% ≤ 200% FPL	People ≤ 100% FPL	% ≤ 100% FPL
Senate District 2	85,443	24.3%	35,454	10.1%
Senate District 4	91,594	26.2%	40,521	11.6%
Senate District 8	84,114	24.5%	35,024	10.2%
Senate District 13	105,192	29.6%	47,769	13.4%
Senate District 15	173,771	46.9%	96,411	26.0%
Senate District 17	130,432	37.9%	59,469	17.3%
Senate District 19	90,949	23.3%	42,502	10.9%
Senate District 22	91,082	25.8%	34,501	9.8%
Senate District 23	128,083	38.6%	57,229	17.2%
Senate District 24	49,881	14.4%	18,724	5.4%
Senate District 28	133,090	39.7%	60,682	18.1%
Senate District 29	105,700	31.9%	46,774	14.1%
Senate District 31	112,051	31.0%	44,137	12.2%
Statewide	3,538,045	31.2%	1,588,343	14.0%

These programs provided Ohio foodbanks a critical lifeline as food prices/shortages climbed, demand skyrocketed and we became ground zero for the tremendous need caused by the economic fallout of the pandemic, especially on low-income Ohioans, who lost their jobs. as restaurants, hotels, schools, child and senior care centers, retail businesses, and more closed. The association and our members are deeply grateful to Governor DeWine, the Ohio National Guard, FEMA, USDA, local, state and federal governments who have helped us respond to the dramatic increase for food assistance during these extraordinary times.

The shock wave of COVID directly impacted the elderly Ohioans who often volunteer reliably at foodbank warehouses, and who often single-handedly operate local faith-based food pantries, as they sheltered at home to protect themselves from exposure. Corporate volunteer groups understandably cancelled shifts as their employers told them to work from home and prohibited their volunteer activities. On March 22, 2020, Governor DeWine issued a disaster declaration, declared Ohio foodbanks as essential, and deployed 500 Ohio National Guard soldiers to help us operate foodbanks, pack food, groceries, establish and operate mass food distribution sites across the state in order to help us respond to the overwhelming demand. These citizen soldiers are continuing to serve with us on this hunger relief mission and without their dedication and support we would be unable to keep up with the overwhelming demand and response to this crisis.

The pandemic has significantly worsened food insecurity. About a third of the people served by Ohio's foodbank network statewide reported they had NEVER turned to a foodbank before for help. Food insecurity rates skyrocketed. Feeding America estimates that about 1 in 6 Ohioans – including nearly 1 in 4 Ohio children – were food insecure in 2020. Food hardships are especially high among Black and Latino households. This disparity reflects both long-standing inequities across society and the disproportionate impact of the current crisis on those households unemployed workers, low-wage workers struggling with job losses, reduced hours at work and lighter paychecks, parents who have had to leave the workforce to care for their children or to protect their health or the health of loved ones, and low-income seniors left even more isolated by the crisis.

Supplemental Nutrition Assistance Program (SNAP) 100% Federally Funded

The federal Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps, is the first line of defense against hunger, providing 9 meals for every 1 meal provided by foodbanks. Federal COVID relief has provide a temporary 15 percent maximum benefit increase as well as Emergency Allotments to bring households up to the maximum benefit. **Unfortunately, half of the people we serve at our foodbanks are not eligible for SNAP, because they earn slightly too much to qualify for this federal food assistance program.** In Ohio, SNAP eligibility is limited to households with gross incomes at or below 130% of the Federal Poverty Level and net incomes at or below 100% of the Federal Poverty Level.

The loss of the state's Public Health declaration SB 22 will result in the loss of about \$120 million in SNAP Emergency Allotment relief benefits **each month** after the public health emergency expires unless there is additional state action to extend a declaration. What's more, half of the

February 2021 Monthly SNAP Caseload
Ohio Department of Job and Family Services

654,351 children and 880,017 adults 1,534,368 Total Ohioans on SNAP, living in 765,426 households \$214.00 Average per person/per month benefit \$328,982,015 Total February Monthly Benefit Issuance (100% federally funded)

people we serve at our foodbanks are not eligible for SNAP, because they earn slightly too much to qualify for this federal food assistance lifeline.

Hundreds of thousands of our fellow Ohioans, who were already struggling to make ends meet, living one low wage paycheck to the next, have been decimated. Most had no savings, and not much in their cupboards they needed to feed themselves – and their families continue to turn to our food lifelines. Any actions that would further erode access to or limit enrollment in SNAP will only increase hunger and food insecurity in Ohio.

