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SHRINKING AT THE SNAP OF A FINGER:

More Cuts to Food Aid Loom as North Carolina Faces High Rates of Food Hardship

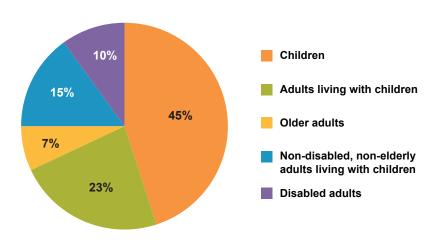
BY TAZRA MITCHELL, POLICY ANALYST

The Tar Heel state has the fifth highest level of food insecurity in the nation, meaning many North Carolinians face the prospect of spending the holiday season with little or no food on the table. Despite the economic recovery, the number of North Carolinians who don't have a consistent supply of food is on the rise, evidence of the state's large job shortage and boom in low-wage jobs.¹ The Supplemental Nutrition Assistance Program (SNAP) helps families purchase a nutritionally adequate diet and is one of the nation's most powerful weapons available to alleviate hunger and poverty. Yet, at the beginning of November, every North Carolinian who receives SNAP saw a cut to their benefits, and Congress is poised to make another round of deep cuts that will likely put even more low-income families at risk of hunger.

SNAP is a Vital Lifeline for Needy Populations

For many North Carolinians facing food hardship, SNAP—a federally funded program previously known as food stamps—provides significant relief and puts food on the table during times of economic hardship. SNAP serves approximately 1.6 million low-income North Carolinians, two-thirds of whom are in families with children.

FIGURE 1: Two-thirds of Those Receiving SNAP Benefits in North Carolina are Families with Children



SOURCE: Center on Budget and Policy Priorities' analysis of USDA Food and Nutrition Service data, FY2011.

Older adults and people with disabilities make up nearly another fifth of SNAP participants in the state (see Figure 1). SNAP is targeted at the most vulnerable, reaching families who are living at the economic margins and those who are just above the federal poverty line.²

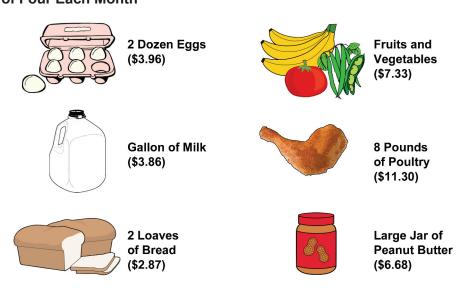
SNAP helps eligible low-income families purchase basic groceries by providing a very modest monthly benefit that is set on a sliding scale based on income and household size. Families with the greatest need receive the most benefits. In 2012, the average monthly SNAP benefit for a family in North Carolina was \$121.37, or \$1.35 per person per meal.³ Benefits are typically spent quickly and run out before month's end. Nearly 80 percent of benefits are used within two weeks of receipt and 97 percent are spent by the end of the month.⁴

SNAP responded quickly and effectively to the economic downturn, helping families make ends meet as they struggled to find work amidst high levels of unemployment and underemployment. As such, there was a steep rise in SNAP participation and spending. The spending trend is beginning to reverse, however, as the economy slowly recovers and fewer people receive SNAP benefits. Since 2011, national participation in the SNAP program has leveled off, and the Congressional Budget Office expects the number of participants to fall by 2 to 5 percent each year over the next decade assuming the economy continues to improve. Over the same period, SNAP spending as a share of the economy is expected to decline.⁵

Recent Cuts to be Compounded by Deeper Cuts

The end of a temporary boost in benefits that occurred in November 2013 accounts for some of the anticipated savings over the next few years. This boost was included in the 2009 American Recovery and Reinvestment Act to strengthen the economy and ease hardship among low-income families. The resulting across-the-board benefit cut is impacting every SNAP participant, including an estimated 758,000 children, 285,000 older adults and people with disabilities, and more than 50,000 veterans in North Carolina.⁶

FIGURE 2: November 2013 SNAP Cuts were Serious Cuts, Worth \$36 for a Family of Four Each Month



SOURCE: Budget & Tax Center analysis of BLS-Average Price Data for US Southern Region.

