

Recently, President Obama presented his \$3.77 trillion FY 2014 budget request to Congress, outlining his spending priorities for the coming year. Among the most prominent features of this year's budget are the President's deficit-reduction proposals, repeated from "Grand Bargain" negotiations of late 2012, which seek to trim an additional \$1.8 trillion from the budget through \$580 billion in new taxes on the wealthy along with \$230 billion in savings from reductions in cost-of-living-adjustments for federal entitlement programs. The President's budget also eliminates sequester-related cuts.

For the United States Department of Agriculture (USDA) the President proposed \$121 billion dollars in mandatory funding and \$25 billion dollars in discretionary funding for a total budget authority of \$146 billion dollars for the USDA. In President Obama's FY 2014 budget request, USDA's discretionary funds dropped slightly from the prior year, as well as mandatory funding is also down, nearly \$8 billion from the prior year.

Once again this year, the President's proposal increases funding in certain critical areas, such as nutrition assistance, while other programs are cut back. The office of Food and Nutrition Services (FNS) within the USDA is responsible for administering nutrition assistance programs. The President proposed just over \$109 billion in total budget authority for the Food and Nutrition Services department. Although this full budget authority does not go entirely to children, a significant portion of this money goes to child nutrition programs.

Through the FY 2014 budget request, the President continues to emphasize the importance of improving access to nutritious foods for the children who need it the most. The President's FY 2014 budget for child nutrition programs provides funds for anticipated changes in participation and food cost inflation for the major nutrition programs. In the coming years, rising employment and household income are projected to reduce need for nutrition assistance through the Supplemental Nutrition Assistance Program (SNAP) and lead to fewer program participants.

SIGNIFICANT NUTRITION INVESTMENTS

The President's budget continues to support the implementation of the **Healthy, Hunger-Free Kids Act of 2010**, which will strengthen child nutrition programs such as the school breakfast and lunch programs. The Child Nutrition Programs provide reimbursement to State agencies for cash and commodity meal subsidies through the National School Lunch Program, School Breakfast Program, Special Milk Program, Summer Food Service Program, and Child and Adult Care Food Program. This funding increases children's access to healthy meals and snacks in schools and at day care settings. The President's FY 2014 Budget will support over 5.6 billion lunches and snacks that are expected to be served to more than 32 million children in the National School Lunch Program, nearly 2.4 billion breakfasts served to 14 million children in the School Breakfast Program, over 2 billion meals and snacks served in day care facilities, and 144 million meals through summer programs.

Below are the proposed funding levels for the various programs:

- The budget provides the **School Breakfast Program** just over \$3.8 billion which is an increase of over \$200 million over FY 2013 funding levels.
- The President's budget proposes \$11.4 billion for the **National School Lunch Program**, which is around a \$250 million increase over FY 2013.

- The **Summer Food Service Program** is proposed to be funded at \$468 million. This is about a \$30 million dollar increase over FY 2013 levels. The Summer Food Service program provides nutrition assistance to low income children when school is not in session during the summer months.
- The **Fresh Fruit and Vegetable Program** is proposed by the President's FY 2014 budget to be fully funded. This program gives low-income elementary schools, funding to provide fresh fruits and vegetables at no charge to children during the school day.
- The **Child and Adult Care Food Program (CACFP)** is proposed to be funded just over \$3 billion, which is over \$100 million more than the FY2013 enacted levels. CACFP improves the quality of day care, making it more affordable for low-income families by providing reimbursement for nutritious meals and snacks.
- The budget provides \$7.141 billion for the **Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC)**. This funding level is an increase compared to the final FY2013 funding level of \$7.046 billion after sequester and rescissions. This funding level is expected to maintain projected caseload of 8.9 million participants.
- Again this year, the President's budget proposes \$35 million for **School Meals Equipment Grants** which are competitive grants that will help schools fund the implementation of the new school meal standards and expansion of the school breakfast program. This is a \$25 million dollar increase from the FY 2013 enacted level.

SNAP

Since it is an entitlement program, the Supplemental Nutrition Assistance Program (SNAP) receives funding to serve all eligible participants.

- The President's budget proposes about \$36 billion for **SNAP** benefits that go to children, which is a decrease from FY 2013. The budget anticipates rising employment and household income, which is projected to reduce the need for nutrition assistance through SNAP and lead to fewer eligible program participants.
- Once again this year, the President's budget restores the **SNAP American Recovery Reinvestment Act** benefit cut that was used to partially pay for the 2010 Child Nutrition Reauthorization, extending the elevated benefit levels from ending on the current date of November 2013 back to April 2014.

Overall, for child nutrition, the President's budget is strong in protecting the programs that children rely on despite the challenging budget climate. It is important to remember that the President's budget represents only the Administration's wish list of priorities, providing a blueprint for Congress to consider as it begins the process of allocating federal dollars for spending. Ultimately, Congress holds the reins on setting funding levels.

With the President's budget coming out after the House and Senate budget proposals it is clear that there is wide variation among the various FY 2014 budget requests, with some of the starkest differences evident in the Supplemental Nutrition Assistance Program proposals. For example, the House budget resolution proposes cutting \$135 billion over ten years. This would result in a cut of more than \$63 billion cut to kids while the Administration continues in earnest to fully fund SNAP and keep the structure and integrity of the program intact. Clearly, SNAP funding and mandatory spending reform will continue to be prominent issues in the coming budget debates on Capitol Hill, but we are hopeful that funding for important child nutrition policies will be protected.

As the budget season moves forward, First Focus will continue to urge Congress to maintain support for child nutrition programs which serve as lifelines for our nation's children. We realize that Congress has a difficult job ahead with respect to deficit reduction, but balancing the budget should not fall on the backs of children. Investments in children are essential not only to protect their health and well-being but also to secure our nation's future economic success.