

EW RISINGER

Excelsior Springs, Missouri

Phone: 816-674-1686 | Email: ernie@ewrisinger.com

Week 31

Food Waste Elimination — The \$380 Billion Problem We Can Fix

"A third of everything we grow never gets eaten. Forty-eight million Americans go hungry. These two facts are a policy failure, not a supply problem."

1. The Problem

The United States wastes approximately 70 million tons of surplus food per year — nearly one third of everything the country produces. That waste costs \$380 billion annually, or \$762 per person. Food is the single largest category in American landfills at 24% of their contents and accounts for 3.5% of U.S. greenhouse gas emissions. At the same time, 48 million Americans faced food insecurity in 2024. Less than 13% of donatable food was actually donated. A driver sitting at a loading dock with a rejected load of watermelons has no single number to call. The food gets dumped. The family goes hungry. The government pays to landfill both.

2. The Governing Principle

The federal government spends its first dollars on preventing surplus, its next dollars on recovering edible surplus and getting it to people who need it, and only then invests in composting or digestion for what genuinely cannot be eaten. This is the EPA Wasted Food Scale applied as federal budget priority. Prevention beats rescue. Rescue beats composting. Composting beats landfill. Every intervention is ranked by tons diverted per dollar invested, and the government acts in that order.

3. The Specific Policy

Federal Purchasing Specification Reform — Cosmetic and Size Standards

- **The single highest-return federal intervention available:** the federal government currently rejects produce at the purchasing level based on cosmetic appearance — size, shape, and surface characteristics that have no effect on safety, nutrition, or taste. Schools, military facilities, prisons, hospitals, and federal cafeterias are all subject to purchasing specifications that exclude perfectly edible food. An executive order within 30 days of inauguration directs all federal agencies to revise purchasing specifications to accept the full range of cosmetically imperfect but safe produce.
- **Estimated diversion potential: 703,000 tons annually** at an estimated annual investment of \$6.63 million — approximately 106,000 tons diverted per \$1 million invested, or \$9.43 per ton. Modeled producer net financial benefit: \$2.28 billion annually. Farmers get paid for food they are currently leaving in the field or dumping because no buyer will accept it.

- **USDA establishes model grade specifications** for institutional buyers and provides technical assistance to state purchasing offices, school districts, and hospital systems adopting the revised standards. Private buyers are encouraged but not required to adopt the same standards. Federal contract preference given to suppliers who agree to cosmetic-neutral grading.

National Date Label Law — Two Phrases, One Standard

- **Date label confusion drives an estimated 7% of all consumer food waste:** consumers see "sell by," "best by," "use by," "best if used by," "enjoy by," and "fresh by" on the same product from different manufacturers and throw away food that is perfectly safe to eat. The federal government establishes exactly two authorized date label phrases, preempting all conflicting state standards.
- **"BEST IF USED BY [date]"** — indicates peak quality. The product is safe to consume after this date. Flavor, texture, or appearance may change but there is no safety risk. Used for shelf-stable products, canned goods, snack foods, and most packaged foods.
- **"USE BY [date]"** — indicates genuine safety-related expiration. The product should not be consumed after this date. Used only for products where spoilage creates a real health risk: infant formula, certain refrigerated ready-to-eat meats, and products with documented pathogen risk after the stated date. All other products use BEST IF USED BY.
- **"Sell by" dates are removed from consumer-facing packaging entirely.** They are a retail inventory tool, not a consumer safety tool, and their presence on consumer packaging causes billions of dollars of unnecessary food disposal annually. Sell-by information may remain on commercial packaging for retail inventory management.
- **Estimated diversion potential: 381,000 tons annually** at an estimated annual investment of \$5.26 million — approximately 72,400 tons per \$1 million invested, or \$13.81 per ton. Implementation cost falls primarily on manufacturers completing the packaging transition, not on the federal government. The Food Date Labeling Act, which has bipartisan Senate support, is introduced within 30 days of inauguration and signed within 180 days.

