



Food for Peace Modernization Act (H.R.5276 / S.2551)

The Issue: Around the world today, **75 million people are at risk of starvation** and 800 million people are in need of food aid. Yet, **only 30 percent of Food for Peace funding pays for actual food**. The remaining 70 percent accounts for overhead and transportation costs from inefficiencies in existing law.

The Solution: The Food for Peace Modernization Act (FPMA) would amend current food aid authorities in the farm bill to deliver more food faster to those in need around the world while maintaining an important role for U.S. farmers. Specifically, the bill:

- **eliminates the requirement to “monetize” food aid**, a process which the [Government Accountability Office](#) has previously criticized as "inefficient" and unsustainable. Monetization is a complicated program with the following steps: (1) the U.S. government purchases U.S.-produced food; (2) the government ships the food overseas on U.S.-flagged vessels; (3) the government donates the food to aid organizations; (4) aid organizations sell the food in developing countries; and (5) aid organizations use the proceeds to finance development projects.
- gives the U.S. Agency for International Development (USAID) the flexibility to use cash, vouchers, or locally purchased food when one of those options would be **faster and more effective** in helping hungry people in need;
- **recognizes the critical role of the U.S. farmer** by ensuring that no less than 25 percent of the Food for Peace budget will continue to be used to purchase and transport U.S. food overseas; and
- aims to **free up as much as \$275 million** to provide life-saving food to nearly nine million more people in a shorter time frame.

Other Noteworthy Facts

- The FPMA was introduced by [Senators Bob Corker \(R-TN\)](#) and [Chris Coons \(D-DE\)](#), and in the House by [Representatives Ed Royce \(R-CA\)](#) and [Earl Blumenauer \(D-OR\)](#). It was referred to the Foreign Affairs and Agriculture Committees.
- Today, buying and transporting food from the United States takes four to six months to reach its final destination. This delay can cost lives during a food crisis.