

**Statement of Brandon Lipps, Acting Deputy Under Secretary,  
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United States Department of Agriculture**

**Before the Senate Committee on Agriculture  
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Thank you Chairman Roberts, Ranking Member Stabenow, and Members of the Committee for the invitation to join you today to discuss the reauthorization of USDA's Child Nutrition and WIC Programs. I am Brandon Lipps, the Acting Deputy Under Secretary for Food, Nutrition, and Consumer Services (FNCS), as well as the Administrator for the Food and Nutrition Service (FNS), at USDA. FNS is responsible for administering America's nutrition assistance programs, which leverage the nation's agricultural abundance to ensure every American has access to wholesome, nutritious food, even during difficult times.

I know that this Committee is keenly aware of the critical importance of the Child Nutrition programs – including the National School Lunch Program (NSLP), School Breakfast Program (SBP), Child and Adult Care Food Program (CACFP), the Summer Food Service Program (SFSP) – and of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). Families across the nation rely on these programs to ensure access to the food that children, infants, pregnant women and new mothers need to promote their health and well-being. On an average school day in Fiscal Year (FY) 2018, 29.8 million children received a school lunch, and 14.7 received a school breakfast. Over 4.5 million received meals and snacks in child care settings through the CACFP. Last summer, 145.8 million meals were served to approximately 2.7 million children through the SFSP. These programs ensure that children have access to nutritious food when they are away from home to support their development and learning.

Similarly, we know that WIC ensures that pregnant and post-partum women, infants, and young children at nutritional risk have the food, counseling, and health services that give them a healthy start to an independent and successful future. WIC served a monthly average of 6.9 million women, infants and children in FY 2018.

These programs were last reauthorized over eight years ago. Reflecting the scope and significance of these programs to families and local communities across America, Congress has a long history of constructive bipartisan action to support and strengthen them. I am pleased to have the opportunity today to join you in that spirit to contribute to a reauthorization process that builds on the programs' history of success, while also advancing the Administration's nutrition assistance priorities – to improve customer service for our partners and participants, to protect and enhance integrity, and to strengthen the bonds between FNS programs and self-sufficiency.

It has been my privilege over the last two years to lead our efforts to move these priorities forward. In my view, all three are fundamental to the ongoing effectiveness of all nutrition

assistance programs. Good customer service is essential to efficient operations that achieve the programs' missions. Strong integrity safeguards for taxpayer investments in nutrition are fundamental to earning and keeping the public confidence that make these programs possible. And all programs ought to support a self-sufficient future for those who participate, because long-term reliance on government assistance has never been a part of the American dream. I'd like to share some of our activities related to the Child Nutrition and WIC programs, particularly in the areas of customer service and integrity.

## **Customer Service**

Agriculture Secretary Sonny Perdue has placed a robust focus on customer service across the Department. Given the number and diversity of those customers for FNS programs – those who participate, and those operate them – we are at the center of that effort. Great customer service starts with listening to customers of our programs, to understand their needs, their challenges, and the choices available to address them within the existing program authorities.

We held roundtables with program operators to understand their view of the programs. We heard first and foremost that school nutrition professionals needed targeted adjustments to existing meal standards to ensure that school meals were both nutritious and appealing to the students being served. That's why one of Secretary Perdue's first actions was to extend school meal flexibilities related to flavored milk, whole grains, and sodium. Making these flexibilities permanent provided the certainty that schools and food manufacturers needed as they continued to implement these standards. We also heard that the education and training standards for nutrition professionals USDA implemented as a result of the last child nutrition reauthorization put strain on smaller school districts. So we revised the rules, in accordance with the law, to allow small and rural school districts more flexibility in the hiring of new school nutrition program directors. We sought comments on the crediting system for child nutrition programs in an effort to make crediting more simple, fair, and transparent. The input told us that we needed to add food items which were not previously counted toward the meal pattern requirements.

