

# Food Banks and Other Emergency Feeding Organizations: Federal Aid and the Response to COVID-19

June 25, 2020

**Congressional Research Service** https://crsreports.congress.gov R46432



# Food Banks and Other Emergency Feeding Organizations: Federal Aid and the Response to COVID-19

During the Coronavirus Disease 2019 (COVID-19) pandemic, rising unemployment rates and other factors led an increasing number of Americans to seek food assistance. Food banks, food pantries, and other emergency feeding organizations—sometimes referred to as the *charitable food assistance network*—are often the first place people go when they become food insecure, and these organizations have experienced an influx in demand during the pandemic. At the same time, they have had to address safety concerns resulting from COVID-19, often operating with fewer staff or utilizing the National Guard to distribute food, and setting up drive-through and mobile food distributions.

While the charitable food assistance network relies heavily on private donations, federal programs also provide a significant source of food and revenue for emergency feeding organizations. The primary federal programs that support food banks and other emergency feeding organizations are administered by the U.S. Department of Agriculture (USDA) and the Department of Homeland Security's (DHS's) Federal Emergency Management Agency (FEMA).

Ongoing programs, including The Emergency Food Assistance Program (TEFAP) and Emergency Food and Shelter Program (ESFP), have received supplemental appropriations during the pandemic. Other programs have been activated (USDA's Disaster Household Distribution program and FEMA's Public Assistance (PA) program) or created (USDA's Farmers to Families Food Box program) in response to the pandemic. Recent legislation has proposed additional funding for existing programs as well as the creation of new programs and funding streams for emergency feeding organizations.

#### **SUMMARY**

#### R46432

June 25, 2020

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## Introduction

In April 2020, news reports of farmers dumping milk and plowing under crops corresponded with footage of cars lining up for miles outside of some food banks in the United States as a result of the COVID-19 pandemic.<sup>1</sup> Many of these stories raised concerns about farmers' livelihoods as well as the rising number of unemployed and food insecure Americans. They also generated increased interest in federal aid for food banks, food pantries, and other similar organizations feeding Americans, including the newly unemployed.

Such organizations are called emergency feeding organizations, and they comprise the emergency food assistance network (also known as the charitable food assistance network). The term *emergency feeding organization*, as used in this report, refers to institutions—mostly private nonprofit institutions—that facilitate the provision of food to households and individuals in times of need or emergency (*emergency*, in this sense, refers to personal or household emergencies rather than large-scale disasters or emergencies).<sup>2</sup> Emergency feeding organizations include food banks, food pantries, shelters, soup kitchens, and hunger relief agencies. *Food banks* are typically regional warehouses that store and deliver food to smaller, client-facing organizations like food pantries, shelters, and soup kitchens. In some cases, food banks may also provide food directly to individuals and households.

In recent years, new types of organizations have arguably become part of the emergency food assistance network, such as restaurants and chef-led organizations like World Central Kitchen, which provides emergency food assistance in the United States and internationally.<sup>3</sup> During the COVID-19 pandemic, many schools have also become emergency food providers. While schools qualify for some of the programs discussed in this report, the primary sources of federal aid for schools' feeding efforts—the federal child nutrition programs—are not discussed here.<sup>4</sup>

The emergency food assistance network has historically relied heavily on private donations and state and local funding in addition to federal aid. For example, Feeding America (a nonprofit membership and advocacy organization)<sup>5</sup> reported that federal commodities represented one-

<sup>&</sup>lt;sup>1</sup> For example, see D. Yaffe-Bellany and M. Corkery, "Dumped Milk, Smashed Eggs, Plowed Vegetables: Food Waste of the Pandemic," *New York Times*, April 11, 2020, https://www.nytimes.com/2020/04/11/business/coronavirus-destroying-food.html; J. Burnett, "Thousands Of Cars Line Up At One Texas Food Bank As Job Losses Hit Hard," *NPR*, April 17, 2020, https://www.npr.org/2020/04/17/837141457/thousands-of-cars-line-up-at-one-texas-food-bank-as-job-losses-hit-hard; and AP News, "1,000 cars line up for Nebraska food handout," April 12, 2020, https://apnews.com/56decced810f1d737eae0d8201df9909.

<sup>&</sup>lt;sup>2</sup> This definition is similar to the characterization of the charitable food assistance system in D. O'Brien, E. Staley, S. Uchima, E. Thompson, and H.T. Aldeen, *The Charitable Food Assistance System: The Sector's Role in Ending Hunger in America*, The UPS Foundation and the Congressional Hunger Center, 2004. A definition of *emergency feeding organization* can also be found in Section 201A of the Emergency Food Assistance Act (7 U.S.C. §7501).

<sup>&</sup>lt;sup>3</sup> World Central Kitchen, "Our Mission," https://wck.org/mission.

<sup>&</sup>lt;sup>4</sup> For more information on child nutrition program operations during the pandemic, see U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS), "FNS Response to COVID-19: Child Nutrition Programs," https://www.fns.usda.gov/disaster/pandemic/covid-19. For background on the child nutrition programs, see CRS Report R46234, *School Meals and Other Child Nutrition Programs: Background and Funding*.

<sup>&</sup>lt;sup>5</sup> The Feeding America network represents a large segment of emergency feeding organizations nationwide—80% of such organizations were affiliated with Feeding America in 2000, according to a study published in 2002 (J.C. Ohls et al., "The Emergency Food Assistance System—Findings From the Provider Survey," prepared by Mathematica Policy Research, Inc. for USDA, Economic Research Service, Food and Rural Economics Division, October 2002, p. 2, https://www.ers.usda.gov/publications/pub-details/?pubid=46507).

quarter of the meals served by its network of 200 food banks and 60,000 food pantries in FY2019. $^{6}$ 

This report discusses the sources of federal aid available to emergency feeding organizations, including new federal programs created during the COVID -19 pandemic. The primary federal programs that support food banks and other emergency feeding organizations are administered by the U.S. Department of Agriculture (USDA) and the Department of Homeland Security's (DHS's) Federal Emergency Management Agency (FEMA). The focus of this report is on federal programs that have a specific emphasis on emergency feeding organizations. However, there are other programs that are not discussed in this report that may provide funding for emergency feeding organizations among other grant recipients; these include the Commodity Supplemental Food Program (CSFP), Milk Donation Reimbursement Program (MDRP), and Food Distribution Program on Indian Reservations (FDPIR).<sup>7</sup>

The emergency food assistance programs discussed in this report can be distinguished from other federal nutrition assistance programs for households such as the Supplemental Nutrition Assistance Program (SNAP) in that they provide in-kind (food) aid rather than near-cash benefits to households. Food banks and other emergency feeding organizations serve households that do not participate in SNAP, such as households with incomes that are too high to qualify and ineligible noncitizen households. They also provide supplemental foods for SNAP households; an analysis by USDA's Economic Research Service (ERS) found that roughly half of low-income households that used food pantries and soup kitchens in 2018 also received SNAP benefits.<sup>8</sup> Policy proposals to address increased food insecurity during the COVID-19 pandemic may focus on distributing foods through the emergency food assistance network, providing near-cash benefits (e.g., SNAP or unemployment benefits) to help households purchase foods, or other approaches.

## Impact of COVID-19 on Emergency Feeding Organizations

The COVID-19 pandemic has caused an influx in demand for food banks and other emergency feeding organizations.<sup>9</sup> At the same time, it has posed unique challenges for many of these organizations, including a decline in private donations from grocery stores, restaurants, and individuals, fewer or more expensive foods available for purchase, and reduced ability to utilize volunteers for safety reasons.<sup>10</sup>

<sup>&</sup>lt;sup>6</sup> CRS communication with Feeding America on June 2, 2020.

<sup>&</sup>lt;sup>7</sup> For more information on CSFP and FDPIR, see CRS Report R42353, *Domestic Food Assistance: Summary of Programs*. For more information on MDRP, see CRS In Focus IF11188, 2018 Farm Bill Primer: Dairy Programs.

<sup>&</sup>lt;sup>8</sup> Among households with annual incomes below 185% of the poverty guidelines, 52.7% that used food pantries and 57.8% that used emergency kitchens in 2018 also received SNAP benefits in the previous month, according to A. Coleman-Jensen, M.P. Rabbitt, C.A. Gregory, and A. Singh, *Statistical Supplement to Household Food Security in the United States in 2018*, AP-081, USDA, Economic Research Service, September 2019, pp. 20-21. https://www.ers.usda.gov/publications/publ

<sup>21,</sup> https://www.ers.usda.gov/publications/pub-details/?pubid=94869.

<sup>&</sup>lt;sup>9</sup> For example, see N. Kulish, "'Never Seen Anything Like It': Cars Line Up for Miles at Food Banks," *New York Times*, April 8, 2020, https://www.nytimes.com/2020/04/08/business/economy/coronavirus-food-banks.html and A. Vesoulis, "'It's a Bucket Brigade on a 5-Alarm Fire.' Food Banks Struggle to Keep Up With Skyrocketing Demand," *Time*, April 24, 2020, https://time.com/5825944/food-banks-coronavirus/.

<sup>&</sup>lt;sup>10</sup> For example, see L. Reiley, "Food banks are seeing volunteers disappear and supplies evaporate as coronavirus fears mount," *Washington Post*, March 16, 2020, https://www.washingtonpost.com/business/2020/03/16/food-banks-are-

Prior to the pandemic, analyses of national survey data found that 5% to 10% of households utilized food pantries, food banks, soup kitchens, or other charitable food assistance.<sup>11</sup>

During the pandemic, Feeding America has administered biweekly surveys to its 200 food bank members.<sup>12</sup> Based on one of these surveys, conducted from May 4, 2020, to May 6, 2020, Feeding America reported that 98% of the network's food banks experienced an increase in demand compared to the same time in 2019. The reported increase in clients ranged from 10% to 200%, with an average increase of 59%.<sup>13</sup> The surveyed food banks estimated that nearly 4 out of 10 clients were new to charitable food assistance.

