

Testimony of Barry Sackin, SNS
before the
Committee on Education and the Workforce
United States House of Representatives
May 13, 2011

Chairman Hunter, Representative Kildee and members of the Committee, thank you for this opportunity to appear before you and share some thoughts regarding the proposed menu planning regulations for school meals. I am Barry Sackin, a consultant in the field of child nutrition and school meals with more than thirty years experience in our industry. While I testify today as an individual, from extensive conversations with a broad range of my colleagues who support and serve school meals, I believe there is consensus about many of the concerns I share with you today. I ask the committee to accept a written copy of this testimony, as well as a more comprehensive review and analysis of the rule proposed by USDA in January on nutrition standards for school meals.

As the Committee well knows, school meal programs have enjoyed strong bipartisan support since their inception more than sixty-five years ago. The many partners who work together on administering and supporting the programs share a common interest in their success.

Unfortunately, there is a perception that if we “fix school meals” we can fix childhood obesity. But the reality is that school meals are already the healthiest meals that many children eat. The fact that too many children start school already overweight certainly suggests that schools aren’t the cause. A study by Ohio State University found that children in kindergarten were more likely to experience unhealthy weight changes when school is out. Schools are a key partner in combating obesity by providing healthy meals, setting an example by offering a healthy environment, and teaching children to make healthy choices. And for this to remain true, the school meal programs must be available and remain viable for schools to offer.

To be very direct, there is great concern that the proposed rule will sacrifice the very good in pursuit of the perfect. While in an ideal world, many of the recommendations contained in the proposed rule are very desirable, the reality is that some of them may

undermine student access and participation, in part by increasing costs at all points along the supply chain to a point where the program is no longer sustainable.

I would like to spend the next few minutes explaining what this means. The analysis submitted to the Committee as part of this testimony goes into more detail and covers more issues, but I've selected just a few examples to discuss.

One of the more challenging provisions in the proposal relates to sodium. Salt is an essential nutrient for humans for a number of reasons. However, a recent report of the Institute of Medicine and the current edition of the Dietary Guidelines for Americans both recommend that we significantly reduce our sodium intake to the same therapeutic levels prescribed for cardiac patients. On the other hand, a study published May 4 of this year in the Journal of the American Medical Association followed more than 3,600 middle-aged Europeans, who did not have high blood pressure at the beginning of the study, for almost eight years. The study found an increase in fatal heart disease among those with low sodium consumption, and a much lower incidence among the highest consumers. In response, the CDC commented that the study provides insufficient data to draw a conclusion about the impact of sodium on cardiac risks. That is exactly the point. There is uncertainty in the science of sodium, and there is no study that I am aware of on the impact of a low sodium diet on children. In the absence of certainty, the proposed regulations seem excessive.

That said, industry is not challenging the Dietary Guidelines direction on sodium, but we also recognize that it will take time to achieve the level of reduction called for in both the Proposed Rule and the DGA 2010. The changes must happen on several levels: how salt is used in preparing food, the amount of salt and salty foods people consume, and the development of alternatives that can replace the many functions that sodium serves including food safety and preservation, leavening, binding, and flavor enhancement.

The proposed regulation would reduce sodium in school breakfasts by 25% over current levels in phases over a ten year period. For school lunch the reduction is 54%. To achieve this, and I quote from the rule, "Findings showed that school menu planners can reduce sodium by approximately 10 percent through menu modification.

Industry can reduce sodium in school food products by approximately 20 to 30 percent using current technology. The remaining reduction requires innovation.” However, the sodium targets have been set without speculating when or how the “innovation” will occur.

Innovation is not without cost. One manufacturer calculates that switching to a low sodium vegetable base in their products costs 30% more than the standard vegetable base. Every time a processor reformulates a product, there is cost in money and time. For one example, companies that produce bread items are evaluating chemical leavening agents to replace salt. However, these items may cost thirty times more than salt, and the final result may be both less acceptable and less healthy than the salt it is replacing.

The proposed rule’s gradual reduction within current technology will require several iterations of new products. For manufacturers, in addition to the considerable cost of development, each new product brings risks. First and most obviously is the risk that customers will find the products unacceptable. Then there is the risk of offering, or not offering both the current version of a product and the reformulated one. There is cost to both the processor and the distributor of its products in carrying, inventorying, and offering more items. And, ultimately, all of these costs must be reflected in the price charged.

