Dear Chairwoman Stabenow, Ranking Member Boozman, Chairman Thompson, and Ranking Member Scott,

We, the undersigned economists, are experts on issues related to the Thrifty Food Plan (TFP) and Supplemental Nutrition Assistance Program (SNAP).

The TFP, which serves as the basis for SNAP benefits, had not been revised since 2006. Its cost had not been increased in inflation-adjusted terms since it was introduced in 1975, despite substantial changes in <u>products available</u> and norms around <u>food preparation</u> and <u>consumption</u>. The <u>2021 TFP</u> revision used a science-driven process to update the TFP to better align with a realistic, healthy market basket.

The USDA's 2021 TFP revision was conducted on an accelerated timeframe that allowed the results to inform the 2021 SNAP cost of living adjustments. In practice, this meant that SNAP recipients did not experience an abrupt drop in benefits when the 15 percent pandemic increase was sunset in September 2021 while they waited for the revision to the TFP, and any implied adjustment to benefit levels, to be completed. Sudden drops in SNAP harm families and increase food hardship.

Despite the accelerated timeframe, the process adhered to high quality standards and represented a substantial improvement in transparency compared to previous TFP revisions. The process was driven by nutritionists, researchers, and policy experts from within USDA. They gathered information from a range of external sources: conducting expert roundtables (attended by many of the undersigned), reviewing academic literature, holding listening sessions with outside stakeholders, and requesting written comments. Further peer review was conducted by USDA colleagues in the Economic Research Service and Agricultural Research Service departments, which was appropriate because of the highly specialized nature of the expertise required. The USDA has excellent economists in these departments with deep knowledge of food prices, consumption, and nutrition.

The TFP market basket is the result of a complex model that seeks to meet goals that at times conflict with one another. In particular, the TFP must simultaneously align with dietary guidance, reflect what Americans buy and eat, and also be low cost. Whenever the TFP is reevaluated, decisions must be made to optimize across all of the goals and create a feasible market basket.

For example, some early versions of the 2021 TFP optimization process generated a market basket with only eggs drawn from the "meat, poultry, and eggs" subgroup. The reevaluation team made decisions to limit the amount of particular foods, so that the TFP would not only include eggs but also meat and poultry. A recent GAO report criticized USDA for not providing sufficient analysis to justify such decisions. This is surely a criticism that can be adequately addressed in the next revision of the TFP. As science is a dynamic and evolving enterprise, we look forward to discussions and continuing improvements to come

in future TFP evaluations. We applaud your decision in the previous Farm Bill to require USDA to reevaluate the TFP by 2022 and every five years thereafter.

We note that many of the technical decisions about inputs to the 2021 TFP optimization process were conservative, and as such likely limited the cost adjustment. For example, USDA chose a food waste assumption that is at the low end of the <u>research literature</u>. Assuming less food waste reduces the ultimate cost of the TFP.

In summary, despite its accelerated timeframe, the 2021 TFP revision was science-driven and transparent. It better aligns the TFP, and in turn SNAP benefits, with the needs of the population. Furthermore, the accelerated timeframe prevented a potential large drop in benefits that would have occurred in October 2021, and the associated harms this would cause to SNAP participants.

Note: Institutions are listed for identification only and should not be viewed as signatories. Signed,

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CC: Secretary Thomas J. Vilsack