In addition to the challenges of increasing demand, news outlets reported that many food banks and pantries have turned away volunteers during the pandemic out of safety concerns, particularly for high-risk populations such as older volunteers. Several states have mobilized the National Guard to help fill the gap and meet increasing demand.<sup>14</sup> The Feeding America survey found that "30 percent of food banks are still accepting and in need of volunteers, while 53 percent of food banks or agency partners have deployed the National Guard for support."<sup>15</sup>

Whether because of safety, financial, or other factors, the Feeding America survey found that approximately 18% of the food pantries and meal programs that partner with its food banks have closed or suspended operations during the pandemic.<sup>16</sup>

seeing-volunteers-disappear-food-supply-evaporate-coronavirus-fears-mount/; and Feeding America, "Feeding America Food Bank Network Projects \$1.4 Billion Shortfall Due To The COVID-19 Crisis," April 1, 2020, https://www.feedingamerica.org/about-us/press-room/feeding-america-food-bank-network-projects-14-billion-shortfall-due-covid-19.

<sup>&</sup>lt;sup>11</sup> According to an analysis of Current Population Survey (CPS) data by USDA ERS, an estimated 5.7 million households (4.4%) utilized food pantries and at least 657,000 households (0.5%) utilized soup kitchens in 2018 (A. Coleman-Jensen, M.P. Rabbitt, C.A. Gregory, and A. Singh, *Statistical Supplement to Household Food Security in the United States in 2018*, AP-081, USDA, ERS, September 2019). However, this is likely an underestimate of the population using emergency food assistance because the sample did not include certain households with incomes over 185% of the poverty guidelines and the CPS does not fully capture households who are homeless or in tenuous housing arrangements. For comparison, an analysis of a survey by the Urban Institute (E. Waxman, N. Joo, and D. Gonzalez, "Who Is Accessing Charitable Food in America?," *Urban Institute*, December 2019, https://www.urban.org/research/publication/who-accessing-charitable-food-america) found that 10.3% of adults reported that they or someone in their household used charitable food (defined as receiving free groceries or a free meal in the 30 days before the survey).

<sup>&</sup>lt;sup>12</sup> CRS communication with Feeding America on June 2, 2020.

<sup>&</sup>lt;sup>13</sup> Feeding America, "Feeding America Network Stays Resilient During COVID-19 Crisis," May 12, 2020, https://www.feedingamerica.org/about-us/press-room/feeding-america-network-stays-resilient-during-covid-19-crisis.

<sup>&</sup>lt;sup>14</sup> For example, see A. Quigley, "National Guard to distribute food at sites across Vermont," *VTDigger*, April 21 2020, https://vtdigger.org/2020/04/21/national-guard-to-distribute-food-at-sites-across-vermont/; E. Wilkinson, "National Guard deployed to help Washington food banks," *King5*, April 3, 2020, https://www.king5.com/article/news/health/ coronavirus/national-guard-deployed-to-help-washington-food-banks; J. Ruwitch, "California Leans On National Guard To Help With Food Banks," *NPR*, March 29, 2020, https://www.npr.org/2020/03/29/823592895/california-leans-on-national-guard-to-help-with-food-banks.

 <sup>&</sup>lt;sup>15</sup> Feeding America, "Feeding America Network Stays Resilient During COVID-19 Crisis," May 12, 2020, https://www.feedingamerica.org/about-us/press-room/feeding-america-network-stays-resilient-during-covid-19-crisis.
 <sup>16</sup> Ibid.

#### Food Insecurity During the COVID-19 Pandemic

Recent analyses have shown an increase in food insecurity rates during the pandemic. *Food insecurity* refers to reduced food intake and disrupted eating patterns due to a lack of resources, and is a way that researchers quantify hunger (*food security* is the absence of such conditions).<sup>17</sup> In a survey administered between March 25, 2020, and April 10, 2020, the Urban Institute found that 21.9% of adults were food insecure.<sup>18</sup> This was nearly double the household food insecurity rate of 11.1% in 2018 (the most recent official federal-level estimate).<sup>19</sup> The Urban Institute found that food insecurity rates were significantly higher among adults whose families lost jobs, work hours, or work-related income (29.6%) compared to those whose families did not (16.3%). Using data from the Urban Institute survey and another survey, the Hamilton Project (an initiative of the Brookings Institution), found a similar increase in food insecurity among households with children.<sup>20</sup>

An analysis by Feeding America published in May 2020 projected future increases in food insecurity under different scenarios of poverty and unemployment. It projected that 3.3 million to 17.1 million Americans could become newly food insecure should poverty and unemployment continue to increase.<sup>21</sup> Feeding America's research also projected variations in food insecurity rates by state and county.<sup>22</sup>

In addition, the U.S. Census Bureau has administered Household Pulse Surveys during the COVID-19 pandemic, which include questions on *food insufficiency*—a narrower measure than food insecurity that examines whether households have enough to eat. The most recent Household Pulse Survey as of the date of this report, conducted between June 11, 2020, and June 16, 2020, found that 9.8% of adults (24.5 million individuals) reported food insufficiency in the last seven days: 8.1% said that they sometimes did not have enough to eat and 1.7% said that they often did not have enough to eat.<sup>23</sup> For comparison, 8.1% of adults (20.1 million individuals) reported food insufficiency prior to the pandemic (which the Census Bureau classified as March 13, 2020).<sup>24</sup> There was a larger increase in the proportion of adults who reported that they had enough food "but not always the kinds of food [they] wanted to eat": 19.8% of adults (49.4 million individuals) reported this was the case before the pandemic, and 31.1% of adults (77.5 million individuals) reported this was the case between June 16.<sup>25</sup>

Of adults who reported food insufficiency in the most recent Household Pulse Survey, 19.3% reported receiving free groceries or a free meal, 7.8% reported receiving a free meal from a food pantry or food bank, 4.2% reported receiving a free meal from a religious organization, and 0.8% reported receiving a free meal from a shelter or soup kitchen in the last seven days (respondents could select more than one category).<sup>26</sup>

Despite challenges, many food banks and other emergency feeding organizations have continued providing meals during the pandemic by setting up drive-through food distributions, delivering

<sup>&</sup>lt;sup>17</sup> For the definition of food insecurity, see A. Coleman-Jensen, M.P. Rabbitt, C.A. Gregory, and A. Singh, *Household Food Security in the United States in 2018*, ERR-270, USDA, ERS, 2019. For further background on the measurement of food insecurity, see CRS Report R42353, *Domestic Food Assistance: Summary of Programs*.

<sup>&</sup>lt;sup>18</sup> M. Karpman, S. Zuckerman, D. Gonzalez, and G.M. Kenney, *The COVID-19 Pandemic Is Straining Families' Abilities to Afford Basic Needs*, Urban Institute, April 2020, https://www.urban.org/research/publication/covid-19-pandemic-straining-families-abilities-afford-basic-needs.

<sup>&</sup>lt;sup>19</sup> A. Coleman-Jensen, M.P. Rabbitt, C.A. Gregory, and A. Singh, *Household Food Security in the United States in* 2018, ERR-270, U.S. Department of Agriculture, Economic Research Service, 2019.

<sup>&</sup>lt;sup>20</sup> L. Bauer, *The COVID-19 Crisis Has Already Left Too Many Children Hungry in America*, Hamilton Project, Brookings Institution, May 6, 2020, https://www.hamiltonproject.org/blog/

 $the\_covid\_19\_crisis\_has\_already\_left\_too\_many\_children\_hungry\_in\_america.$ 

<sup>&</sup>lt;sup>21</sup> Feeding America, *The Impact of the Coronavirus on Food Insecurity*, brief, April 2020,

https://www.feedingamerica.org/research/coronavirus-hunger-research.

<sup>&</sup>lt;sup>22</sup> Feeding America, The Impact of the Coronavirus on Local Food Insecurity, brief, May 2020,

https://www.feedingamerica.org/research/coronavirus-hunger-research.

<sup>&</sup>lt;sup>23</sup> U.S. Census Bureau, Household Pulse Survey: June 11-June 16, "Table 2b. Food Sufficiency for Households, in the Last 7 Days, by Select Characteristics," https://www.census.gov/data/tables/2020/demo/hhp/hhp7.html.

<sup>&</sup>lt;sup>24</sup> 6.4% of adults said that they sometimes did not have enough to eat and 1.7% said that they often did not have enough to eat prior to the pandemic. U.S. Census Bureau, Household Pulse Survey: April 23-May 5, "Table 2a. Food Sufficiency for Households, Prior to COVID-19 Pandemic, by Select Characteristics," https://www.census.gov/data/tables/2020/demo/hhp/hhp5.html.

<sup>&</sup>lt;sup>25</sup> Ibid.

food directly to households, and partnering with other meal providers such as schools, among other strategies.<sup>27</sup> While private donations from grocery stores and individuals have declined in some places, new private donations have occurred as a result of the pandemic.<sup>28</sup> In addition, some states may provide emergency funding for emergency feeding organizations. For example, on May 3, 2020, New York Governor Andrew Cuomo announced the Nourish New York initiative, which will provide \$25 million to food banks and emergency feeding providers, primarily to purchase surplus milk and dairy products.<sup>29</sup> Also, as discussed in the sections to follow, emergency feeding organizations have received increased federal aid in FY2020, largely as a result of emergency funding and programs.

## Federal Programs that Support Emergency Feeding Organizations During the COVID-19 Pandemic

The following sections discuss a variety of federal programs, most of which existed prior to the pandemic. Others have been established specifically to respond to demands resulting from the pandemic. Of the pre-existing programs, some provide food assistance on an ongoing basis, while others are emergency authorities triggered by presidentially declared major disasters and/or emergencies under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (hereinafter, the Stafford Act).<sup>30</sup> These emergency response programs (USDA's Disaster Household Distribution program and FEMA's Public Assistance program) have been activated in response to the President's emergency declaration and subsequent major disaster declarations in response to COVID-19.<sup>31</sup>

 Table 1 summarizes the federal programs that have provided aid to emergency feeding organizations during the pandemic.

<sup>&</sup>lt;sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup> For example, see A. Tadayon, "California food banks partner with schools to serve families of students," *EdSource*, March 30, 2020, https://edsource.org/2020/california-food-banks-partner-with-schools-to-serve-families-of-students/ 627322.