For a family of four, the cut is worth \$36 per month, or \$396 over the remainder of the federal fiscal year that ends in September 2014. Considering that SNAP benefits are already very modest, this is a significant cut to people who rely on SNAP to meet their basic nutritional needs as they try to get a foothold on the economic ladder (see Figure 2). The cut is estimated to be \$5 billion nationwide, including \$166 million in North Carolina, in fiscal year 2014. ⁷

On top of the November 2013 benefit cut, Congress is poised to make even deeper cuts to SNAP. The House and Senate have passed separate pieces of legislation to cut SNAP. The Senate proposal would cut SNAP by \$4 billion over the next ten years. The cut would balloon to \$40 billion under the House proposal, resulting in an estimated 3.8 million fewer SNAP participants in 2014 alone.8 A conference committee is currently working to resolve differences between the two proposals.

At a time when jobless workers outnumber available jobs by nearly three-to-one in North Carolina, further cuts to SNAP will increase economic hardship for North Carolinians who already face difficult tradeoffs between food and other essential needs like rent, utilities, and health care. Chipping away at the safety net before the economy fully recovers will only make the day-to-day lives of vulnerable populations more difficult. Until public policies are put in place that close the job shortage, raise wages, and spread the economic gains broadly, keeping a robust safety net system is required to alleviate food insecurity and keep poverty in check.

- 1 United States Department of Agriculture. "Household Food Security in the United States in 2012." Economic Research Report Number 155. September 2013.
- 2 Center on Budget and Policy Priorities. "North Carolina Food and Nutrition Services Fact Sheet." January 2013. Available here: http://www.cbpp.org/files/1-14-13fa/NC.pdf
- 3 Center on Budget and Policy Priorities. "North Carolina Food and Nutrition Services Fact Sheet." January 2013. Available here: http://www.cbpp.org/files/1-14-13fa/NC.pdf
- 4 United States Department of Agriculture. "Benefit Redemption Patterns in the Supplemental Nutrition Assistance Program." February 2011. Available here: http://www.fns.usda.gov/sites/default/files/ARRASpendingPatterns.pdf
- 5 Rosenbaum, Dorothy. "SNAP Costs Leveling Off, Almost Certain to Fall Next Year: Trends Reflect Flat Caseloads and Recent Benefit Cuts." The Center on Budget and Policy Priorities. November 2013. Available at: http://www.cbpp.org/cms/index.cfm?fa=view&id=4054
- 6 Rosenbaum, Dottie and Keith-Jennings, Brynne. "November 1 SNAP Cuts Will Affect Millions of Children, Seniors, and People With Disabilities." The Center on Budget and Policy Priorities. October 2013. Available at: http://www.cbpp.org/cmp/2fa=vipaw&id=4036
- 7 Dean, Stacy and Rosenbaum, Dorothy. "SNAP Benefits Will be Cut for All Participants in November 2013." The Center on Budget and Policy Priorities. August 2013. Available at: http://www.cbpp.org/cms/?fa=view&id=3899
- 8 Rosenbaum, Dottie and . "Cuts in House Leadership SNAP Proposal Would Affect Millions of Low-Income Americans." The Center on Budget and Policy Priorities. September 2013. Available at: http://www.cbpp.org/cms/?fa=view&id=4009
- 9 North Carolina Justice Center: "The State of Working North Carolina: Lagging Recovery Highlights Need for Quality Job Creation, Investments in Workers." September 2013. Available at: http://www.ncjustice.org/?q=workers-rights/state-working-north-carolina-2013-lagging-recovery-highlights-need-quality-job