Moving on from sodium, one of eight points where the proposed regulation makes a major change that was not included in the IOM recommendations is the crediting of tomato products. Under current guidelines, tomato pastes and purees are credited in a school meal on an “as if full strength” standard. The proposed rule would require crediting on the basis of the volume of the product used. I have attached a graphic that clearly shows what the proposed change means. For example, a tablespoon of tomato paste, which is a condensed form of tomatoes, is equal to three whole tomatoes and is contained within a $\frac{1}{4}$ cup serving of spaghetti sauce; this is currently credited as one-fourth cup of vegetable in a school meal. Under the proposed rule, the requirement would increase to 3 tablespoons of tomato paste, equal to nine tomatoes, and would triple the serving size to $\frac{3}{4}$ cup of spaghetti sauce. This represents an enormous increase in direct cost, from 9 cents per serving to 27cents per serving – an increase of 18 cents per serving. In addition this serving size is far more than what is

considered a reasonable, acceptable portion by children and will potentially end up in the trash. It is also likely that many other popular items that include tomato paste may no longer be either affordable or acceptable. One tomato processor estimates that this proposal will put at risk more than 200 million pounds of tomato paste used in the school meal program.

Similarly, the proposed rule goes beyond the IOM recommendations by limiting so called “starchy vegetables” including potatoes, corn, peas and lima beans. The purported reason for this addition is to increase the variety of vegetables offered in the school meal program. This doesn’t necessarily equate to an increased consumption of these more varied vegetables.

What makes the restriction on starchy vegetables odd, is that, when you look at the nutrient profile of potatoes, they are much more nutrient dense than many of the fruits and vegetables that are being encouraged. And the cost of replacing potato items on school menus is significant. I have provided a chart that shows the relative nutrient value and cost of apples and potatoes, both fresh and oven baked French fries. The most expensive and least nutritious is the apple. That is not to denigrate the apple, but underscores the challenge of the proposed rule.

In addition to the uncertain rationale, both nutritionally and in terms of cost, of limiting starchy vegetables is the impact such a rule will have on agricultural markets. If schools are no longer able to menu these vegetables as often as children would like, what will happen to support for these markets? A similar problem exists in the dairy market, where the menu incidence of cheese is likely to significantly decline due to the sodium requirements.

The proposed rule also makes major changes in the bread/grain requirements for school meals, moving to a requirement that half of all items credited in the meal program be whole grain or whole grain-rich on implementation, and that all items meet this standard after two years. Among other challenges, the definition of whole grain and whole grain-rich has not been clearly provided. FDA and USDA have different guidance on this. So, manufacturers are uncertain as to what changes they need to make in reformulating products to meet the proposed regulation. As previously discussed, there is enormous cost to manufacturers to make these

changes, and uncertainty about what the demand will be. The timeline for formulation of new or modified products varies from six months to two years, and attributable costs match this. All of this uncertainty just adds costs.

Given sufficient time and certainty, the whole grain/whole grain-rich goal is manageable, though not inexpensive. But the proposed rule has unattainable targets and the associated costs related to making them have been severely underestimated if not stated at all. For example, the USDA file price for whole wheat flour is 20% higher than the price of regular flour.

For meat/meat alternate, what is generally the center-of-the-plate item in school meals, the proposed rule requires a wide range of portion sizes, even if the only difference is size. To achieve the range of calorie requirements for three different age groups, and there are a range of permitted proportions within an age group. Manufacturers must respond to the different requests from more than 14,000 school districts in this country, and must either offer items in multiple portion sizes, or not have products that some customers request. Each change in portion size adds cost in development, production, packaging, labeling, marketing, inventory and distribution. These costs inevitably end up in the price charged.

Finally I would like to talk briefly about some indirect impacts as they relate to schools, although the other witnesses present much more data about the impacts. I give great credit to USDA for making a much more honest and realistic set of assumptions and conclusions than the IOM report, for which I was an External Reviewer. However, those estimates suggest a great threat to the programs.

Specifically, USDA projects that the cost of producing a school breakfast will increase by 50 cents, with no additional resources to defray these costs. Lunch is less at 14 cents with an incentive increase of 6 cents for schools that meet the new targets. For some school districts, an increase of 50 cents for breakfast will result in terminating their breakfast programs, a travesty after twenty years of increasing participation, as it may leave millions of low income children without access to this beneficial program.

It is important to note that USDA's cost projections were completed using data that is almost 10 years old and does not take into account current economic conditions, rising fuel prices, and increased food costs. This means the true "added costs" may be

far more severe than IOM or USDA ever anticipated. That notwithstanding, based on USDA calculations, costs for the programs will increase by \$6.8 billion over the first five years, and approximately \$1 billion per year after that. For ten years, this comes to almost \$12 billion.

There is also concern that participation in the lunch program will decline when meals offered to children no longer meet their preferences and tastes, or are no longer affordable because of price increases made to offset the increased costs. This may mean that rather than participating in a program that provides a nutritious meal, they turn to any of a variety of alternatives that are far less healthy.

But the other impact of these changes is a decline in the sale of food items by American agriculture and businesses to the school meal program. This decline affects the production economies that make it affordable to serve this market.

