



Good Shepherd Food Bank testimony in support of LD 1299, An Act To Automatically Trigger Emergency Funding for Food Banks When a State of Emergency is Declared

April 22, 2021

Good morning Senator Dill, Representative O'Neil, and members of the Committee on Agriculture, Conservation and Forestry,

My name is Kristen Miale, and I am the President of Good Shepherd Food Bank. The Food Bank played a critical role in responding to the COVID-19 pandemic throughout the state of Maine, ensuring continued access to nutritious food despite challenges with availability and access to food compounded by a statewide heightened need.

This bill would automatically trigger emergency funding for food banks when a state of emergency is declared. We ask for your support of this bill.

The Food Bank spent \$8.5 million more in the pandemic year than in the prior year, with \$7.5 million of this cost growth directly attributable to the pandemic.

Summarized Expenses:

- \$2.5 million in additional purchased food to keep up with the growing need
- \$3.5 million in additional grants to partners whose capacity was strained by the pandemic
- \$840k in grocery gift cards distributed in place of food during times when there was none last spring
- \$350k in hazard pay and overtime for staff reporting to one of our distribution centers during the early months of the pandemic
- \$250k in temporary help in distribution to allow us to operate at full capacity despite the need for quarantines and sick leave

On March 16, 2020, after Maine identified the first COVID-19 cases, Good Shepherd Food Bank advised employees who met any CDC criteria for transmission risk to stay home. Based on the CDC's guidance, several employees were unable to report to work. This left gaps in the Food Bank's ability to receive, store, pick orders, and distribute products at a time of increased demand. Good Shepherd Food Bank engaged temporary distribution associates for various periods, at the cost of over \$250,000 between March 16, 2020 and February 28, 2021. We continue to spend between \$7,000 and \$8,000 every week on temporary associates at the Food Bank's distribution centers.

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In late April 2020, due to international supply chain issues that impacted grocers' donations and our ability to procure purchased products, Good Shepherd Food Bank could not supply our network of over 500 statewide partners with sufficient amounts of food. For two weeks, gift cards to Hannaford Supermarkets replaced most partners' food orders. As orders from Good Shepherd Food Bank's suppliers started arriving in May 2020, demand still exceeded supply intermittently through late June. It wasn't until August that sufficient food volume was on hand to consistently fulfill partners' orders. Good Shepherd Food Bank purchased \$1,000,000 in total gift card value and has distributed \$840,000 to date.

Good Shepherd Food Bank invested \$1.5 million in 417 partners statewide through our Capacity Building Grant program. Getting the right food to the right people at the right time is one of the most significant hurdles to achieving the Food Bank's mission. Investments in capacity enable our partner network to meet their community's needs and to transform food access to a model that prioritizes people's health. These investments also ensure they can provide affirming and supportive experiences, connect people to their community and other resources and support personal growth for long-term food security.

In response to the COVID-19 pandemic, our partner network provides food, as they do, and yet during these trying times, they're giving their communities so much more than food. Over 90-percent of pantries statewide continued to serve their communities during the pandemic, amending their operations to protect public health. Through their amazing dedication and hard work, 15.3 million meals have been distributed to Mainers struggling with hunger during the pandemic. That's a 34-percent increase over the same time in the year before the pandemic.

The Food Bank issued \$1 million to 276 food pantries, meal sites, and shelter programs through the Capacity Building Grant program. Grants of \$123,370 were given to 31 health care partners, and \$280,000 went to 110 school programs and afterschool partners. Grant awards were determined based on the number of families/individuals served and their program types. Awards ranged from \$500 to \$20,230, with an average grant amount of \$3,570.

The number of statewide partners to whom grants were awarded are as follows: 47 in Androscoggin County, 32 in Aroostook County, 48 in Cumberland County, 10 in Franklin County, 14 in Hancock County, 40 in Kennebec County, 13 in Knox County, 13 in Lincoln County, 29 in Oxford County, 29 in Penobscot County, 8 in Piscataquis County, 6 in Sagadahoc County, 25 in Somerset County, 19 in Waldo County, 24 in Washington County, and 30 in York County.

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Good Shepherd Food Bank purchased food without cost recovery by reducing the purchase price for our hunger-relief partners. The Food Bank handles and distributes four types of product:

1. Produce, whether donated or purchased, which is always available to our partners at no cost.
2. TEFAP and CSFP products, also available to our partners at no cost.
3. Donated product, other than produce, is available to our partners with a maximum shared maintenance fee of \$0.16 per pound, which helps us underwrite a small amount of the costs incurred to inspect, sort, store, warehouse, and transport that product.
4. Purchased product is product that the Food Bank buys because the need is greater than donations, and if we don't have it, our partners end up at retailers paying fulling prices for it. The average pound of wholesale product costs the Food Bank between 0.80 and \$1.00 and is made available to our partners at the same price that we pay. We reduced all purchased products to 0.16 per pound, regardless of what the Food Bank paid for it, from January 11, 2020, through March 7, 2020. From March 8, 2020, through at least the end of this current fiscal year, we have committed to reducing all purchased product to 50% of our wholesale costs for our partners.

As you can see, the cost of Good Shepherd Food Bank's response to the pandemic was significant. Our role in the state's emergency response is critical. We urge you to support this bill. Thank you for your consideration of my testimony. I am happy to take questions.

Sincerely,

Kristen Miale
President
Good Shepherd Food Bank