<sup>&</sup>lt;sup>28</sup> For example, see Feeding America, "COVID-19 Response Partners," https://www.feedingamerica.org/about-us/ partners/covid-19-response-partners; and Feeding America, "Feeding America Responds To \$100 Million Gift from Jeff Bezos In Support of Food Banks During COVID-19 Pandemic," April 2, 2020, https://www.feedingamerica.org/ about-us/press-room/jeff-bezos-support-food-banks.

<sup>&</sup>lt;sup>29</sup> New York State Department of Agriculture and Markets, "New York State Provides Additional Details on \$25 Million in Funding for Food Banks Through Nourish New York Initiative," May 3, 2020, https://agriculture.ny.gov/ news/new-york-state-provides-additional-details-25-million-funding-food-banks-through-nourish-new.

<sup>&</sup>lt;sup>30</sup> P.L. 93-288 as amended (42 U.S.C. §§5121 et seq.).

<sup>&</sup>lt;sup>31</sup> Letter from Donald J. Trump, President of the United States, to Acting Secretary Wolf, Secretary Mnuchin, Secretary Azar, and Administrator Gaynor, March 13, 2020, https://www.whitehouse.gov/wp-content/uploads/2020/03/ LetterFromThePresident.pdf. The Stafford Act may be found at 42 U.S.C. §§5121 et seq; Stafford Act Declarations as of June 2, 2020. FEMA, "COVID-19 Disaster Declarations," https://www.fema.gov/coronavirus/disaster-declarations.

Programs	Operates on an Ongoing Basis, Regardless of Major Disaster or Emergency Declaration <sup>a</sup>	Operates Based on Stafford Act Major Disaster or Emergency Declaration	Established Temporarily in Response to COVID- 19	Established Temporarily for Other Purposes
USDA Programs				
The Emergency Food Assistance Program (TEFAP)	х			
Section 32 bonus commodity purchases	Х			
Commodity Credit Corporation (CCC) Food Purchase and Distribution Program (FPDP)				х
Disaster Household Distribution		Х		
Farmers to Families Food Box Program			Х	
FEMA Programs				
Emergency Food and Shelter Program (EFSP)	Х			
Public Assistance (PA) program		Х		

# Table 1. Federal Programs Providing Aid to Emergency Feeding Organizations During the COVID-19 Pandemic

Source: Congressional Research Service (CRS), based on current law.

a. Some of these programs received supplemental funding in COVID-19 response legislation.

## **USDA Programs**

#### The Emergency Food Assistance Program (TEFAP)

Administered by USDA's Food and Nutrition Service (FNS), TEFAP provides federally purchased foods (hereinafter, USDAFoods) and administrative funds to states for distribution to emergency feeding organizations.<sup>32</sup> While certain other charitable institutions are eligible for TEFAP aid, priority is given to emergency feeding organizations that "relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons."<sup>33</sup>

There are two types of TEFAP commodities: *entitlement* commodities and *bonus* commodities. Both types of commodities are domestically grown, but entitlement commodities are selected from a list of USDA Foods by states and emergency feeding organizations, whereas bonus commodities are selected by USDA based on agricultural surpluses and made available to states and emergency feeding organizations (discussed further in the "USDA Food Purchasing and Delivery Process" section).

<sup>&</sup>lt;sup>32</sup> Further detail on TEFAP can be found in CRS Report R45408, *The Emergency Food Assistance Program (TEFAP):* Background and Funding.

<sup>&</sup>lt;sup>33</sup> 7 C.F.R. §251.4; Section 203B of the Emergency Food Assistance Act of 1983 (codified at 7 U.S.C. §7505).

In FY2020, legislation responding to COVID-19 has more than tripled the amount of funding available for TEFAP entitlement commodities compared to prior years. The annual appropriation for TEFAP entitlement commodities, provided in the Further Consolidated Appropriations Act for FY2020 (P.L. 116-94), enacted on December 20, 2019, was \$322 million.<sup>34</sup> Subsequently, the Families First Coronavirus Response Act (FFCRA; P.L. 116-127), enacted on March 18, 2020, provided an additional \$400 million for TEFAP entitlement commodities, up to \$100 million of which could be used for food distribution costs. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act, P.L. 116-136), enacted on March 27, 2020, provided another \$450 million for TEFAP entitlement commodities, up to \$150 million of which could be used for food distribution costs. In total, at least \$972 million<sup>35</sup> is available for TEFAP entitlement commodities in FY2020, compared to approximately \$295 million in FY2019.

There is also a higher-than-usual amount of bonus commodities available for TEFAP in FY2020, due in part to a food purchasing and distribution component of the Administration's second round of aid for producers affected by trade disputes. From FY2014 to FY2018, USDA purchased roughly \$300 million annually in bonus commodities for TEFAP.<sup>36</sup> In FY2019, bonus purchases increased to \$1.46 billion with the first round of trade aid purchases. FY2020 bonus purchases are likely to exceed the FY2019 amount (discussed in the next section).

TEFAP statute also authorizes discretionary administrative funds that participating state agencies and emergency feeding organizations can use for food storage, preparation, and distribution; and equipment, personnel, and related costs.<sup>37</sup> The FY2020 annual appropriation for TEFAP administrative funds was \$80 million (P.L. 116-94). As noted above, FFCRA subsequently provided up to \$100 million and the CARES Act provided up to \$150 million "for food distribution costs." FNS guidance indicates that these funds will be treated as administrative funds.<sup>38</sup>

Table 2 displays FY2020 funding for TEFAP and the other programs discussed in this report.

#### Bonus Commodity Purchasing Authorities: Section 32 and Commodity Credit Corporation

TEFAP has the capability to receive bonus commodities from two USDA market support programs: Section 32 and the Commodity Credit Corporation (CCC).

Section 32 of the Act of August 24, 1935, is a permanent appropriation that sets aside 30% of annual customs receipts (\$15.1 billion in FY2020) to support the farm sector through the purchase of surplus commodities and other activities.<sup>39</sup> USDA's Agricultural Marketing Service

<sup>&</sup>lt;sup>34</sup> The annual appropriation for TEFAP's entitlement commodities is based on a level of funding specified in Section 27 of the Food and Nutrition Act of 2008, which creates a mandatory level of spending that requires annual appropriation.

 $<sup>^{35}</sup>$  This assumes that states opt to use the maximum funding available for food distribution costs under FFCRA (up to \$100 million) and the CARES Act (up to \$150 million).

<sup>&</sup>lt;sup>36</sup> USDA, Office of Budget and Program Analysis, "2021 Explanatory Notes – Food and Nutrition Service," p. 34-104, https://www.usda.gov/sites/default/files/documents/32fns2021notes.pdf.

<sup>&</sup>lt;sup>37</sup> Section 204 of the Emergency Food Assistance Act of 1983 (7 U.S.C. §7508); 7 C.F.R. §251.8; USDA FNS, "The Emergency Food Assistance Program (TEFAP): Administrative Costs," FNS Instruction 716-3 (Revision 1), August 9, 2002, https://www.fns.usda.gov/tefap/emergency-food-assistance-program-tefap-administrative-costs.

<sup>&</sup>lt;sup>38</sup> USDA, FNS, "The Emergency Food Assistance Program (TEFAP): Allocation of Coronavirus Aid, Relief, and Economic Security Act Supplemental Appropriations," April 24, 2020.

<sup>&</sup>lt;sup>39</sup> For more information, see CRS Report RL34081, Farm and Food Support Under USDA's Section 32 Program.

(AMS) uses a portion of these funds to purchase surplus commodities for distribution through TEFAP and other nutrition assistance programs. In FY2019, AMS purchased \$395.7 million in bonus commodities for nutrition assistance programs using Section 32 authority.<sup>40</sup>

An April 17, 2020, USDA press release on the COVID-19 response noted:

USDA has up to an additional \$873.3 million available in Section 32 funding to purchase a variety of agricultural products for distribution to food banks. The use of these funds will be determined by industry requests, USDA agricultural market analysis, and food bank needs.

On May 4, 2020, USDA announced \$470 million in purchases using Section 32 authority, including fruits, vegetables, dairy, poultry, fish, and pork, for distribution through TEFAP and possibly other nutrition assistance programs.<sup>41</sup>

The CCC, a government-owned entity that finances authorized programs that support U.S. agriculture,<sup>42</sup> may provide budget authority for bonus purchases for delivery through TEFAP and additional avenues, among its other purposes. It has permanent authority to borrow up to \$30 billion from the U.S. Treasury to finance its programs, which is reimbursed as needed by annual Agriculture appropriations acts.<sup>43</sup>

In recent years, USDA has used the CCC to fund a Food Purchase and Distribution Program (FPDP), administered by AMS, to purchase surplus commodities affected by trade retaliation.<sup>44</sup> USDA's 2018 trade aid package, announced in August 2018, included \$1.2 billion in bonus purchases for distribution through TEFAP and other nutrition assistance programs.<sup>45</sup> The vast majority of these foods—\$1.1 billion worth—were distributed through TEFAP in FY2019.<sup>46</sup> USDA's second trade aid package, announced in May 2019, provided another \$1.4 billion for

<sup>&</sup>lt;sup>40</sup> USDA, Office of Budget and Program Analysis, "2021 Explanatory Notes – Agricultural Marketing Service," p. 23-126, https://www.usda.gov/sites/default/files/documents/21ams2021notes.pdf.

<sup>&</sup>lt;sup>41</sup> USDA, AMS, "USDA Announces Additional Food Purchase Plans," May 4, 2020, https://www.ams.usda.gov/press-release/usda-announces-additional-food-purchase-plans.

<sup>&</sup>lt;sup>42</sup> For CCC purchasing authorities, see Section 5 of the CCC Charter Act. The Secretary of Agriculture's authority to donate such commodities to TEFAP is established by Section 17 of the Commodity Distribution Reform and WIC Amendments Act Of 1987.

<sup>&</sup>lt;sup>43</sup> For more information, see CRS Report R44606, The Commodity Credit Corporation: In Brief.

