

Legislative History

1920s

Production surpluses aggravated unemployment and lack of consumer buying power.

1933

Federal Surplus Relief Corporation (FSRC), a non-profit, non-capital corporation, formed to dispense commodities.

1935

FSRC changed to Food Surplus Commodities Corporation (FSCC) whose focus was on encouraging domestic consumption of surpluses rather than on unemployment. Funding through Section 32 of P.L. 74-320 (Agricultural Adjustment Act) established to encourage agricultural exports, domestic consumption of agricultural commodities, and reestablishment of farmers' purchasing power.

1937

Commodities purchased for FSCC using Section 32 funds allowed to be donated for relief purposes (P.L. 75-165).

1938

FSCC distributing \$54 million worth of food a year.

1939

Secretary of Agriculture cites problems with the commodity distribution program.

May 16: Experimental FSP began in Rochester, N.Y. Program expanded to 1,741 counties and 88 cities by August 1942. Four million people participating by May 1943. Participants spent an amount of money representing estimated normal food expenditures, for orange stamps and were given blue stamps, without cost, to buy designated surplus foods at retail establishments.

1941

May: Nutrition Council for Defense recommended extending FSP, justifying it as a "vital cog" in the National Defense Plan.

1943

March: Although half of the counties in the U.S. had a FSP, scandal and rumors of fraud and abuse, together with lower participation than in the direct distribution program, pressure from organized producers who insisted that their products be on the surplus list even if they were not to participants' advantage, decentralized administration with four administrators interpreting policy differently, and the fact that the program was never authorized by Congress, led to the demise of the program. Scarcity of surplus commodities also played a part in termination of the program in the Spring of 1943.