Additional Threats Loom Large for Hungry Ohioans and Foodbanks

- Additionally, access to federal commodities has sharply declined, meaning we have less food to distribute
- Food costs are increasing and are now at historic highs
- Foodbanks have had to purchase more food each month during the pandemic with private sector charitable dollars in an attempt to keep up with the demand – but this is not sustainable.
- Beginning this year, we have experienced a sharp decline in the availability of federal commodities that we had to distribute – meaning we have significantly less food and as we face a sizable commodities cliff.
- In just the last quarter we experienced a 10 million pound reduction in federal food that was provided through Farmers to Families Food box program a loss of 14.6% and program ends permanently at the end of May.
- With the retail and manufactured food donations down by 7.6% from 43.6% in 2019 to 36.3% in 2020 while the need increased exponentially, Ohio foodbanks have relied heavily on sourcing food from other channels including purchasing food with limited private support and funding.
- Ohio's foodbanks have purchased more food each month during the pandemic with private sector charitable dollars to keep up with the demand – but this is not sustainable.
- Food cost are up by 10% and food shortages are growing by the day, as commodity availability is limited due to weather related crop losses, and reduced processing capacities are hard-pressed to produce more for household consumption.
- Ohio's foodbanks are also absorbing sharp increases in operational costs, fuel/transport to increasing food storage, sanitation expenses to additional staffing. We project the increased costs are likely to continue for next 2 years.

- CBO estimates it will be 2024 before the low wage job market recovers and we
 will need to ensure there are opportunities to promote an equitable recovery
 for all, while we work to keep food on the plates of these Ohioans as they
 struggle to recover.
- Any proposed policy changes that would threaten or limit participation, enrollment and/or access to SNAP/Food Stamp benefits in Ohio will directly impact the demand on our system and should be rejected outright.

Over 800,000 low-income school aged children in Ohio will be working to make up for the learning loss and behavioral and mental health impacts of the pandemic. They need to have adequate, nutritious food to support their growing brains and bodies.

More than 1 in 4 Ohio kids (27.1 percent) lived in food insecure households in 2020. Most recently, the U.S. Census Bureau's Pulse Survey found that nearly 3 in 10 Ohio households with children (28.9 percent) experienced food insecurity in December 2020.

Ohio's seniors continue to turn to us for help with food on limited, fixed incomes. Now, more than 1 in 5 of the people served by Ohio's foodbanks are over age 60. Our network served seniors nearly 400,000 more times in state fiscal year 2020 than the previous year.

<u>Currently</u> HB 110 provides flat funding of \$24.5 million each year in support of the Ohio Food and Agricultural Clearance Programs and a one-time investment of \$12 million in CARES Act funding in calendar year 2021 only.

Request

Support for Amendment 134HB110 SC 2155 or 134HB110 SC 2155X1 to provide a one-time-only, temporary 2-year funding increase of \$20 million per year to help provide: emergency food assistance relief through the association's Ohio Food Program and Agricultural Clearance Program; other essential household non-food items that can't be purchased with SNAP benefits; and a \$1 million investment to support capacity building for local hunger relief organizations to ensure hard-hit communities don't lose local access to charitable relief.

This is a critical temporary investment to help ensure that every Ohioan can be part of an equitable recovery that meets basic needs and invests in the health and well-being of each person.

In closing, Mr. Chairman and members of the subcommittee, I invite you to visit your local foodbank to see firsthand their operations and to learn more about what we are doing together to prevent hunger in the buckeye state.

We humbly request your support to help us provide the 1 in 5 Ohioans we serve access to three balanced meals each day. Together, we can invest in a recovery that includes every person and meets every person's basic needs. We can help hungry Ohioans heal. I would be pleased to answer any questions you may.

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134th Ohio General Assembly: Anti-Hunger Legislative Playbook

A legislator's guide to addressing hunger https://ohiofoodbanks.org/site/assets/files/2570/anti-hunger_legislative_playbook_134th_ga.pdf

2020 Ohio Association of Foodbanks Annual Report sty2020 annual report.pdf (ohiofoodbanks.org)

A report highlighting the impact of the AmeriCorps VISTA Summer Associates that served in 2020 during the COVID-19 era

summer-report-2020.pdf (ohiofoodbanks.org)