<sup>&</sup>lt;sup>44</sup> For more information, see CRS Report R45310, *Farm Policy: USDA's 2018 Trade Aid Package*; and CRS Report R45865, *Farm Policy: USDA's 2019 Trade Aid Package*.

<sup>&</sup>lt;sup>45</sup> USDA, "USDA Announces Details of Assistance for Farmers Impacted by Unjustified Retaliation," press release, August 27, 2018, https://www.usda.gov/media/press-releases/2018/08/27/usda-announces-details-assistance-farmersimpacted-unjustified. The largest purchases announced include pork, sweet cherries, apples, pistachios, dairy, and almonds. For more information, see CRS Report R45310, *Farm Policy: USDA's 2018 Trade Aid Package*; and CRS Report R45865, *Farm Policy: USDA's 2019 Trade Aid Package*.

<sup>&</sup>lt;sup>46</sup> USDA, Office of Budget and Program Analysis, "2021 Explanatory Notes – Agricultural Marketing Service," p. 23-126, https://www.usda.gov/sites/default/files/documents/21ams2021notes.pdf.

bonus purchases, largely for distribution through TEFAP in FY2020.<sup>47</sup> Planned purchases include "fruits, vegetables, some processed foods, beef, pork, lamb, poultry, and milk."<sup>48</sup>

Using CCC authority, USDA also provided more than \$50 million in administrative funds to participating TEFAP organizations for costs associated with the receipt, storage, and distribution of FPDP foods in FY2019.<sup>49</sup> In FY2020, approximately \$60 million is available for this purpose.<sup>50</sup>

#### **USDA** Food Purchasing and Delivery Process

The processes for procuring and delivering USDA Foods are based on federal law, regulations, and agency policy. The process described in this section is specific to TEFAP, but similar processes are used for other federal nutrition assistance programs that use USDA Foods.

The process starts with determining what foods will be available. In the case of entitlement commodities, FNS and AMS work together to determine a list of foods for the fiscal year that will be procurable and usable by emergency feeding organizations.<sup>51</sup> In the case of bonus commodities, AMS determines which foods it will purchase on an ongoing basis throughout the year based on the needs of producers.

State agencies, in consultation with emergency feeding organizations, place orders via the USDA Foods catalog (in some cases, state agencies may delegate this responsibility to food banks).<sup>52</sup> They use their allocated entitlement funds to choose foods from a list that includes meats, eggs, grains, fruits, vegetables, beans, nuts, and milk. They can also opt to receive preselected bonus foods, if available.<sup>53</sup> Most foods show up in the catalog on a monthly or quarterly basis; others are only available in the catalog at certain times of the year (e.g., fresh whole apples).<sup>54</sup>

Once organizations make their selections, AMS publishes a solicitation via an online system, which "describes USDA's needs in terms of the product, volume, delivery destination (city/State)

<sup>&</sup>lt;sup>47</sup> USDA, "USDA Announces Support for Farmers Impacted by Unjustified Retaliation and Trade Disruption," press release, May 23, 2019, https://www.usda.gov/media/press-releases/2019/05/23/usda-announces-support-farmersimpacted-unjustified-retaliation-and. Historically, CCC surplus commodities have been distributed through TEFAP and other FNS nutrition assistance programs. However, in July 2019 USDA issued regulations to establish its authority to distribute these foods to outlets outside of FNS nutrition assistance programs. Therefore, emergency feeding organizations may not be the only recipients of these commodities. See USDA, CCC, "Trade Mitigation Program," 84 *Federal Register* 36456, July 29, 2019, https://www.federalregister.gov/documents/2019/07/29/2019-15700/trademitigation-program.

<sup>&</sup>lt;sup>48</sup> USDA, AMS, "USDA Announces Additional Food Purchase Plans," May 4, 2020, https://www.ams.usda.gov/press-release/usda-announces-additional-food-purchase-plans.

<sup>&</sup>lt;sup>49</sup> USDA, Office of Budget and Program Analysis, "2021 Explanatory Notes – Food and Nutrition Service," p. 34-104, https://www.usda.gov/sites/default/files/documents/32fns2021notes.pdf.

<sup>&</sup>lt;sup>50</sup> USDA, FNS, "Terms and Conditions for Funds Available for Storage and Distribution of Food Purchase Distribution Program Foods," December 5, 2019, https://www.fns.usda.gov/tefap/terms-and-conditions-funds-available-storage-and-distribution-food-purchase-distribution.

 <sup>&</sup>lt;sup>51</sup> For the FY2020 list, see USDA, FNS, "USDA Foods Available List for The Emergency Food Assistance Program (TEFAP) 2020," August 2019, https://fns-prod.azureedge.net/sites/default/files/resource-files/tefap-foods-available.pdf.
 <sup>52</sup> 7 C.F.R. §250.10; 7 C.F.R. §251.2(i).

<sup>&</sup>lt;sup>53</sup> In FY2019, bonus foods included apricots, beans, cheese, cherries, chicken, eggs, fig pieces, milk, oranges, orange juice, peaches, pears, plums, pollock, pumpkin, raisins, salmon, strawberries, sweet potatoes, and walnuts. USDA, Office of Budget and Program Analysis, "2021 Explanatory Notes – Food and Nutrition Service," p. 34-103, https://www.usda.gov/sites/default/files/documents/32fns2021notes.pdf.

<sup>&</sup>lt;sup>54</sup> See "AMS CPP Procurement Schedule for January 2020 to June 2021 (Schedule) (xlsx)" at https://www.ams.usda.gov/selling-food/solicitations.

and delivery window, and invites approved vendors to submit offers to fill the demand."<sup>55</sup> Preapproved vendors may respond to the solicitation and then AMS awards contracts. Per the terms of the contract, a vendor may deliver food to a state warehouse, directly to a food bank or emergency feeding organization, or to a food processor (if the state or food bank opts to use a portion of their entitlement funds for this purpose).<sup>56</sup> Once the product has been delivered, AMS pays the vendor.<sup>57</sup> Depending on the product, it takes roughly two to five months from solicitation through delivery.<sup>58</sup>

#### **Disaster Household Distribution**

During a presidentially declared disaster or emergency, there are program options through which states may be able to repurpose existing inventories of USDA Foods intended for other nutrition assistance programs for disaster/emergency feeding efforts. Specifically, during a presidentially declared disaster or emergency, state agencies may (1) use USDAFoods for prepared meals in congregate settings (mass feeding) and/or (2) request FNS approval to use USDAFoods for household distribution (pick up or delivery).<sup>59</sup> For congregate feeding, USDAFoods are typically repurposed from the National School Lunch Program (NSLP), given their institutional sizing. For Disaster Household Distribution, foods are typically repurposed from TEFAP due to their smaller packaging.<sup>60</sup>

Mass feeding is not a viable option during the COVID-19 pandemic, and several states have requested USDA FNS approval to operate Disaster Household Distributions. According to the Disaster Household Distribution COVID-19 response website, "FNS may approve state requests for Disaster Household Distributions for targeted areas to meet specific needs when traditional channels of food are unavailable and not being replenished on a regular basis."<sup>61</sup> As of May 11, 2020, USDA had approved Disaster Household Distribution programs in 18 states, Guam, and 33 tribal nations in response to COVID-19.<sup>62</sup>

Under an approved Disaster Household Distribution program, USDA Foods are provided to disaster feeding organizations, which are selected by the state and may or may not include TEFAP-participating organizations. These organizations distribute food boxes to households in need of food assistance because of the disaster or emergency.<sup>63</sup> According to program regulations, "distribution may continue for the period that FNS has determined to be necessary to meet the needs of such households."<sup>64</sup>

64 7 C.F.R. §250.69(b).

<sup>&</sup>lt;sup>55</sup> USDA, AMS, "How the Process Works," https://www.ams.usda.gov/selling-food/how-process-works. <sup>56</sup> 7 C.F.R. §250.11.

<sup>&</sup>lt;sup>57</sup> USDA, AMS, "How the Process Works," https://www.ams.usda.gov/selling-food/how-process-works.

<sup>&</sup>lt;sup>58</sup> See "AMS CPP Procurement Schedule for January 2020 to June 2021 (Schedule) (xlsx) at https://www.ams.usda.gov/selling-food/solicitations.

<sup>59 7</sup> C.F.R. §250.69.

<sup>&</sup>lt;sup>60</sup> USDA, FNS, Food Distribution Division, "USDA Foods Program Disaster Manual," revised September 2017, https://fns-prod.azureedge.net/sites/default/files/fdd/disaster-manual.pdf.

<sup>&</sup>lt;sup>61</sup> USDA, FNS, "Disaster Household Distribution," May 11, 2020, https://www.fns.usda.gov/usda-foods/covid-19-disaster-household-distribution.

<sup>62</sup> Ibid.

<sup>&</sup>lt;sup>63</sup> 7 C.F.R. §250.69(c). Households receiving Disaster Supplemental Nutrition Assistance Program (D-SNAP) benefits are not eligible for Disaster Household Distribution foods.

USDA replenishes or reimburses federal nutrition assistance programs (e.g., TEFAP and NSLP) for USDA Foods reprogrammed for disaster/emergency feeding during a presidentially declared disaster or emergency.<sup>65</sup> According to agency guidance, replacement or reimbursement of USDA Foods may be funded under Section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. §612c note) and Section 32 (7 U.S.C §612c).<sup>66</sup> USDA also reimburses state agencies for costs associated with transporting USDAFoods (both within a state and from one state to another) during presidentially declared disasters and emergencies.<sup>67</sup>

As noted, Disaster Household Distribution is separate from TEFAP. Some state agencies may see an advantage in operating a Disaster Household Distribution program because of more flexible administrative requirements (e.g., loosening eligibility rules), while others may see a disadvantage in fewer foods being available for current TEFAP recipients and a delay in replenishing those foods. For example, a FNS letter dated March 24, 2020, approving New York's Disaster Household Distribution program stated that orders to replenish TEFAP inventory "may not be available for delivery prior to July 2020."<sup>68</sup> FNS guidance emphasizes that "during disasters, emergencies, or situations of distress, States should continue to operate TEFAP if possible."<sup>69</sup> FNS has also publicized "flexibilities" within TEFAP that, for example, encourage states to consider expanding eligibility requirements.<sup>70</sup> Recent letters from FNS approving extensions of states' Disaster Household Distribution programs have included the following statement:<sup>71</sup>

Consideration of any further requests to extend disaster household distribution will be dependent on the targeting of the request to specific areas most in need and justification as to why the availability of other programs and resources are not meeting the State's food assistance needs.