National Food Rescue Dispatch Line — The Single Number to Call

- **A driver sitting at a receiver with a rejected load of watermelons at 2:00 a.m. has no single number to call.** The broker is scrambling. The shipper is on hold. By the time anyone figures out who can take a full truckload of fresh produce on two hours notice, the load is compromised or dumped. The National Food Rescue Dispatch Line is a federally funded 24/7 clearinghouse that solves this in real time.
- **One number. Any load. Any time.** Dispatchers, drivers, receivers, distributors, and shippers with rejected, surplus, or distressed food — produce, dairy, meat, bakery, any perishable — call one number. The dispatch center maintains a real-time national database of food banks, regional food hubs, institutional buyers, processors, and farms with current receiving capacity, cold storage availability, dock hours, and commodity preferences.
- **The dispatch center coordinates the handoff:** who is taking the load, where it is going, estimated transit time, and whether refrigerated transport is needed. The center pre-authorizes the donation tax credit under the Bill Emerson Good Samaritan Food Donation Act so the donor knows immediately whether they are covered — no waiting 90 days for a determination. The paperwork trail is handled by the dispatch center, not the driver standing at a dock.
- **Liability protection is automatic for compliant donations:** any food donated through the National Food Rescue Dispatch Line that meets the dispatch center's receiving standards is covered under the Good Samaritan Act without further documentation from the donor. The dispatch center's log is the documentation. The donor's obligation ends at transfer.

- **The receiving capacity database is maintained in real time** by USDA in partnership with Feeding America, regional food banks, and state emergency management offices. Every participating receiver updates their capacity daily. The database is also available as an API to brokers, dispatching software platforms, and supply chain management systems so the single-number call can be replaced by an automated match before a load is even rejected.
- **Administered by USDA Agricultural Marketing Service.** Staffed 24 hours, 7 days a week, 365 days a year. Target response time: a confirmed receiving destination within 30 minutes of first contact for any load within 150 miles of a participating receiver. Estimated annual operating cost: \$45-65 million including staffing, technology, and database maintenance.

Food Surplus Portal — Restaurants, Bakeries, and Kitchens

- **A restaurant closes at 10:00 p.m. with 40 pounds of soup, a tray of lasagna, and a sheet pan of dinner rolls.** By morning it is garbage. No truck is coming. The food bank three miles away does not know it exists. The Food Surplus Portal is a federally built and hosted online platform — web and mobile — that connects kitchens with surplus food to local food banks, churches, shelters, and community organizations that can pick it up the same night.
- **Any registered food business posts what they have:** restaurants, bakeries, hotel kitchens, caterers, school cafeterias, hospital food service, church kitchens, event venues. The posting takes under two minutes: food type, quantity, pickup window, whether refrigeration is needed, and location. Registered receivers — food banks, shelters, churches, community organizations, and individual volunteers — see all available listings in their area in real time and claim what they can pick up. First to claim, first to receive. No phone tag. No paperwork between donor and receiver.
- **Federal law: you cannot be sued for giving food away through the portal.** Any food listed and claimed through the Food Surplus Portal that meets the portal's basic safety standards — not spoiled, not adulterated, prepared in a licensed facility — is fully protected under federal law. No lawsuit. No liability. No exceptions. The Bill Emerson Good Samaritan Food Donation Act already provides this protection in theory; this administration makes it explicit, automatic, and ironclad for every portal transaction. The portal's transaction log is the complete legal record — the donor does not need a lawyer, a waiver, or a release form. The restaurant's liability ends the moment the receiver confirms pickup. Fear of lawsuit is one of the two main reasons kitchens throw food in the dumpster instead of donating it. Federal law removes that fear permanently.
- **The portal API is open:** any existing food rescue app, dispatch platform, or local food bank software can integrate with the federal database. The federal government does not need to own the user experience — it needs to own the database, the liability coverage, and the uptime. Local organizations that already run food rescue programs plug in rather than compete with a new federal system.
- **Tax credit on posting:** food businesses that donate through the portal receive an enhanced tax deduction equal to the cost basis plus 50% of the fair market value of the donated food, up to 15% of the business's net income — the existing enhanced deduction under IRC Section 170(e)(3), made permanent and simplified for portal participants. The credit calculation is handled automatically by the portal at year end. No additional accounting burden on the donor.
- **Administered by USDA in partnership with state health departments** for food safety standards. Estimated annual operating cost: \$15-25 million for platform development, hosting, maintenance, and customer support. The donor and receiver registration database is shared with the National Food Rescue Dispatch Line — one federal food recovery infrastructure, two entry points: the phone line for commercial loads, the portal for kitchen surplus.

