

BTC Brief

#### NC BUDGET & TAX CENTER

November 2011

# HUNGER CONTINUES TO RISE ACROSS NORTH CAROLINA: Key programs like food stamps softened the Great Recession's deep blow

Timely, accessible, and credible analysis of state and local budget and tax issues

Author: Louisa B. Warren 919/856-2183 louisa@ncjustice.org

North Carolina Justice Center P.O. Box 28068 Raleigh, NC 27611-8068

www.ncjustice.org

#### **KEY FINDINGS:**

- North Carolina has the sixth-highest rate of food hardship in the 50 states, up from thirteenthhighest in 2008. Research has shown that the cost of hunger in North Carolina was \$5.44 billion in 2010, in terms of lowered educational, health care, and productivity outcomes.
- The state's food stamp program provides vital support to families and individuals facing food hardship, and participation has surged since the start of the recession, with the equivalent of the population of Charlotte added to the program.
- Policymakers should resist calls to create barriers to food stamps and instead focus on job creation via investment in education, health care, and infrastructure.

WHILE THE GREAT RECESSION TECHNICALLY ENDED IN MID-2009, its effects on North Carolina's workers and families have dragged on. High unemployment and underemployment have led to increases in numerous measures of economic hardship, including hunger. More than two million North Carolinians faced food hardship in 2010.

For more than a million individuals in North Carolina facing hunger, the state's food stamps program provided a vital lifeline. Participation in the program has surged since the start of the recession, with the equivalent of the population of Charlotte being added to the program.

#### North Carolina and Major NC Cities Rank High for Hunger

One measure of hunger is food hardship. Collected through a national daily survey, a household is determined to be suffering from food hardship when it does not have enough money to buy needed food at some point over a 12-month period.<sup>1</sup> By this measure, nearly 1 in 4 North Carolinians, or 2.2 million people, faced food hardship in 2010. North Carolina has the sixth-highest rate of food hardship of the 50 states, up from the thirteenth-highest in 2008.<sup>2</sup>

High rates of food hardship have plagued North Carolina's metropolitan areas. According to 2010 data, out of the 100 largest metropolitan statistical areas in the country, three in North Carolina made the top-ten list for highest food hardship rates. Winston-Salem had the third-highest food-hardship rate in the country (25 percent), followed closely by Greensboro-High Point at fourth-highest (24.9 percent), and Asheville at seventh-highest (23.9%).<sup>3</sup>

#### The Costs of Hunger

The impacts of food hardship are not confined to the families who struggle to put food on their tables; hunger affects educational, health care, and productivity outcomes. These consequences of hunger can be added up and quantified as North Carolina's "hunger bill."

In order to determine the costs of hunger, several researchers nationally have looked at the following factors:

- 1) Hunger-induced illnesses such as iron deficiency, headaches, depression, and poorer overall health status
- 2) Hunger-induced costs for lower educational outcomes, such as drop-out and special-education services as well as the impact on lifetime earnings
- 3) Cost of charitable contributions made to alleviate hunger and food insecurity, including food banks and volunteers

	Food Hardship	
Metropolitan Statistical Area (MSA)	Rate	Largest MSAs
Winston-Salem, NC	25.0%	3
Greensboro-High Point, NC	24.9%	4
Asheville, NC	23.9%	7
Charlotte-Gastonia-Concord, NC-SC	19.6%	43
Durham, NC	16.6%	73

Food Hardship in North Carolina's Metropolitan Areas

The researchers examined the extensive academic literature exploring the economic consequences of hunger and estimated North Carolina's hunger bill to be \$5.44 billion in 2010. Put another way, North Carolina's hunger bill costs the state \$568 per Tar Heel annually. Like hunger itself, the state's hunger bill jumped by 31.5 percent over the course of the Great Recession. North Carolina is one of twelve states that experienced an increase in their hunger bills of a billion dollars or more from 2007 to 2010.<sup>4</sup>

Source: Food Hardship in America-2010, Food Research and Action Center, March 2011.

### A Vital Lifeline: Food Stamps

For many of those facing food hardship, North Carolina's food stamp program, called Food & Nutrition Services, has provided significant relief and put food on the table during times of financial crisis. Federally funded, the food stamp program helps eligible low-income families purchase basic groceries by giving them a modest monthly benefit that is set on a sliding scale based on income and household size. In 2010, the average monthly food stamps benefit for a household was \$282.<sup>5</sup>

The number of individuals receiving food assistance through North Carolina's Food & Nutrition Services has nearly doubled since the Great Recession started in December 2007 (increase of 94.6 percent). The state has added more than 870,000 Tar Heels to its food assistance program – a little more than the population of Charlotte, North Carolina. As of September 2011, nearly 1 in 5 North Carolinians received food assistance.<sup>6</sup>

At the local level, the number of persons in households receiving food stamps has grown in every county since the recession began. Urban counties have seen the greatest numbers of people enroll in the food stamps program, but rural areas have seen the deepest change in relative terms. The five counties with the largest percentage increases in their food stamp participation rates—at least quadrupling from September 2007 to September 2011—are Dare, Jones, Pender, Gates, and Duplin. Mecklenburg, Guilford, and Wake counties all nearly doubled their food stamp participation rates and have the highest numbers of individuals enrolled in the program.