APPENDIX: SNAP Participants Live in Every County in North Carolina

COUNTY	NUMBER RECEIVING SNAP	PERCENT OF TOTAL POPULATION
ALAMANCE	24,821	16.2%
ALEXANDER	5,980	16.0%
ALLEGHANY	1,983	18.0%
ANSON	7,085	26.6%
ASHE	4,884	17.9%
AVERY	2,472	13.9%
BEAUFORT	10,296	21.4%
BERTIE	6,313	30.4%
BLADEN	8,812	25.1%
BRUNSWICK	17,118	15.2%
BUNCOMBE	38,420	15.7%
BURKE	15,003	16.7%
CABARRUS	20,200	11.0%
CALDWELL	13,842	16.8%
CAMDEN	1,097	10.9%
CARTERET	9,182	13.5%
CASWELL	5,143	21.8%
CATAWBA	28,792	18.5%
CHATHAM	6,659	10.0%
CHEROKEE	5,133	18.7%
CHOWAN	3,493	23.5%
CLAY	2,081	19.4%
CLEVELAND	24,623	25.2%
COLUMBUS	13,833	23.8%
CRAVEN	15,431	14.7%
CUMBERLAND	67,985	20.5%
CURRITUCK	2,514	10.4%
DARE	3,706	10.6%
DAVIDSON	30,454	18.6%
DAVIE	5,392	13.0%
DUPLIN	10,450	17.4%
DURHAM	43,087	15.3%
EDGECOMBE	18,176	32.4%
FORSYTH	54,540	15.3%
FRANKLIN	11,689	19.0%
GASTON	43,791	21.0%
GATES	1,989	16.6%
GRAHAM	1,739	19.8%
GRANVILLE	8,788	15.1%
GREENE	4,501	21.0%
GUILFORD	89,011	17.8%
HALIFAX	17,337	31.9%
HARNETT	21,969	18.2%
HAYWOOD	10,367	17.5%
HENDERSON	12,989	12.0%
HERTFORD	6,441	26.1%
HOKE	10,943	21.9%
HYDE	981	17.2%
IREDELL	14,942	9.2%
JACKSON	5,417	13.2%
JOHNSON	30,420	17.4%

COUNTY	NUMBER RECEIVING SNAP	PERCENT OF TOTAL POPULATION
JONES	2,460	23.2%
LEE	12,248	20.7%
LENOIR	14,835	24.9%
LINCOLN	11,559	14.5%
MACON	6,479	19.1%
MADISON	4,083	19.4%
MARTIN	5,626	23.3%
MCDOWELL	9,903	21.9%
MECKLENBURG	156,161	16.2%
MITCHELL	2,601	16.9%
MONTGOMERY	5,732	20.6%
MOORE	11,129	12.3%
NASH	17,843	18.6%
NEW HANOVER	29,841	14.2%
NORTHAMPTON	6,174	28.7%
ONSLOW	19,967	10.5%
ORANGE	12,316	8.9%
PAMLICO	2,047	15.5%
PASQUOTANK	8,257	20.6%
PENDER	9,351	17.2%
PERQUIMANS	2,828	20.7%
PERSON	· · · · · · · · · · · · · · · · · · ·	19.3%
	7,607	
PITT	30,281	17.5%
POLK	2,763	13.5%
RANDOLPH	25,984	18.2%
RICHMOND	13,407	28.9%
ROBESON	44,469	33.0%
ROCKINGHAM	18,228	19.6%
ROWAN	24,773	17.9%
RUTHERFORD	15,630	23.0%
SAMPSON	14,738	23.0%
SCOTLAND	10,619	29.2%
STANLY	9,841	16.2%
STOKES	6,634	14.1%
SURRY	14,569	19.8%
SWAIN	2,860	19.9%
TRANSYLVANIA	5,407	16.3%
TYRRELL	855	20.4%
UNION	25,447	12.2%
VANCE	15,124	33.2%
WAKE	72,530	7.7%
WARREN	5,474	26.4%
WASHINGTON	3,624	28.0%
WATAUGA	3,968	7.6%
WAYNE	23,573	19.0%
WILKES	14,032	20.2%
WILSON	18,222	22.2%
YADKIN	5,862	15.3%
YANCEY	3,542	19.8%