

Food Recovery Act - H.R. 4818

-- Road Map --

Title 1: Farms

Sec. 101. Use of Rural Energy for America program to reduce food & crop waste

- Expand funding for on-farm anaerobic digestion. Adjust USDA's Rural Energy for America Program (REAP) to better support on-farm digesters that use wasted food to produce power. Increase mandatory funding from \$50 million/year to \$70 million/year, with the additional \$20 million/year set-aside for digesters converting wasted food to energy.

Sec. 102. Farm storage facility loan program

- The Farm Service Agency's Farm Storage Facility Loan Program (FSLP) gives farmers greater options for storing post-harvest product, & provides flexibility for hunger-serving organizations with limited resources for storing & transporting food. Adapt guidelines for FSLP to create a 5% set-aside in funds for farmers working with hunger-serving organizations. Change eligibility requirements to make refrigerated vehicles eligible for loans.

Sec. 103. Composting as conservation practice

- Require USDA's Natural Resources Conservation Service (NRCS) to establish composting as a recognized conservation practice. This will make composting projects eligible for support under the Environmental Quality Incentives Program, Conservation Innovation Grants program, & Conservation Stewardship Program.

Sec. 104. Study & report on methods to decrease the incidence of food waste

- Require USDA's Economic Research Service to establish a standard for how to estimate the amount of wasted food at the farm level, in order to facilitate further research on farm level food waste.
- Direct USDA's Agricultural Research Service to continue research on new technologies to increase shelf life of fresh food & to issue a report on their progress.

Title 2: Retail & Restaurants

Sec. 201. Extension & expansion of charitable deduction for contributions of food inventory ✓

- Provide an enhanced tax deduction to farmers who donate food to food banks, soup kitchens, or other non-profit organizations serving people who are food insecure (including non-profit retail models), to help offset the cost of harvesting & transporting the food
- Permanently extend & expand enhanced tax deductions for businesses that donate food to hunger-serving non-profits (including non-profit retail models). The enhanced deduction for food contributions applies to businesses (including farms & restaurants) not organized as C corporations, which are already permanently allowed an enhanced deduction under current law. This provision expands the maximum deduction by allowing deductions of food donations up to 15% of the net income of the donating organization, an increase from the 10% currently allowed for C corporations. This provision also allows certain businesses to make alternative assumptions about the cost basis & fair market value of donated food inventory, further incentivizing food donation.

Sec. 202. Good Samaritan Food Donation improvements

- Expand the Good Samaritan Food Donation Act to provide protection for retailers donating food to non-profits that do cost-reduced retail for low-income people.
- Amend the Good Samaritan Food Donation Act to eliminate strict requirement to meet all local health regulations.

Sec. 203. Report on food donation by food retailers

- Direct the USDA's Economic Research Service (ERS) to study & report on the barriers for donating surplus food at the retail level.

Sec. 204. Use of Commodity Credit Corporation funds to cover TEFAP storage & distribution costs.

- The Emergency Food Assistance Program's (TEFAP) supports food banks in their efforts to recover & distribute food to hungry people. Mandatorily fund TEFAP's Storage & Distribution program. Fully fund the program at authorized level of \$100 million/year.

Title 3: Schools & Other Institutions

Sec. 301. Establishment of the Office of Food Recovery

- Establish the USDA Office of Food Recovery, to be led by the Director of Food Recovery (a position that previously existed in President Clinton's administration), to coordinate federal activities related to measuring & reducing food waste, as well as making recommendations on additional efforts the federal government could be taking to combat food waste & promote food recovery.

Sec. 302. Amendments to Federal Food Donation Act to require food donations by executive agencies & Congress

- Amend the Federal Food Donation Act of 2008 to make it mandatory not suggested. Strengthen & fund enforcement of the Federal Food Donation Act to require the donation of excess food by any company that receives a contract for food service on federal properties, including Congressional cafeterias, U.S. military base food services such as mess halls & commissaries, federal prisons, & contractors on National Park Service sites. This will apply to food service contracts valued at more than \$10,000.

Sec. 303. Food & agriculture service learning program

- Expand the mission of the Food & Agriculture Service Learning Program (FASLP) to include the education of students about wasted food & implementation of school-level food recovery initiatives. Provide \$5 million/year in mandatory funding.

Sec. 304. Farm to School grant program to improve access to local foods in schools & reduce food waste

- Add \$1 million in funding for USDA's Farm to School grant program to be competitively awarded to projects that help schools connect with farms to decrease food waste. (Increase from \$5 million/year to \$6 million/year). Fund projects that focus on farm-to-school procurement of "ugly produce" or school-to-farm transfer of compostable materials (i.e., food scraps & compostable lunch trays & utensils).

Sec. 305. Modification of National School Lunch Program procurement requirements to encourage purchase of lower-price, non-standard size or shape produce

- Revise National School Lunch Program (NSLP) procurement rules to encourage purchasing of lower-price "ugly produce" (i.e., non-standard size or shape produce). Light processing (chopping, pureeing, freezing, etc.) makes appearance irrelevant & smaller produce is good for kids.

Title 4: Consumers & Local Infrastructure

Sec. 401. Food date labeling

- A few types of food (i.e., soft cheeses, raw shellfish, & deli meats) may pose a real food safety risk over time. Direct FDA to identify foods that are sold ready-to-eat (i.e. not cooked by the consumer) & have a high-risk of microbial contamination if not consumed promptly.
- Federally regulate date labeling & standardize the language to signal quality vs. date labeling. The only allowable phrasing would be "Best If Used By," unless on FDA's list of high-risk foods. High-risk foods must say "Expires On."
- Require any manufacturer that chooses to use date labeling to add a subsequent disclaimer stating "Manufacturer's Suggestion Only." Must be in the same size, font, & color as the date label. (Infant formula exempted.)

Sec. 402. Support national media campaigns to decrease Food Waste

- Provide \$8 million in one-time mandatory funding to USDA to sponsor & amplify a national awareness raising campaign regarding the impacts of wasted food & strategies to decrease food waste in households.

Sec. 403. Increase in resources for community facilities loans directed at composting & waste-to-energy operations

- Fund loans for composting & waste-to-energy operations. Increase USDA's Community Facilities direct loan program for composting & waste-to-energy operations. 5% level of the current \$2.2 billion will be set-aside to provide direct loans for municipal & county composting & anaerobic digestion food waste-to-energy projects.
- Funded digesters must have a written agreement to partner with hunger-serving organizations to redistribute good quality, wholesome food to prevent AD from undermining anti-hunger efforts. Additionally, any digester project receiving federal support through FRA provisions must have an "end-product recycling plan" to ensure digestate disposal is not an environmental hazard.

Sec. 404. Expansion of rural utilities service water & waste disposal program; loans & grants to adapt rural facilities to incorporate food waste-to-energy operations

- Expand USDA's Rural Utilities Service Water & Waste Disposal Program to provide financing for rural communities to adapt waste disposal facilities to incorporate food waste-to-energy operations. Add \$50 million/year in mandatory funding (currently \$150 million); additional funding focused on food waste-to-energy projects. Split evenly between grants & loans.

Sec. 405. Grants for composting & food waste-to-energy

- Create a \$100 million fund at EPA to award to states with food waste limits or bans to support the construction of large-scale composting & anaerobic digestion food waste-to-energy facilities. To be eligible for funding, states must have laws limiting or banning food from going to landfill (CA, CT, MA, RI, & VT are currently eligible).