That both the state unemployment rate and the number of people receiving food stamps in North Carolina have doubled since the start of the recession is not a coincidence.<sup>7</sup> As thousands of Tar Heels have lost their jobs or experienced reduced work hours, they have become eligible for and have reached out to food assistance to feed their families. This trend holds true at the county level as well.

Notably, Dare County's unemployment rate has quadrupled since the start of the recession, and its food stamp participation rate has increased by 520 percent.

#### Conclusion

Hunger in North Carolina has risen significantly since the beginning of the Great Recession, as have the economic, health and educational costs associated with it. The food stamps program has stemmed the effects of job losses for more than a million Tar Heels over the last several years and while funded federally, the state of North Carolina and counties have a critical role in supporting an effective anti-hunger program.

- Food hardship is defined as answering "yes" to the question posed by the daily Gallup-Healthways Wellbeing-Index: "Have there been times in the past twelve months when you did not have enough money to buy food that you or your family needed"? Index and data accessed at: http://www.well-beingindex.com/.
- 2 Food Research and Action Center, "Food Hardship in America-2010", March 2011, and "Food Hardship: A Closer Look at Hunger", January 2010. Accessed at www.frac.org.

- 5 USDA Food & Nutrition Service state data on average monthly benefits: http://www.fns.usda.gov/pd/19SNAPavg\$HH.htm.
- 6 NC Department of Health & Humans Services, Division of Social Services' Monthly Caseload Statistics.
- 7 NC Employment Security Commission.

<sup>3</sup> Ibid.

<sup>4</sup> Donald S. Shepard, Elizabeth Setren, and Donna Cooper, "Hunger in America: Suffering We All Pay For," Center for American Progress, October 2011.

## Demand for Food Assistance in NC Increased During the Great Recession

COUNTY	FOOD ST	FOOD STAMP PARTICIPATION			UNEMPLOYMENT RATE		
	Sept. 2007	Sept. 2011	% Change 2007-2011	Sept. 2007	Sept. 2011	% Change 2007-2011	
Alamance County	11,711	24,382	108.2%	4.6%	10.2%	121.7%	
Alexander County	3,328	6,387	91.9%	5.1%	10.7%	109.8%	
Alleghany County	1,079	1,874	73.7%	4.3%	11.0%	155.8%	
Anson County	4,884	7,046	44.3%	6.7%	12.2%	82.1%	
Ashe County	2,443	4,630	89.5%	4.2%	10.4%	147.6%	
Avery County	1,246	2,557	105.2%	3.9%	9.8%	151.3%	
Beaufort County	6,185	17,172	177.6%	5.1%	11.2%	119.6%	
Bertie County	4,085	9,748	138.6%	5.4%	12.5%	131.5%	
Bladen County	5,587	8,779	57.1%	5.8%	12.3%	112.1%	
Brunswick County	7,597	19,215	152.9%	4.2%	10.6%	152.4%	
Buncombe County	19,725	39,396	99.7%	3.4%	7.9%	132.4%	
Burke County	8,823	16,193	83.5%	5.6%	12.1%	116.1%	
Cabarrus County	13,609	26,645	95.8%	4.4%	9.7%	120.5%	
Caldwell County	9,926	17,554	76.8%	6.1%	12.7%	108.2%	
Camden County	499	1,398	180.2%	3.6%	8.4%	133.3%	
Carteret County	4,303	11,465	166.4%	3.4%	8.2%	141.2%	
Caswell County	3,497	5,237	49.8%	6.3%	10.4%	65.1%	
Catawba County	15,483	29,229	88.8%	5.2%	11.9%	128.8%	
Chatham County	3,113	6,274	101.5%	3.7%	7.4%	100.0%	
Cherokee County	2,292	4,970	116.8%	5.7%	13.1%	129.8%	
Chowan County	2,218	5,050	127.7%	6.3%	10.9%	73.0%	
Clay County	1,085	2,207	103.4%	4.1%	9.6%	134.1%	
Cleveland County	14,749	24,485	66.0%	5.5%	11.4%	107.3%	
Columbus County	9,323	14,635	57.0%	5.0%	12.7%	154.0%	
Craven County	9,123	25,345	177.8%	4.0%	10.3%	157.5%	
Cumberland County	39,898	67,440	69.0%	5.0%	10.0%	100.0%	
Currituck County	1,302	3,401	161.2%	2.1%	5.1%	142.9%	
Dare County	1,130	7,009	520.3%	2.8%	9.4%	235.7%	
Davidson County	17,075	31,498	84.5%	5.2%	10.9%	109.6%	
Davie County	2,788	5,820	108.8%	4.7%	9.5%	102.1%	
Duplin County	5,430	15,637	188.0%	4.1%	9.3%	126.8%	
Durham County	23,537	43,232	83.7%	3.7%	8.1%	118.9%	
Edgecombe County	11,849	27,958	136.0%	7.0%	15.2%	117.1%	
Forsyth County	30,532	53,618	75.6%	4.3%	9.5%	120.9%	
Franklin County	6,078	11,040	81.6%	4.4%	10.0%	127.3%	
Gaston County	24,221	44,715	84.6%	5.5%	10.8%	96.4%	
Gates County	1,169	3,603	208.2%	4.5%	7.8%	73.3%	
Graham County	965	1,721	78.3%	6.6%	14.3%	116.7%	
Granville County	4,765	8,711	82.8%	4.9%	10.1%	106.1%	
Greene County	3,210	7,307	127.6%	5.0%	9.7%	94.0%	
Guilford County	48,331	88,843	83.8%	4.5%	10.5%	133.3%	

