



Covid-19 and TEFAP

What is The Emergency Food Assistance Program (TEFAP)?

TEFAP is a Federal program that provides USDA-purchased agricultural products to low-income households through emergency food providers like food banks, food pantries, and soup kitchens. States also receive administrative funds through TEFAP to support the storage and distribution of USDA foods. TEFAP food and funds are distributed to states through a formula that is adjusted annually, based on populations of low-income and unemployed individuals.

In addition to foods purchased with appropriated funds, USDA purchases “bonus” foods through Section 32 to support agriculture markets.¹ Recently, USDA has also purchased foods using funds from the Commodity Credit Corporation (CCC) to support farmers impacted by retaliatory tariffs.² These purchases are under the Secretary’s discretion.

Who is eligible for TEFAP?

Each state has its own criteria for determining eligibility for households to receive TEFAP food. Food banks are required to interview households seeking food to ensure that they meet their state’s income requirement.

How is TEFAP funded?

Mandatory funding is provided in the farm bill for food banks to purchase foods from any source. These are called “entitlement foods”. In addition, there is a minimum purchase amount of USDA commodities, or “bonus” foods that are required to be purchased with Section 32 funding for TEFAP.

USDA also provides states the option for mandatory administrative funds: 15% of the entitlement funds may be converted to administrative costs if requested by the state.

In addition, the farm bill authorizes \$100 m per year for administrative costs. Until trade aid for farmers impacted by retaliatory tariffs began, appropriations for this fund were about \$50 m per year. In FY2019, \$148.6 m was available for administrative costs: \$79.6 m in appropriations and a \$30 m transfer from CCC. In FY2020, \$79.6 m was appropriated for administrative costs. The difference between the appropriated amount and the spending levels in the chart above is due to states opting to use up to 15% of their entitlement food funds for administrative costs.

The table below shows the spending levels for TEFAP in the past 5 years.

¹ *The Emergency Food Assistance Program (TEFAP): Background and Funding* (CRS Report R45408; Jan. 8, 2020), by Kara Clifford Billings. Retrieved from <https://www.crs.gov/reports/pdf/R45408>
Farm and Food Support Under USDA’s Section 32 Program (CRS Report RL34081; October 17, 2016), by Jim Monke. Retrieved from <https://www.crs.gov/reports/pdf/RL34081>

² *The Commodity Credit Corporation: In Brief* (CRS Report R44606; Sept. 4, 2019), by Megan Stubbs. Retrieved from <https://www.crs.gov/reports/pdf/R44606>

TEFAP	2014	2015	2016	2017	2018	2019
Storage and Distribution	\$69.1 m	\$74.0 m	\$77.9 m	\$83.3 m	\$90.7 m	\$148.6 m
Bonus (Section 32)	\$298.8	\$302.9	\$305.5	\$268.6	\$308.9	\$403.0
Entitlement Food	\$268.0	\$320.9	\$320.0	\$297.0	\$287.5	\$254.9
Trade Mitigation Purchases (CCC)	\$0	\$0	\$0	\$0	\$0	\$1.059 b
Total	\$635.9 m	\$703.9 m	\$703.7 m	\$667.9 m	\$711.1 m*	\$1.865.8 b

*Includes \$24 m in disaster funding to use USDA-purchased commodities for hurricane and wildfire disaster relief.

What changes do the phase 2 & 3 Covid-19 relief packages make to TEFAP?

H.R. 6201 and H.R. 748 both allotted additional funding to TEFAP. There is a total of \$850 million available for TEFAP between these two packages.

- H.R. 6201 included a \$400 million increase in emergency funding for TEFAP, including \$100 million for storage and distribution costs and \$300 million for food purchases
- H.R. 748 contains an additional \$450 million for TEFAP, including \$300 million in food purchases and \$150 million for storage and distribution.

Flexibility for states:

- States should expect the extra TEFAP funds from the Families First Coronavirus Response Act (H.R. 6201) in July.
- If food banks are running low on TEFAP foods, they can request that next month's food be delivered early (i.e. May food delivered in April). Those requests should be made to their state administering office.
- Food banks can use their TEFAP administrative funds to hire more staff, given the current shortage of volunteers.
- States can apply to run a household disaster distribution program with TEFAP foods that does not have the same eligibility requirements as TEFAP. Alternatively, a state can ask USDA to amend its state plan to adjust the income test to determine eligibility for TEFAP.