IMMEDIATE POLICY OPPORTUNITIES FOR AN EQUITABLE AND SUSTAINABLE FOOD SYSTEM

Summary
The Center for Social Inclusion (CSI) applauds the Obama Administration's first-term efforts to improve our nation's health with better food choices, particularly for our children. Programs like the Department of Defense's School Food Procurement Policies, the Healthy Fresh Food Financing Initiative, expansion of the USDA's Farmers Market Program and the creation of the Let's Move! Initiative are useful steps to create more access to healthy foods and more opportunities to combat food-related diseases, such as childhood obesity. Nonetheless, we can and must do more to improve access and build a healthier food system, including raising wages for food industry workers and helping family farmers who grow the fruits and vegetables we all need.

Over twenty-three million Americans live in food deserts and cannot access healthy foods. Many, particularly in communities of color, do not live near stores that sell healthy food and have to rely on cheap, fast foods. For too many working families, paychecks do not stretch to the end of each month, and they cannot afford enough food, let alone more expensive healthier food. And the Supplemental Nutrition Assistance Program (SNAP) that helps make ends meet is on the federal budget chopping block.

We pay big corporations to grow and export corn and soy, but we do not pay our family farmers to grow fruits and vegetables or help them access markets in nearby urban communities. Indeed, Congress let the few federal funds available to support disadvantaged farmers expire when it passed a nine-month extension of the 2008 Farm Bill as part of the last-minute bargain to avoid the “fiscal cliff” at the end of last year.

Going forward, the Administration should press for a Farm Bill and related legislation that supports small farmers, expands access to healthy foods and increases the minimum wage for food system workers. Specifically, the Administration should:

1. Request $20 million in funding for Section 2501: Funding for Socially Disadvantaged Farmers and Ranchers to help small family farmers and farmers of color stay on their land and produce healthy food;

2. Restore funding to nutrition programs dedicated to increasing access to healthy foods in marginalized communities, both urban and rural;

3. Back the Local Farms, Food and Jobs Act to increase access to healthy food and build a local and regional food economy;

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4. Fully fund the Supplemental Nutrition Assistance Program (SNAP) to ensure that no family has to make a choice between paying the rent or mortgage and buying food for dinner.

5. Support the Miller-Harkin Bill to raise the minimum wage to $10.10 per hour for un-tipped and $7.07 for tipped workers.

**Why We Need To Reform Our Food System**

The food system includes those who produce, process, package, distribute and serve our food and all of us who eat it. A healthy food system is one that ensures that our farmers produce healthy food in a sustainable way; that those who work in the food system earn enough to buy healthy food; that we all can buy healthy food locally; and that our institutions, like schools and hospitals, serve healthy and locally grown foods.

That is not the system we have today, but it is within reach, and community groups around the country are working hard to make this vision a reality. We have the solutions. What we need now are the policies that support these innovations, not thwart them. Here are just some of the symptoms of a broken system:

- We pay mega-corporations specializing in crops such as soy and corn over $5 billion a year in guaranteed subsidies. In contrast, there are no crop subsidies or other meaningful support for small farmers who specialize in essential fruits, vegetables and meats. Congress renewed subsidies for wealthy corporations in its extension of the Farm Bill last December but eliminated the paltry funding small farmers were eligible for. This hurts farmers of color most. More than one in two farmers of color grow vegetables and fruits or raise cattle compared to one in three White farmers.

- Land speculation, a tightening credit market and a lack of subsidies for many of the crops smaller farmers grow have accelerated land loss. Farmers lost over 23 million acres of land between 1982 and 2007, about 2.3% of all agricultural land. Many of these farmers were white. **But, over the same period, Black farmers lost the most – 800,000 acres or about 25% of Black-owned farmland.**

- With food prices expected to increase by 3% to 4% this year – higher than the expected 2% increase in wages – the percentage of income we spend on food will grow. **This is particularly hard on people of color who earn, on average, $20,000 less than Whites.** It will be harder still if Congress follows through with proposals to cut SNAP funding by as much as $36 million as Senate budget leaders are now calling for.

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There is a gap between rural farmers and urban communities, which hurts both producers and consumers, particularly people of color. **Black communities are four times more likely than White communities to lack access to healthy foods.** One reason is the absence of distribution infrastructure such as trucks, warehousing, processing or retail facilities that can make local fruits and vegetables available and affordable.

Food system workers, from pickers and sorters of agricultural products to dishwashers in restaurants, generally earn the minimum wage, equivalent to $15,000 per year. Tipped workers, like waiters and waitresses, earn an even lower minimum wage of $2.13 per hour. While many workers in the food industry are White, **people of color are more likely to occupy low-wage jobs such as food processors, dishwashers and warehouse workers.**

We cannot solve our nation's food system's challenges without solving the challenges faced by small and mid-sized farmers, food system workers and consumers. The Farm Bill is one critical driver to address these problems. It has the potential to support America’s farmers and to ensure that no child goes to bed hungry. It can help make us all healthier, including communities of color that too often are the most vulnerable.

**Policy Solutions That Will Create a Healthier Food System**

When Congress passed a nine-month extension of the Farm Bill last December, it did not address the failures of our current food systems, but it is not too late. The Farm Bill extension expires on September 30, 2013, and Congress has the opportunity to pass an innovative bill instead of extending the current and misguided policies now in place. The next Farm Bill should not renew billions of dollars in subsidies for row crops like corn and soy. There is bipartisan agreement to eliminate such support. The extension eliminated funds for critical programs that support small and medium-sized farmers, and Congress must rectify that mistake.