I would like to take just a moment to comment on one other change that came out of the Healthy, Hunger-free Kids Act. Section 205 of the act would mandate that school districts raise the price paid by non-needy students to a level comparable to the Federal reimbursement rate for free meals. There is much to be said about this provision, but I would simply suggest that local school boards are in a much better position to determine what families in their community can afford than a one size fits all approach.

In summary, school meals are healthier now than ever, and serving millions of America's children. They are better than many of the alternative options available to children. No one disagrees with the goals of further improvements to the programs, as schools and manufacturers continually demonstrate. Our concern is that the proposed regulation may result in having the opposite effect to that which it desires, driving up costs, and driving children and businesses out of the program, to the detriment of all.

1/2 cup serving	Apple	Fresh Potato	French Fries
calories	32.5	64	115
carbohydrates (g)	8.7	14.6	19.0
sugars (g)	6.5	0.8	0.2
Fat (g)	0.1	0.1	3.5
saturated fat (g)	-	-	0.7
Omega-3 (g)	5.6	9.0	12.4
Omega 6 (g)	26.9	29.7	195.0
protein (g)	0.2	1.8	1.7
sodium (mg)	0.7	6.9	270.0
Vitamin A (IU)	33.4	6.9	2.8
Vitamin C (mg)	2.9	6.6	8.1
Vitamin E (mg)	0.1	-	0.1
Vitamin K (mcg)	1.4	0.1	1.6
Thiamin (mg)	0.0	0.1	0.1
Riboflavin (mg)	0.0	0.1	0.0
Niacin (mg)	0.1	1.0	1.5
Vitamin B6 (mg)	0.1	0.2	0.1
Folate (mcg)	1.9	19.3	15.2
Vitamin B12	-	-	-
Calcium (mg)	3.8	10.4	9.0
Iron (mg)	0.1	0.8	0.5
Magnesium (mg)	3.2	19.3	19.3
Phosphorus (mg)	6.9	43.3	66.9
Potassium (mg)	67.0	369.0	325.0
cost	\$ 0.18	\$ 0.09	\$ 0.08

Reimbursable Breakfast Now:



- Milk
- Fruit, ½ cup
- 1 Bread & 1 Protein
OR 2 Breads daily

Proposed Reimbursable Breakfast:

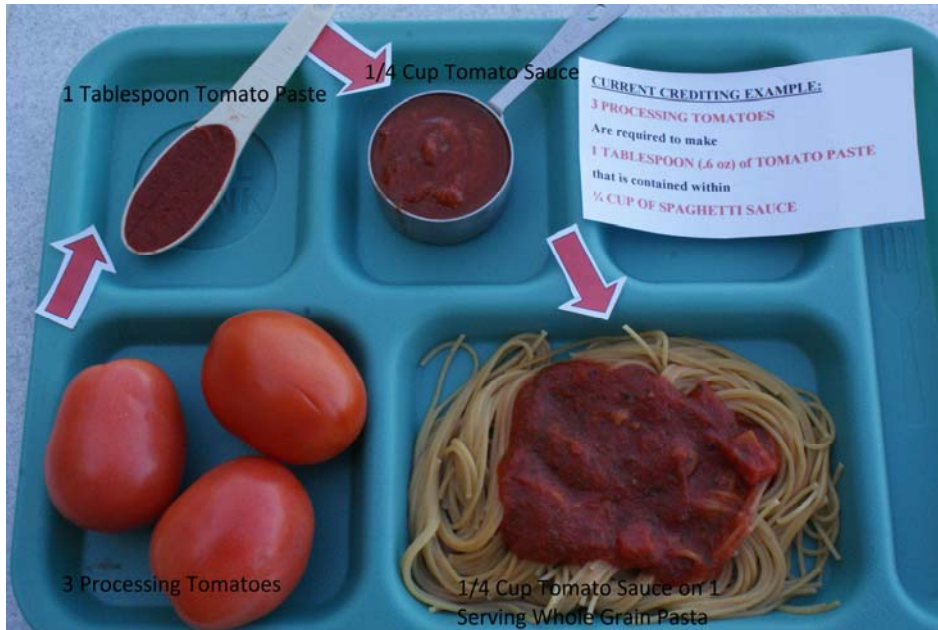


- Milk
- Fruit, 1 cup
- 1 Protein
- 1.4 to 2 Breads daily

CURRENT 1/4 CUP CREDITING EXAMPLE

3 PROCESSING TOMATOES = TBS TOMATO PASTE = 1/4 CUP OF SPAGHETTI SAUCE =

Cost: \$.09



PROPOSED 1/4 CUP CREDITING EXAMPLE

9 PROCESSING TOMATOES = 3 TBS TOMATO PASTE = 3/4 CUP OF SPAGHETTI SAUCE

Cost: .27/serving