#### Farmers to Families Food Box Program

On April 17, USDA announced a Coronavirus Food Assistance Program<sup>72</sup> that includes \$3 billion for a new Farmers to Families Food Box initiative to facilitate the distribution of foods—

<sup>67</sup> 7 C.F.R. §250.69(h).

<sup>&</sup>lt;sup>65</sup> 7 C.F.R. §250.69(g).

<sup>&</sup>lt;sup>66</sup> USDA, FNS, Food Distribution Division, "USDA Foods Program Disaster Manual," revised September 2017, pp. 8-9, https://fns-prod.azureedge.net/sites/default/files/fdd/disaster-manual.pdf. Sections 412 and 413 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act authorize USDA to use Section 32 funds "to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area" (42 U.S.C. §5180).

<sup>&</sup>lt;sup>68</sup> USDA, FNS, "Approval of Disaster Household Distribution in Response to the National Emergency Declaration due to COVID-19," March 24, 2020, https://fns-prod.azureedge.net/sites/default/files/resource-files/NY-COV-19-DHHD-Final-Approval.pdf.

<sup>&</sup>lt;sup>69</sup> USDA, FNS, Food Distribution Division, "USDA Foods Program Disaster Manual," revised September 2017, p. 26, https://fns-prod.azureedge.net/sites/default/files/fdd/disaster-manual.pdf.

<sup>&</sup>lt;sup>70</sup> USDA, FNS, "The Emergency Food Assistance Program (TEFAP) Flexibilities for State Agencies," March 30, 2020, https://www.fns.usda.gov/tefap/flexibilities-state-agencies.

<sup>&</sup>lt;sup>71</sup> For example, see New York's extension: USDA, FNS, "Extension Approval of Disaster Household Distribution in Response to the National Emergency Declaration Due to COVID-19," May 28, 2020, https://fns-prod.azureedge.net/ sites/default/files/resource-files/NERO-NYW estchester-COV-DHD-Extension2-Final-Approval.pdf; and Pennsylvania's extension: USDA, FNS, "Extension Approval of Disaster Household Distribution in Response to the National Emergency Declaration Due to COVID-19," May 23, 2020, https://fns-prod.azureedge.net/sites/default/files/ resource-files/MARO-PDA-COV-DHD-Extension2-Final-Approval.pdf.

<sup>&</sup>lt;sup>72</sup> For more information on the Coronavirus Food Assistance Program, see CRS Report R46347, *COVID-19, U.S. Agriculture, and USDA's Coronavirus Food Assistance Program (CFAP)*; and CRS Report R46348, *COVID-19:* 

specifically, fresh fruits and vegetables, dairy, and meat products—from local and regional suppliers to public and nonprofit organizations, including food banks, schools, tribal organizations, and faith-based organizations.<sup>73</sup> The stated goals of the program are to expedite federally sponsored food deliveries to food banks and other feeding organizations and to "sell food previously destined for restaurants and bulk purchasers to distributors, preventing waste."<sup>74</sup> USDA is operating the program using authority provided by Section 1101(g) of FFCRA, which gives the Secretary of Agriculture the authority to "purchase commodities for emergency distribution in any area of the United States during a public health emergency designation" during FY2020.<sup>75</sup>

Unlike TEFAP, state agencies do not play a role in the administration of the Farmers to Families Food Box program. Instead, AMS awards contracts to businesses through a solicitation process. According to the terms of the contracts, suppliers must package products into "family-sized boxes" and distribute the boxes to food banks and other recipient organizations selected by the supplier (which may or may not include TEFAP-participating organizations).<sup>76</sup> Boxes must contain fresh fruit and vegetables, dairy products, fluid milk, precooked meats, or a combination of those items.<sup>77</sup>

On May 8, 2020, AMS awarded \$1.2 billion for the first round of contracts. The initial food distribution was scheduled to take three weeks to two months from solicitation (April 24) to delivery (May 15 to June 30).<sup>78</sup> Following the awards, some news outlets, industry organizations, and lawmakers raised concerns about the supplier selection process.<sup>79</sup> Some food banks also raised concerns that the program does not include funding for their food handling and distribution costs.<sup>80</sup> Others have argued that the program has sped up federal aid and expanded the foods

<sup>78</sup> USDA, AMS, Solicitation AG-12-3J14-20-R-0377, April 24, 2020, p. 6, https://www.ams.usda.gov/sites/default/files/media/RFP\_ERAcquisition.pdf.

<sup>79</sup> U.S. Congress, House Agriculture Committee, "Fudge, Costa, and Plaskett Push USDA for Answers on Food Box Contracts," May 22, 2020; J. Hagstrom, "Stabenow leads Dem to question Perdue about food box program," *Hagstrom Report*, June 8, 2020; R. McCrimmon, "USDA food boxes start flowing, direct aid on deck," *Politico Morning Agriculture*, May 18, 2020, https://www.politico.com/newsletters/morning-agriculture/2020/05/18/usda-food-boxes-start-flowing-direct-aid-on-deck-787676; and R. McCrimmon, "Filling the safety gap for farmworkers," *Politico Morning Agriculture*, May 12, 2020, https://www.politico.com/newsletters/morning-agriculture/2020/05/12/filling-the-safety-gap-for-farmworkers-787524.

Supply Chain Disruptions in the U.S. Fruit and Vegetable Industry: In Brief.

<sup>&</sup>lt;sup>73</sup> USDA, "USDA Announces Coronavirus Food Assistance Program," April 17, 2020, https://www.usda.gov/media/ press-releases/2020/04/17/usda-announces-coronavirus-food-assistance-program.Nonprofits must have 501(c)(3) tax exempt status and all recipient organizations must "demonstrate that they have the operational and financial capability to receive, store and distribute requested food items." USDA, AMS, "Farmers to Families Food Box Program FAQs," April 27, 2020, https://www.ams.usda.gov/publications/content/farmers-families-food-box-program-faqs.

<sup>&</sup>lt;sup>74</sup> USDA, AMS, "Farmers to Families Food Box Infographic," https://www.ams.usda.gov/sites/default/files/media/ FarmerstoFamiliesFoodBox.pdf; USDA AMS webinar on April 21, 2020, recording available at https://www.ams.usda.gov/selling-food-to-usda/farmers-to-families-food-box.

<sup>&</sup>lt;sup>75</sup> USDA, AMS, "Notice of Funds Availability (NOFA); Purchase of Fruit, Vegetable, Dairy, and Meat Products Due to COVID-19 National Emergency-USDA Food Box Distribution Program," 85 *Federal Register* 23325, April 27, 2020, https://www.federalregister.gov/documents/2020/04/27/2020-08979/notice-of-funds-availability-nofa-purchase-of-fruit-vegetable-dairy-and-meat-products-due-to.

<sup>&</sup>lt;sup>76</sup> USDA, AMS, "Farmers to Families Food Box," https://www.ams.usda.gov/selling-food-to-usda/farmers-to-families-food-box, accessed on June 8, 2020.

<sup>&</sup>lt;sup>77</sup> USDA, AMS, Solicitation AG-12-3J14-20-R-0377, April 24, 2020, p. 5, https://www.ams.usda.gov/sites/default/files/media/RFP\_ERAcquisition.pdf.

<sup>&</sup>lt;sup>80</sup> N. Rasul, "'Last Mile' Concerns Complicate USDA Food Box Program," *Food Bank News*, June 2, 2020, https://foodbanknews.com/last-mile-concerns-complicate-food-box-program/; T. Orsborn, "San Antonio Food Bank

available to those in-need of food assistance.<sup>81</sup> Solicitation and awards for the remaining portions of the program are expected through the summer and fall of 2020.

### **FEMA Programs**

#### **Emergency Food and Shelter Program**

The Emergency Food and Shelter Program (EFSP) provides grants for ongoing programs by private nonprofit organizations and local governments to provide shelter, food, and supportive services for individuals and families who are homeless or experiencing economic emergencies.<sup>82</sup> The EFSP is governed by a National Board<sup>83</sup> that is chaired by a director (by statute, the FEMA Administrator).<sup>84</sup> The National Board also includes representatives from private nonprofit organizations.<sup>85</sup> When Congress appropriates funding to the EFSP, the director is responsible for awarding a grant to the National Board,<sup>86</sup> and the National Board is responsible for establishing program guidelines<sup>87</sup> and disbursing the funding.<sup>88</sup> Localities (i.e., cities or counties) are designated for funding based on a formula that includes population, poverty, and unemployment data.<sup>89</sup> Each locality designated for funding must establish a Local Board, which is responsible for advertising funding availability and determining how their allotment of local funding will be distributed, including selecting the grant recipients (i.e., private nonprofit organizations or public

<sup>83</sup> 42 U.S.C. §11331.

<sup>84</sup> 42 U.S.C. §11331(c) and 42 U.S.C. §11351(1).

FACT SHEET EmergencyFoodandShelterProgramMay2020compliant.pdf (hereinafter, FEMA, "EFSP Fact Sheet")). <sup>86</sup> 42 U.S.C. §11341.

footing costly bill for USDA program, adds delay in getting food to those in need," *San Antonio Express-News*, June 13, 2020, https://www.expressnews.com/news/local/article/San-Antonio-Food-Bank-footing-costly-bill-for-15337758.php.

<sup>&</sup>lt;sup>81</sup> For example, see K. Whitcomb, "Free food program also helps farmers," *Rutland Herald*, June 1, 2020, https://www.rutlandherald.com/news/free-food-program-also-helps-farmers/article\_14479ae4-6706-5a06-85cb-897500559729.html and L. Moore, "Farmers' bounty distributed for free in ongoing Muskegon area relief effort," *MLive*, June 5, 2020, https://www.mlive.com/news/muskegon/2020/06/farmers-bounty-distributed-for-free-in-muskegon-heights.html.