I am proud of these successes, but we are still listening, and there is more to be done. We will continue to meet and to work with State agencies, school nutrition professionals, industry, and other stakeholders on a forward-thinking strategy that ensures school nutrition standards are both healthful and practical, while avoiding unnecessary burden and red tape. We do this because local nutrition operators know their student customers and their communities' best, and must be empowered to meet program standards with reasonable flexibility and common sense.

I have also held roundtables with the WIC community, including operators, business partners and participants, to better understand the challenges of operating this complex program. In these discussions, we've explored concerns about the food package and questions about flexibilities, improving the WIC shopping experience – with implementation of electronic benefit transfer a critical improvement strategy – and questions about access, and the potential role of technology to simplify the client application and participation experience. Beyond these discussions, I have visited WIC clinics to see firsthand the benefit this program provides to infants and children, and of course their mothers. Finding multiple opportunities to hear and heed the customer's voice is just good business, in both the public and private sectors.

## **Program Integrity**

Just as important as good customer service is ensuring strong program integrity, and we have taken many steps in this area. We heard that school meal program operators needed better tools to improve integrity and efficiency in easy-to-use ways. We have responded with new resources, such as:

- A web-based school meal application based on USDA's open-source integrity-focused application prototype. We provided information on how states, school districts, and even software designers can reduce household reporting mistakes and certification errors by adopting the use of our online application. The application guides users through the most error-prone parts of the application process to minimize errors. This is very similar to what you may see when using commercial tax software.
- Additional information and flexibilities in the Administrative Review cycle to ensure that these programs are operated correctly while reducing the burden on operators. We have switched to a risk-based approach but also offer flexibilities if state agencies are having difficulty with staffing and resources.

We recognize that more can be done. That is why we proposed in the Fiscal Year 2020 budget to strengthen the income eligibility verification process to focus more on applications, which targets applications at high risk for error.

Integrity is also an area of focus in WIC vendor management. FNS verifies State agency compliance with WIC requirements through management evaluations, which includes on-site reviews of State and local agency operations and documentation. In recent years, we have put in place a number of important changes, including a team dedicated to creating oversight tools for States, a program highly focused on management evaluations across the nation to assess WIC vendor operations and provide technical assistance before integrity problems emerge, and a newly revised WIC Vendor Management and Food Delivery Handbook. We continue to work closely with WIC State agencies in the area of vendor management and integrity to identify best practices and encourage innovation; provide guidance and technical assistance; address allegations of fraud, waste, and abuse; and improve data collection and reporting methods.

Finally in this area, in the last reauthorization Congress set the expectation that all WIC State agencies implement electronic benefit transfer (EBT) by October 1, 2020, or seek an exemption. The move to EBT supports increased program integrity and efficiency, while enhancing the customer experience and service. EBT:

- Benefits both participants and vendors by providing a more efficient checkout process, with fewer errors;
- Decreases vendor reimbursement time for WIC purchases;
- Provides State agencies with more accurate and timely data they can use to better monitor food costs and identify suspicious transactions; and
- Reduces stigma at checkout, and allows participants to purchase foods as needed, rather than being limited to a bulk purchase each month as is the case with paper food instruments.

As of April 2019, 47 WIC State, Territory and Tribal agencies have successfully implemented EBT statewide and the remaining 43 are in the planning or implementation stage. Thank you for supporting our efforts in this area.

We also work very closely with oversight organizations, such as the Government Accountability Office (GAO) and USDA's Office of the Inspector General (OIG) to identify and address integrity challenges. As you all are aware, OIG recently provided recommendations to FNS on ways in which we can strengthen integrity within the Summer Food Service Program. We appreciate our partnership with OIG and are actively working with them to improve SFSP, recognizing its vital importance to children, especially those in rural areas of the country. Our efforts include making changes to oversight and management protocols so that we can better evaluate State agencies during reviews. We will continue our push to improve accountability, transparency, and program operations.

In closing, I want to thank the Committee for your engagement with USDA to support reauthorization of these important programs. I know the painstaking effort required to develop legislation of this size and complexity, and we at the Department stand ready to provide any support and technical assistance that you need in completing your deliberations. I am happy to answer any questions you may have.