

Cuts on the horizon to food assistance program critical to feeding hungry North Carolinians

BUDGET & TAX CENTER FACT SHEET

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About 1.7 million low-income people in North Carolina will see their food assistance cut when a temporary boost to the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) expires November 1, new data from the U.S. Department of Agriculture (USDA) show. SNAP benefits will average only about \$1.40 per person per meal after the cut.

Congress enacted the benefit boost as part of the 2009 Recovery Act to deliver high "bang-for-the-buck" economic stimulus and ease hardship. The Recovery Act boosted SNAP's maximum monthly benefits by 13.6 percent beginning in April 2009. It provided that SNAP benefit levels would continue at the new, higher amount until SNAP's regular annual inflation adjustments to the maximum benefit exceeded the Recovery Act amount. But Congress has since voted to accelerate the sunset of the benefit increase to October 31 of this year.

Benefit Cuts Will Increase Hardship

These cuts will hit particularly hard in North Carolina which ranks among the top 15 states for food hardship, including a top 5 ranking for Greensboro-High Point NC for food hardship among the nation's metropolitan areas.² For a family of three, the cuts will likely amount to \$29 a month. That's a serious loss given SNAP's already low benefit levels and the very low incomes of SNAP participants — over 80 percent of SNAP households live in poverty. In addition, almost half of SNAP participants are children and about 1 in 4 are in families with elderly or disabled members.³

How SNAP helps families and the economy

USDA has found that the Recovery Act's benefit boost reduced the number of households in which one or more persons had to skip meals or otherwise eat less because they lacked money — what USDA calls "very low food security" — by about 500,000 households in 2009. More recent research finds that boosting SNAP benefits during the summer for households with school-aged children who don't have access to USDA's summer food program cut very low food security among these households by nearly 20 percent. In addition to helping to alleviate

¹ For more detail on the scheduled cut, see Stacy Dean and Dorothy Rosenbaum, "SNAP Benefits Will Be Cut for All Participants in November 2013," Center on Budget and Policy Priorities, August 1, 2013, http://www.cbpp.org/cms/index.cfm?fa=view&id=3899.

http://www.fns.usda.gov/ora/menu/Published/CNP/FILES/SEBTC Year1Findings.pdf.

² Cooper, R., & Burke, M. (2012). Food Hardship in America 2011. *Food Research and Action Center*, 1. Retrieved July 24, 2013, from http://frac.org/pdf/food hardship 2011 report.pdf.

³ Center of Budget and Policy Priorities (2013). North Carolina Food and Nutrition Services. Retrieved July 26, 2013, from http://www.cbpp.org/files/1-14-13fa/NC.pdf

⁴ Mark Nord and Mark Prell, "Food Security of SNAP Recipients Improved Following the 2009 Stimulus Package," *Amber Waves*, 9(2), June 2011, p. 6, http://www.ers.usda.gov/media/227714/foodsecuritysnap 1 .pdf.

⁵ Evaluation of the Impact of Enhancement Demonstrations on Participation in the Summer Food Service Program (SFSP): FY 2011; FNS, USDA, November 2012,

hunger among struggling families, SNAP also benefits the economy. Every \$1 in SNAP benefits generates an estimated \$1.70 in economic activity and in 2012, SNAP benefits poured \$2.43 billion into North Carolina's economy (see footnote 3).

The bottom line

These cuts will likely cause hardship for many SNAP participants, who will include 22 million children in 2014 (10 million of whom live in "deep poverty," with family incomes below half the poverty line) and 9 million people who are elderly or have a serious disability. In North Carolina, 1,708,000 participate in the program — that's about 1 in 6 residents. Further about 1 in 3 children in the state are affected because their families receive SNAP benefits (see footnote 1).

The Obama Administration and some members of Congress have proposed delaying or cancelling the November 1 cut, but Congress has taken no action on these proposals. Moreover, some in Congress have called for deep cuts in SNAP on top of the scheduled cut. The House of Representatives, which recently defeated legislation that would have cut \$20 billion from SNAP — eliminating food assistance for nearly 2 million people — could reconsider these or even deeper cuts in the coming weeks.

At a national, state and local level, hunger is still a very real struggle for many families and individuals. More than 600,000 children in North Carolina are at risk of hunger and not getting the food they need to live an active, healthy life. Approximately 28 percent of food pantries in North Carolina have had to turn away clients for lack of food in 2012. SNAP has proven to benefit residents of North Carolina and boost the state economy and at a time when many are still struggling to afford to put food on the table, it would be unwise to deepen cuts to this effective program.

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⁶ Hunger in North Carolina | No Kid Hungry | North Carolina. (n.d.). *No Kid Hungry | North Carolina*. Retrieved July 31, 2013, from http://nc.nokidhungry.org/hunger-north-carolina