<sup>&</sup>lt;sup>82</sup> EFSP was first authorized under the Stewart B. McKinney Homeless Assistance Act of 1987 (P.L. 100-77), later renamed the McKinney-Vento Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart B. McKinney Homeless Assistance Act and reauthorized under the Stewart

<sup>&</sup>lt;sup>85</sup> 42 U.S.C. §11331(b). The nonprofit organizations that comprise the EFSP National Board include the American Red Cross, Catholic Charities U.S.A., the Jewish Federations of North America (referred to in statute as the Council of Jewish Federations, Inc.), the National Council of Churches of Christ in the U.S.A., the Salvation Army, and United Way Worldwide (referred to in statute as the United Way of America). The United Way serves as the EFSP National Board's Secretariat and Fiscal Agent, and administers the program nationally on a day-to-day basis (see FEMA, "Emergency Food and Shelter Program," fact sheet, April 29, 2020, https://www.fema.gov/media-library-data/ 1588188618188-ef2cf79e8202bfb49bfe3c7c877e8542/

<sup>42</sup> U.S.C. 911541.

<sup>&</sup>lt;sup>87</sup> 42 U.S.C. §11346.

<sup>&</sup>lt;sup>88</sup> 42 U.S.C. §11345.

<sup>&</sup>lt;sup>89</sup> Emergency Food and Shelter National Board Program (EFSP National Board), "How Areas Qualify," https://www.efsp.unitedway.org/efsp/website/websiteContents/index.cfm?template=qualify.cfm (last accessed May 29, 2020) (hereinafter, EFSP National Board, "How Areas Qualify"). Per the EFSP website, "For fiscal years 2019 and 2020 funding, jurisdictions qualified for funding if they met one of the following criteria: [1] Number of unemployed: 300 or more with a 3.7% rate of unemployment [and] [2] Number of unemployed: 300 or more with a 14.1% rate of poverty."

organizations of the local government in the individual locality).<sup>90</sup> The National Board disburses funds directly to local recipient organizations (LROs) selected by the Local Boards.<sup>91</sup> Additionally, localities that do not qualify under the formula may receive funds through the State Set-Aside process, which can also be used to allow localities that are designated for funding to receive additional funding.<sup>92</sup>

Eligible applicants for EFSP grants through the Phase 37, Phase 38, and Phase CARES funds (described in the following section) include private nonprofit organizations<sup>93</sup> that provide food and shelter services.<sup>94</sup> Thus, food banks and other emergency feeding organizations that meet the eligibility requirements may apply to receive a grant; however, it is a competitive grant process.<sup>95</sup>

#### Available EFSP Funding

In calendar year 2020, \$445 million in EFSP funding is set for implementation.<sup>96</sup> Congress appropriated \$120 million for the EFSP in FY2019,<sup>97</sup> and \$125 million in FY2020.<sup>98</sup> Congress appropriated an additional \$200 million for the EFSP in FY2020 through the CARES Act.<sup>99</sup> The EFSP refers to the grant cycles as "Phases." Thus, Phase 37 refers to the FY2019 annual funding,

<sup>94</sup> EFSP National Board Program, "Preliminary Funding Notice: Phases 37, 38 and CARES Funding," https://www.efsp.unitedway.org/efsp/website/websiteContents/pdfs/PreliminaryFundingNoticesP37\_38\_CARES.pdf (last accessed June 3, 2020) (hereinafter, EFSP, "Preliminary Funding Notice").

<sup>95</sup> In order to receive an EFSP grant, potential applicants must submit an application to the Local Board in the jurisdiction where they are providing services. EFSP, "Preliminary Funding Notice." See also EFSP National Board Program, "Overview and Guidance: Phases 37, 38 and CARES Calendar Year 2020," presentation, slide 3, https://www.efsp.unitedway.org/efsp/website/websiteContents/pdfs/

OverviewandGuidance(Phases%2037%2038%20and%20CARES).pdf (hereinafter, EFSP, "Overviewand Guidance Presentation"). Additionally, food banks are past EFSP grant recipients. For past funded organizations, see the "Funded Organizations" tab of the EFSP National Board website, available at https://www.efsp.unitedway.org/efsp/website/index.cfm.

<sup>96</sup> An additional \$30 million was appropriated through Title III of the Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act, 2019 (Border Supplemental, P.L. 116-26). The EFSP funding through the Border Supplemental is being administered in a different way than the annually appropriated funding and CARES Act funding and is not relevant to the discussion about programs for COVID-19 assistance. More information regarding the Border Supplemental funding for the EFSP is available through the EFSP National Board's website, available at https://www.efsp.unitedway.org/efsp/website/index.cfm (see the "Supplemental Funding Info" tab).

<sup>97</sup> Title III of Division A of the Consolidated Appropriations Act, 2019 (P.L. 116-6). The EFSP National Board published the list of FY2019 Phase 37 allocations (appropriated in P.L. 116-6), available at https://www.efsp.unitedway.org/efsp/website/websiteContents/pdfs/Phase%2037%20Allocations.pdf.

<sup>98</sup> Title III of Division D of the Consolidated Appropriations Act, 2020 (P.L. 116-93). EFSP, "Preliminary Funding Notice"; EFSP, "Overview and Guidance Presentation," slide 5.

<sup>99</sup> Title VI of Division B of the CARES Act (P.L. 116-136). The EFSP National Board published the list of FY2020 Phase CARES allocations (appropriated in P.L. 116-136), available at https://www.efsp.unitedway.org/efsp/website/websiteContents/pdfs/Phase%20CARES%20Allocations.pdf.

<sup>&</sup>lt;sup>90</sup> 42 U.S.C. §11332.

<sup>&</sup>lt;sup>91</sup> FEMA, "EFSP Fact Sheet."

<sup>&</sup>lt;sup>92</sup> EFSP National Board, "How Areas Qualify." Per the EFSP website, "[j]urisdictions that do not qualify under the formula and thus do not receive funding directly from the National Board may receive funds through the State Set - Aside process, and jurisdictions that do qualify may receive additional funding the same way."

<sup>&</sup>lt;sup>93</sup> 42 U.S.C. §11351(6) defines *private nonprofit organization* as "an organization—(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual; (B) that has a voluntary board; (C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Director; and (D) that practices nondiscrimination in the provision of assistance."

Phase 38 refers to the FY2020 annual funding, and Phase CARES refers to the FY2020 CARES Act supplemental funding.<sup>100</sup>

# EFSP Services and CARES Act Supplemental Funding for COVID-19 Feeding Support

The following services are eligible for EFSP funding:

- food (i.e., served meals or groceries);
- lodging (i.e., mass shelter or hotel/motel, limited to 30 days per individual or household);
- one month's rent or mortgage payment;
- one month's utility bill; and
- equipment necessary to feed or shelter people (up to \$300 per item).<sup>101</sup>

EFSP funding may also be used for expenses related to repairing necessary equipment (not to exceed \$300 per item), as well as repairs to mass feeding or sheltering facilities for building code compliance (not to exceed \$2,500), and expenses related to making mass feeding or sheltering facilities accessible for individuals with disabilities (not to exceed \$2,500).<sup>102</sup>

Although the EFSP is administered by FEMA, it does not require a major disaster or emergency declaration for implementation.<sup>103</sup>

Consistent with normal program administration, according to the Preliminary Funding Notice for Phase CARES (which also includes the Phase 37 and Phase 38 funding), the EFSP funds "must be used to supplement food and shelter services and may not be used as seed money for new programs."<sup>104</sup> Eligible use of funds mirror the above-listed eligible services. The Preliminary Notice of Funding and the EFSP National Board's presentation providing an overview and guidance for the Phase 37, Phase 38, and Phase CARES funding also provide details on the use of funds relevant to providing services during the COVID-19 pandemic. For example, "food services" includes home delivery meals (e.g., Meals on Wheels),<sup>105</sup> "lodging" includes lodging in a non-congregate setting such as a hotel/motel,<sup>106</sup> and "supplies essential to feeding or sheltering people" include cleaning supplies.<sup>107</sup> Additionally, administrative funds (which are limited to 2% of the jurisdiction's award and require Local Board approval) "may be used to offset costs to administer the program, including staff salary."<sup>108</sup>

<sup>&</sup>lt;sup>100</sup> EFSP, "Preliminary Funding Notice."

<sup>&</sup>lt;sup>101</sup> EFSP National Board, "About the Emergency Food and Shelter Program," https://www.efsp.unitedway.org/efsp/ website/websiteContents/index.cfm?template=about.cfm (last accessed May 29, 2020)

<sup>&</sup>lt;sup>102</sup> EFSP, "Preliminary Funding Notice."

<sup>&</sup>lt;sup>103</sup> 42 U.S.C. §5122(1) and (2).

<sup>&</sup>lt;sup>104</sup> EFSP, "Preliminary Funding Notice."

<sup>&</sup>lt;sup>105</sup> EFSP, "Overviewand Guidance Presentation," slide 10.

<sup>&</sup>lt;sup>106</sup> EFSP, "Preliminary Funding Notice."

<sup>&</sup>lt;sup>107</sup> EFSP, "Preliminary Funding Notice"; and EFSP, "Overview and Guidance Presentation," slide 10.

<sup>&</sup>lt;sup>108</sup> EFSP, "Preliminary Funding Notice." More information regarding the Phase 37 and Phase CARES funding for the EFSP is available through the EFSP National Board's website, available at https://www.efsp.unitedway.org/efsp/website/index.cfm (see the "FY2019/2020/CARESFunding" tab).

#### Stafford Act Public Assistance Program

The Public Assistance (PA) program authorized in the Stafford Act provides grant assistance to state, tribal, territorial, and local governments as well as eligible nonprofits for the costs of urgent response and long-term recovery work following an emergency or major disaster declared under the act.<sup>109</sup> The President issued an emergency declaration and subsequent major disaster declarations for all 50 states, five territories, the District of Columbia and one tribe authorizing PA for COVID-19 response efforts.<sup>110</sup>

The Stafford Act declarations for the COVID-19 pandemic specifically authorized assistance for PA Category B: Emergency Protective Measures, defined as work undertaken to save lives and protect property or public health and safety, or avert the threat of a catastrophe.<sup>111</sup> This includes the provision of food to achieve these ends.<sup>112</sup> For the pandemic, FEMA reimburses state, tribal, territorial, and local governments as well as eligible nonprofits (PAApplicants) for 75% of eligible costs incurred while performing eligible work.<sup>113</sup> There is no predetermined limit on the amount of funding available through the PA program.