Federal Cafeteria and Institutional Portion Initiative

- **Restaurants, cafeterias, and institutional dining operations waste an estimated 12.4 million tons of food annually** — 20% of the five-sector total. The federal government operates or contracts thousands of cafeterias, dining halls, and food service operations in federal buildings, military installations, prisons, VA hospitals, and national parks. The federal government begins with its own facilities.
- **All federally operated and federally contracted food service operations** implement flexible portion options within 180 days: smaller portion sizes available at reduced price, half portions on request at no surcharge, selectable side quantities, and tray-optional service where applicable. USDA tracks plate waste reduction across participating facilities and publishes quarterly results.
- **Model practices published for schools, hospitals, and healthcare facilities** receiving federal funding. Competitive grants of \$50,000-\$250,000 available to institutional food service operations implementing measurement systems and flexible portion programs. Estimated diversion potential for this intervention alone: 2.2 million tons annually at approximately \$18.50 per ton diverted.

4. The Priority Hierarchy — EPA Wasted Food Scale Applied

Priority	Action	Federal Role
1 — Prevention	Stop food from becoming surplus in the first place	Cosmetic spec reform; date label law; portion initiative
2 — Rescue and Donation	Get edible surplus to people who need it	National Food Rescue Dispatch Line; pre-authorized tax credits
3 — Upcycling	Convert surplus into animal feed, ingredients, or other products	USDA technical assistance; procurement preference for upcycled products
4 — Composting	Return nutrients to soil	Grant support; model programs for municipalities
5 — Anaerobic Digestion	Convert organic waste to energy	DOE coordination; grid interconnection support
6 — Landfill / Incineration	Last resort only	Landfill diversion targets; methane capture requirements

5. Estimated Cost and Return

The three prevention interventions — cosmetic spec reform, date label law, and federal portion initiative — have a combined modeled annual investment of approximately \$52.6 million and a combined diversion potential of approximately 3.28 million tons per year, or about 5.4% of the current five-sector waste total. The federal share of that investment is lower because manufacturer packaging transitions and foodservice operating changes are private costs. The National Food Rescue Dispatch Line adds an estimated \$45-65 million in annual operating cost. The Food Surplus Portal adds an estimated \$15-25 million in annual operating cost after initial platform development. Total program cost: approximately \$115-145 million per year — less than 0.04% of the \$380 billion annual cost of food waste.

The broader return: ReFED estimates that \$16 billion in annual investment across multiple food waste solutions could reduce food waste by 20 million tons per year and generate \$62 billion in annual net

financial benefit — a nearly four-to-one return. The \$2.28 billion annual producer benefit from cosmetic spec reform alone dwarfs the program cost. The humanitarian return — edible food reaching 48 million food-insecure Americans instead of a landfill — does not appear in any cost-benefit model and does not need to.

6. Year 1 Implementation and Measurable Result

Year 1 measurable result: executive order on federal purchasing cosmetic specifications issued within 30 days; Food Date Labeling Act introduced within 30 days and signed within 180 days; National Food Rescue Dispatch Line operational within 180 days with real-time receiving capacity database covering all 50 states; federal cafeteria flexible portion pilot launched in 100 federal facilities within 90 days; first quarterly plate waste reduction report published within 120 days; USDA tracks and publishes tons of food diverted through the Dispatch Line monthly beginning in Month 7.