To support farmers, consumers and workers in the food system, the Administration should propose and Congress should adopt the following policies:

1. **Support Small Farmers**

   **A. Renew funding at $25 million per year for Section 2501: Outreach for Socially Disadvantaged Farmers.** Section 2501 of the Farm Bill supports low-income and farmers of color who have faced a history of discrimination by USDA officials. It provides financing for technical assistance to help these farmers with management, marketing and access to USDA programs.

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5 Pigford v Glickman, Case No. 97-1978 ( D.D.C. )
B. **Fund the Transition Incentives Program (TIP)** at $50 million per year to help beginning farmers and farmers of color get access to land. This USDA conservation program provides incentives for farmers who are retiring to keep their land in production by selling or leasing it to beginning farmers or farmers of color.

2. **Increase Affordability and Access to Healthy Foods**

   A. **Provide full funding for SNAP.** The 2012 Farm Bill debate featured calls for cuts to SNAP that would have left two to three million people without this essential support, including 280,000 children who would lose school meals. 
   
   Fifteen percent of all Americans rely on SNAP, including one in four Black residents and one in six Latinos, compared to one in twelve Whites.

   B. **Enact and fully fund, as part of the 2013 Farm Bill, the Double Up Food Bucks program to improve the purchasing power of SNAP dollars for healthy foods.** This program makes farmers markets and Consumer Supported Agriculture (CSA) projects more accessible for low-income consumers by doubling SNAP benefits used to purchase fresh fruits and vegetables.

   C. **Support the use of SNAP benefits at local farmers markets and CSAs through the expansion of mobile technology.** Opening up more opportunities to use SNAP expands the market for producers and makes fresh food more affordable for low-income consumers, who are disproportionately people of color. (This is a provision of the *Local Farms, Food and Jobs Act.*)

3. **Support Regional Food Hubs**

   A. **Restore funding to programs to improve the production and distribution of fruits and vegetables.** The *Specialty Crop Grants Program* provides grants to states to support local production of fruits and vegetables, crops that are not eligible for subsidies. Congress should also restore the *Grant Program to Improve the Movement of Specialty Crops,* which funds infrastructure needed to transport fruits and vegetables to local and regional marketplaces. These programs, which are important for all small farmers, including farmers of color, were left out of the Farm Bill extension.

   B. **Increase funding for Community Food Project (CFP) Grants.** These grants support the development of long-term solutions to food insecurity in low-income communities. Many of these are communities of color living in “food swamps” where there is an abundance of cheap

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processed foods, a lack of healthy foods and high rates of hunger and obesity. The grants, which go to non-profits, promote community self-reliance, comprehensive responses to local needs and innovation. (The Local Farms, Food and Jobs Act calls for more funding for CFP and multi-year funding of up to five years, allowing the time needed to develop successful programs at the local level.)

C. Include Hunger Free Communities Grants, The Community Food and Healthy Urban Food Enterprise Grants and the Healthy Fresh Food Financing Initiative in the 2013 Farm Bill. These programs provide upfront capital to support local innovation and efforts to improve community access to fresh and affordable foods. These grants have successfully helped low-income communities and communities of color build the infrastructure, such as food banks, distribution channels (like trucks and warehouses), and urban food production that are needed to provide healthy foods to their communities.

4. Establish a Living Wage for American Workers

Senator Tom Harkin (D-Iowa) and Representative George Miller (D-CA) have proposed legislation that would increase the minimum wage to $10.10 an hour, up from $7.25. Further, it would increase non-tipped wages from $2.13 to $7.07, and index the minimum wage to correspond with inflation.

Ten states across the nation, including Washington, Massachusetts and Ohio have already passed similar minimum wage increases. Research suggests that states that increase their minimum wage see an increase in employment and business productivity. For example, small businesses in states with minimum wages higher than the federal wage saw faster job growth between 1998 and 2006. The service and retail sector also saw increased job creation over the same period in higher wage states than lower wage states. 

Increasing the minimum wage would allow people working in the food industry to purchase healthy food to feed their families. For example, The Restaurant Opportunities Centers United (ROC-United) found “in 1991 the cost of a loaf of bread was $.70 cents and the minimum wage for tipped employees was $2.13. Today, bread costs $2.89, and the minimum wage for tipped employees is still $2.13.”

Increasing the minimum wage also translates into a huge economic benefit for the nation. The food industry employs one out of every ten American workers, and 40% of the food industry’s workers are people of color, the fastest growing demographic. By enacting the Fair Minimum Wage Act of 2013, the

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economy will see an increase of over $25 billion in new economic activity in the first three years, including 100,000 new job opportunities.\textsuperscript{10}

**Conclusion**

We can have a healthy, sustainable food system in which we all can feed our families healthy foods, food workers are living wage earners, and rural and urban communities have viable economies. We can take a significant step toward this system by adopting federal policies to support family farmers and new farmers, support regional food hubs, and ensure that all Americans can find healthy foods in their communities and can afford to buy it. To do so, we call on President Obama and Congress to pass a fair Farm Bill including the provisions of the Local Farms, Food and Jobs Act, this year and to pass the Miller-Harkin Bill to increase the minimum wage.