For the pandemic, FEMA provides PA for food assistance required as a lifesaving or lifesustaining commodity given stay-at-home orders that reduce food access, atypical demand for food, or disruptions to food supply chains.<sup>114</sup> State, tribal, territorial, or local governments may receive reimbursement for such assistance, or may contract with other entities including food banks to provide food assistance and receive reimbursement for eligible costs incurred through those contracts.<sup>115</sup> FEMA provided a non-exclusive list of populations that may require food

<sup>112</sup> The provision of emergency food is authorized under Stafford Act Section 403(a)(3)(B); 42 U.S.C. §5170b(a)(3)(B).

<sup>&</sup>lt;sup>109</sup> Public Assistance is authorized under Stafford Act Sections 402, 403, 406, 407, 418, 419, 428, and 502; 42 U.S.C.
§§5170a-5170b, 5172; 5173, 5185-86, 5189f; 5192. See 44 C.F.R. §206.220 for general eligibility for public assistance. Per 44 C.F.R. Section 206.225(c) and (d), PA "emergency work" includes emergency communications and emergency transportation authorized under Stafford Act Sections 418 and 419. FEMA's Public Assistance guidance explains: "[a] State, Territorial, Tribal, or local government may provide emergency communication services and public transportation when existing systems are damaged to the extent vital functions of community life or incident response are disrupted. The costs of these services are not eligible for reimbursement. However, FEMA may provide short -term DFA [Direct Federal Assistance] for these services," FEMA, *Public Assistance Program and Policy Guide (PAPPG)*, FP 104-009-2, effective June 1, 2020, p. 114, https://www.fema.gov/media-library-data/1589895203535-0badc3ece1c1d4efe5e599566654860a/PAPPG\_V4\_Final\_6-1-2020\_508.pdf (hereinafter, FEMA, *PAPPG*).

<sup>&</sup>lt;sup>110</sup> Stafford Act Declarations as of June 2, 2020. FEMA, "COVID-19 Disaster Declarations," https://www.fema.gov/ coronavirus/disaster-declarations.

<sup>&</sup>lt;sup>111</sup> FEMA released guidance specific to COVID-19 including a non-exclusive list of emergency protective measures. FEMA, "Coronavirus (COVID-19) Pandemic: Eligible Emergency Protective Measures," fact sheet, March 19, 2020, https://www.fema.gov/news-release/2020/03/19/coronavirus-covid-19-pandemic-eligible-emergency-protectivemeasures. Assistance for emergency protective measures is authorized under Stafford Act Sections 402, 403, 407, 418, and 419 for major disasters and 502 for emergencies; 42 U.S.C. §§5170a-5170b, 5173, 5185-86, 5192.

<sup>&</sup>lt;sup>113</sup> See, for example, 42 U.S.C. Section 5170b(b), which states "[t]he Federal share of assistance under this section [essential assistance] shall be not less than 75 percent of the eligible cost of such assistance." See also 44 C.F.R. Section 206.65. On general public assistance eligibility, see 44 C.F.R. Section 206.220 and FEMA, *PAPPG*, pp. 42-47, 51-59, 65.

<sup>&</sup>lt;sup>114</sup> FEMA, "Coronavirus (COVID-19) Food Eligible for PA."

<sup>&</sup>lt;sup>115</sup> On reasonable costs, see 2 C.F.R. Section 200.404, 44 C.F.R. Section 206.228, and FEMA, "Public Assistance: Reasonable Cost Evaluation," Job Aid, October 2018, https://www.fema.gov/media-library-data/1539879525279d00ae1c43f9765c5a4b415e1a31202c5/PA\_Reasonable\_Cost\_Evaluation\_Job\_Aid\_508\_FINAL\_10-16-2018.pdf. Additionally, PA Applicants must follow procurement procedures to ensure that costs are eligible. FEMA released a memorandum for COVID-19 procurement; FEMA, "Procurement Under Grants Conducted Under Emergency or Exigent Circumstances for COVID-19," memorandum, March 17, 2020, https://www.fema.gov/media-library-data/ 1584457999950-7186ffa29ace3e6faf2ca2f764357013/

assistance due to the pandemic, including those diagnosed with or exposed to COVID-19 who do not require hospitalization, high-risk individuals, and other populations as identified by appropriate health officials.<sup>116</sup> FEMA may reimburse a range of costs through PA, including the purchase, packaging, preparation, storage, and delivery of food to individuals or points of distribution.<sup>117</sup>

When PA Applicants do not have capacity to perform eligible work under the PA program, FEMA may provide direct assistance (referred to as Direct Federal Assistance or DFA).<sup>118</sup> In these cases, FEMA may assign work to FEMA personnel or other federal personnel. Under this authority, FEMA tasked USDA with food supply assistance in certain instances.<sup>119</sup>

There are certain limitations to food assistance that may be provided through PA for the pandemic. FEMA stated that it will provide PA for food assistance for an initial 30-day period. Thereafter, PAApplicants may request extensions from their respective FEMA Regional Administrators.<sup>120</sup> Additionally, FEMA only reimburses for food assistance that is directly required as a result of the pandemic. For example, FEMA may not reimburse PA Applicants for ongoing costs predating the pandemic of operating food banks, though FEMA may reimburse PA Applicants for the costs of food storage, purchase, preparation, and distribution at food banks in response to the pandemic.<sup>121</sup> FEMA does not reimburse for costs funded by other means, including assistance provided by federal agencies like USDA.<sup>122</sup>

FEMA has obligated funds specifically for food assistance for states including Oregon, California, Texas, Kansas, and Arizona through the PAprogram.<sup>123</sup> Work descriptions include reimbursement for National Guard food missions, food bank purchases, expanded Meals on Wheels funding, and California's Great Plates program, a public program that delivers restaurantprepared meals to populations vulnerable to COVID-19.<sup>124</sup> Additional funds may have been obligated for food assistance but not designated as such in publicly available data.

#### Public Assistance Funding

PA is funded through the Disaster Relief Fund, the primary source of funding for the federal government's domestic general disaster relief programs. DRF appropriations are not allocated for specific emergencies, disasters, or forms of assistance, including PA. There is no statutory limit

<sup>121</sup> 44 C.F.R. §206.223(a)(1).

Procurement\_Under\_EE\_Circumstances\_Memo\_final\_508AB.pdf. See also FEMA, "Procurement Under Grants: Under Emergency or Exigent Circumstances," fact sheet, March 20, 2020, https://www.fema.gov/news-release/2020/ 03/20/procurement-under-grants-under-exigent-or-emergency-circumstances.

<sup>&</sup>lt;sup>116</sup> FEMA, "Coronavirus (COVID-19) Food Eligible for PA."

<sup>&</sup>lt;sup>117</sup> FEMA, "Coronavirus (COVID-19) Food Eligible for PA."

<sup>&</sup>lt;sup>118</sup> Authorized in Stafford Act Sections 402, 418, 419, and 502; 42 U.S.C. §§5170a, 5185-86, 5192. See also 44 C.F.R. Section 206.208.

<sup>&</sup>lt;sup>119</sup> FEMA, "Region 7 COVID-19 Fact Sheet," April 20, 2020, https://www.fema.gov/news-release/2020/04/20/region-7-covid-19-fact-sheet.

<sup>&</sup>lt;sup>120</sup> FEMA, "Coronavirus (COVID-19) Food Eligible for PA."

<sup>&</sup>lt;sup>122</sup> Stafford Act §312; 42 U.S.C. §5155. See also 44 C.F.R. Section 206.250(c).

<sup>&</sup>lt;sup>123</sup> Based on application titles for COVID-19 declarations including the search terms *food*, *plates*, and *meals* in OpenFEMA, "Public Assistance Funded Projects – Details," available at https://www.fema.gov/openfema-dataset-public-assistance-funded-projects-details-v1. The most recent data in the dataset were last updated on May 30, 2020.

<sup>&</sup>lt;sup>124</sup> California Governor's Office of Emergency Services, "Great Plates Delivered Program Guidance," May 7, 2020, p. 1, https://covid19.ca.gov/img/wp/great-plates-delivered-program-guidance.pdf

on the amount of funding that may be available to any PA recipient, PA Applicant, declaration, or project—including food distribution—for the COVID-19 pandemic or other Stafford Act declarations. The terms of assistance provided pursuant to each disaster are set by an agreement negotiated between FEMA and the declaration recipient.

Division B of the CARES Act (P.L. 116-136) included \$45 billion for the DRF in March 2020, bringing its available balance for the costs of major disasters to more than \$87 billion at the end of the month.<sup>125</sup> This is the first time FEMA has exercised Stafford Act authorities as a primary response to a pandemic, so FEMA has not provided projections for future spending from the DRF—including PA—on the COVID-19 response.<sup>126</sup>

	Authorizing Law	FY2020 Available Funding (\$ in millions)	
U.S. Donoutmont of Agriculture (USC			
U.S. Department of Agriculture (USE	, -		
Farmers to Families Food Box program	Families First Coronavirus Response Act (FFCRA; P.L. 116-127)	3,000	
Disaster Household Distribution	Section 32 (7 U.S.C. §612c) and Section 4(a) of Not availa the Agricultural and Consumer Protection Act of 1973 (7 U.S.C. §612c note)		
Commodity Credit Corporation (CCC) Food Purchase and Distribution Program (FPDP)	CCC Charter Act (15 U.S.C. §714)	I,460ª	
Section 32 bonus commodity purchases	Section 32 of the act of August 24, 1935 (7 U.S.C. §612c)	873 <sup>b</sup>	
The Emergency Food Assistance Program (TEFAP)			
Entitlement commodities	Further Consolidated Appropriations Act of FY2020 (P.L. 116-94); Division A of FFCRA (P.L. 116-127); Division B of CARES Act (P.L. 116- 136)	972°	
Administrative and food distribution costs	Further Consolidated Appropriations Act of FY2020 (P.L. 116-94); Division A of FFCRA (P.L. 116-127); Division B of CARES Act (P.L. 116- 136)	4); Division A of FFCRA (P.L.	
Farm to Food Bank Projects	Section 203D of the Emergency Food Assistance Act of 1983 (7 U.S.C. §7507)	4	
Federal Emergency Management Age	ency (FEMA) Programs		
Emergency Food and Shelter Program (EFSP)	McKinney-Vento Homeless Assistance Act (P.L. 100-77, reauthorized under P.L. 100-628; 42 U.S.C. §11331 et seq.)	445 <sup>d</sup>	

# Table 2. Sources of Federal Funding for Food Banks and Other Emergency FeedingOrganizations, FY2020

 <sup>&</sup>lt;sup>125</sup> FEMA, "Disaster Relief Fund: Monthly Report, as of March 31, 2020," April 8, 2020, p. 7, https://www.fema.gov/media-library-data/1586553202915-6ad14cfec022590b2485cba9039190b0/Apr2020DisasterReliefFundReport.pdf.
 <sup>126</sup> For more information, see CRS Report R45484, *The Disaster Relief Fund: Overview and Issues*; and CRS Report R46326, *Stafford Act Declarations for COVID-19 FAQ*.

Total

Sections 402, 403, 418, 419, and 502 of the Stafford Act (P.L. 93-288, as amended; (42 U.S.C. §§5121 et seq.) No predetermined limit<sup>e</sup>

More than 7,084 <sup>f</sup>
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Source: Congressional Research Service (CRS), based on current law.

Notes: Amounts reflect budget authority unless noted.

- a. Includes \$1.4 billion for food purchases and \$60 million for administrative costs.
- b. This is the amount available for the remainder of FY2020 as of April 17, 2020. Actual amount may be higher.
- c. Assumes that states opt to use the maximum funding available for food distribution costs under FFCRA (up to \$100 million) and the CARES Act (up to \$150 million). TEFAP entitlement commodities funds include \$322 million provided in FY2020 annual appropriations, \$300 million provided by FFCRA, and \$350 million provided by the CARES Act. TEFAP administrative and food distribution funds include \$80 million provided in FY2020 annual appropriations, \$100 million provided by FFCRA, and \$150 million provided by the CARES Act.
- d. The \$445 million in total funding awarded to the Emergency Food and Shelter Program (EFSP) National Board by the Federal Emergency Management Agency (FEMA) for implementation in calendar year 2020 includes the \$200 million appropriated through the CARES Act, \$125 million appropriated in FY2020 annual appropriations, and \$120 million appropriated in FY2019 annual appropriations.
- e. Public Assistance is funded through the Disaster Relief Fund (DRF), the primary source of funding for the federal government's domestic general disaster relief programs. DRF appropriations are not allocated to specific emergencies, disasters, or specific forms of assistance, including food assistance. Division B of the CARES Act (P.L. 116-136) included \$45 billion for the DRF in March 2020, bringing its available balance for the costs of major disasters to more than \$87 billion. As of April 30, 2020, the balance of the fund is approximately \$80 billion.
- f. Total does not include funding for the USDA Disaster Household Distribution program or FEMA Public Assistance (PA) program.

## **Selected Legislative Proposals**

In recent months, federal policymakers have introduced bills to increase support for food banks and agricultural producers. Proposals often differ in terms of which entity they provide funding to (e.g., states and/or local organizations) and allowable uses of funds (e.g., food purchases, transportation costs, and/or infrastructure costs). Some of these proposals seek to involve restaurants in emergency feeding efforts.

The House-passed Heroes Act (H.R. 6800) would make changes to existing programs. It would provide an additional \$150 million for TEFAP and \$200 million for ESFP. It would also waive a state matching requirement that applies when states retain TEFAP administrative funds rather than distribute them to or expend them on behalf of emergency feeding organizations. The bill would also amend and provide an additional \$25 million for TEFAP's Farm to Food Bank Projects, which facilitate the harvesting, processing, packaging, and transporting of donated commodities from agricultural producers, processors, and distributors to emergency feeding organizations. H.R. 6800 would also waive a 50% state matching requirement in the Farm to Food Bank Projects and encourage the inclusion of specific types of agricultural products.<sup>127</sup>

<sup>&</sup>lt;sup>127</sup> Specifically, "a dairy, meat, or poultry product, or a specialty crop—(A) packaged or marketed for sale to commercial or food service industries; (B) for which decreased demand exists for such a product due to the COVID–19 outbreak; and (C) the repurposing of which would be impractical for grocery or retail sale."

Other proposals would create new programs. The Food Supply Protection Act (S. 3840), introduced by Senator Debbie Stabenow, Ranking Member of the Senate Committee on Agriculture, Nutrition, and Forestry, would authorize new temporary funding streams for emergency feeding organizations.<sup>128</sup> Specifically, the act would authorize USDA to reimburse food banks and other eligible organizations<sup>129</sup> for costs associated with the distribution and storage of perishable commodities, providing at least \$500 million in CCC funding for this purpose. Additionally, S. 3840 would provide \$500 million in CCC funding for USDA to award grants to such eligible organizations for "infrastructure, equipment, and supplies that support the distribution of surplus perishable food or meals prepared with that food."<sup>130</sup> Finally, the act would provide at least \$1 billion in formula funding to states and Indian tribes to purchase foods that "would otherwise be unharvested or surplus" for distribution to eligible feeding organizations (including restaurants).<sup>131</sup> It would also authorize USDA to reimburse eligible feeding organizations <sup>132</sup> for costs associated with the distribution of these donated foods.<sup>133</sup>

Other proposals would fund state and federal food purchases for distribution to emergency feeding organizations. The Food Bank Access to Fresh Farm Produce Act of 2020 (S. 3605) would provide \$8 billion for grants to states through USDA's Specialty Crop Block Grant Program. States would distribute the funds to food banks and food access networks to purchase and distribute specialty crops.<sup>134</sup> Relatedly, the Farmers Feeding Families Coronavirus Response Act (H.R. 6725 and S. 3655) would provide \$200 million in Section 32 funds to states to purchase specialty crops, dairy, and meat and poultry products for distribution through state food assistance programs and emergency feeding organizations. The bills would also allow the use of funds for infrastructure, transportation, food storage, and preparation costs. Additionally, they would provide \$300 million for federal food purchases of specialty crops, dairy, and meat and poultry products for distribution through TEFAP.

Other bills would establish partnerships between emergency feeding organizations and restaurants. The FEMA Empowering Essential Deliveries Act (FEED Act) (S. 3614 and H.R. 6700) would authorize FEMA to approve state and local partnerships with qualifying restaurants and nonprofits to provide meals to individuals in need for the duration of the COVID-19 Stafford Act declarations. Through PA, FEMA currently reimburses state, tribal, territorial, and local

<sup>&</sup>lt;sup>128</sup> It would authorize such funding streams until December 31, 2020 or "a date after December 31, 2020, if there are remaining food surpluses relating to the COVID-19 emergency, as determined by the Secretary [of Agriculture]." Bill text available at U.S. Congress, U.S. Senate Committee on Agriculture, Nutrition, and Forestry, "Ranking Member Stabenow Introduces Legislation to Protect America's Food Supply," May 27, 2020,

https://www.agriculture.senate.gov/newsroom/dem/press/release/ranking-member-stabenow-introduces-legislation-to-protect-americas-food-supply.

<sup>&</sup>lt;sup>129</sup> *Eligible organizations* would include nonprofits (e.g., food banks, schools, and emergency feeding organizations), faith-based organizations, tribal organizations, child and adult care centers, and "similar entities as determined by USDA."

<sup>&</sup>lt;sup>130</sup> Ibid, Section 3. The bill would also authorize such sums as necessary from the CCC for this grant program.

<sup>&</sup>lt;sup>131</sup> Ibid, Section 4. The bill would also authorize such sums as necessary from the CCC for these formula funds. *Eligible feeding organizations* are defined as public and nonprofit organizations, including tribal organizations, and restaurants operating an emergency feeding or food relief program.

<sup>&</sup>lt;sup>132</sup> *Eligible food organizations* are defined as farming cooperatives; farmers organizations, food hubs, food distributors, majority-controlled producer-based business ventures, or other food aggregators; and food processors.

<sup>&</sup>lt;sup>133</sup> Such expenses could include harvesting, processing, packaging, transportation, storage, and meal preparation costs.

<sup>&</sup>lt;sup>134</sup> Specialty crops include "fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture)"; Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note). For more information, see CRS In Focus IF11317, 2018 Farm Bill Primer: Specialty Crops and Organic Agriculture.

governments for up to 75% of eligible costs incurred while providing meals prepared by private entities, including restaurants and nonprofits, to respond to elevated food demand as a result of COVID-19.<sup>135</sup> S. 3614 may provide statutory enforcement to this policy. Additionally, S. 3614 would eliminate the 25% nonfederal cost share for all PA authorized pursuant to Stafford Act declarations for COVID-19.<sup>136</sup> The Community Meals Fund (H.R. 6384) would authorize appropriations of \$20 million for USDA to award grants to nonprofit feeding organizations<sup>137</sup> to partner with small and mid-sized restaurants or food contractors "to expand meal access and delivery" during a pandemic and under a major disaster declaration.

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<sup>135</sup> FEMA, "Coronavirus (COVID-19) Food Eligible for PA."

<sup>&</sup>lt;sup>136</sup> The Stafford Act authorizes FEMA to reimburse not less than 75% of the eligible costs of specific types of disaster response and recovery work undertaken by eligible PA Applicants. See, for example, Stafford Act Section 403(b), 42 U.S.C. §5170b(b). FEMA may recommend that the President increase the federal cost share in extraordinary cases at the request of a state, territory, or tribe, per 44 C.F.R. Section 206.47.

<sup>&</sup>lt;sup>137</sup> Nonprofit feeding organizations include anti-hunger organizations, food banks, food pantries, soup kitchens, food rescue groups, or community food security organizations.