	FOOD STAMP PARTICIPATION			UNEMPLOYMENT RATE		
COUNTY	Sept. 2007	Sept. 2011	% Change 2007-2011	Sept. 2007	Sept. 2011	% Change 2007-2011
Halifax County	12,882	26,224	103.6%	6.1%	13.7%	124.6%
Harnett County	11,526	21,591	87.3%	4.7%	11.3%	140.4%
Haywood County	5,928	10,335	74.3%	3.4%	8.9%	161.8%
Henderson County	5,720	13,459	135.3%	3.3%	7.9%	139.4%
Hertford County	4,564	9,734	113.3%	5.2%	10.8%	107.7%
Hoke County	5,698	10,636	86.7%	4.5%	9.6%	113.3%
Hyde County	796	2,002	151.5%	3.6%	8.3%	130.6%
Iredell County	10,101	19,033	88.4%	4.5%	10.6%	135.6%
Jackson County	2,748	5,763	109.7%	3.0%	8.1%	170.0%
Johnston County	15,202	30,625	101.5%	4.1%	9.3%	126.8%
Jones County	1,335	4,349	225.8%	3.9%	9.7%	148.7%
Lee County	5,304	11,153	110.3%	5.6%	12.1%	116.1%
Lenoir County	9,362	25,701	174.5%	4.8%	10.4%	116.7%
Lincoln County	6,345	12,295	93.8%	4.8%	10.9%	127.1%
Macon County	2,557	6,637	159.6%	3.4%	10.0%	194.1%
Madison County	2,055	4,259	107.3%	3.4%	8.9%	161.8%
Martin County	3,835	9,610	150.6%	4.8%	11.7%	143.8%
McDowell County	4,002	9,190	129.6%	4.9%	12.3%	151.0%
Mecklenburg County	81,946		89.3%	4.4%	10.3%	134.1%
Mitchell County	1,668	2,529	51.6%	5.8%	10.9%	87.9%
Montgomery County	3,357	5,960	77.5%	6.2%	12.7%	104.8%
Moore County	6,113	10,865	77.7%	4.3%	9.2%	114.0%
Nash County	10,494	28,925	175.6%	5.0%	12.5%	150.0%
New Hanover County	14,640	36,777	175.0%	3.6%	9.5%	163.9%
Northampton County	4,411	11,056	150.6%	5.8%	12.0%	105.9%
Onslow County	12,202	28,776	135.8%	4.2%	9.5%	126.2%
Orange County	6,409	11,569	80.5%	3.0%	6.7%	123.3%
Pamlico County	1,250	3,467	177.4%	3.9%	9.6%	146.2%
-	······			4.5%		
Pasquotank County	4,688	10,356	120.9%		9.9%	120.0% 205.1%
Pender County	4,670		214.7%	3.9%	11.9%	
Perquimans County	1,853	3,747	102.2%	4.9%	9.3%	89.8%
Person County	4,370		73.9%		9.6%	65.5%
Pitt County	18,997	42,287	122.6%	4.7%	10.3%	119.1%
Polk County	1,346	2,851	111.8%		7.9%	139.4%
Randolph County	14,029	26,281	87.3%	4.3%	9.6%	123.3%
Richmond County	7,706		73.2%		13.2%	85.9%
Robeson County	26,795	46,199	72.4%	5.7%	13.0%	128.1%
Rockingham County	10,011	18,136	81.2%	5.6%	11.6%	107.1%
Rowan County	13,059	26,428	102.4%	5.8%	11.1%	91.4%
Rutherford County	8,211	15,365	87.1%	5.8%	14.3%	146.6%
Sampson County	8,273	14,778	78.6%	3.7%	8.9%	140.5%
Scotland County	8,579	11,649	35.8%	9.1%	17.3%	90.1%
Stanly County	5,709	10,741	88.1%	4.5%	10.9%	142.2%

COUNTY	FOOD STAMP PARTICIPATION			UNEMPLOYMENT RATE			
	Sept. 2007	Sept. 2011	% Change 2007-2011	Sept. 2007	Sept. 2011	% Change 2007-2011	
Stokes County	4,000	6,938	73.5%	4.0%	9.3%	132.5%	
Surry County	8,467	14,646	73.0%	5.6%	10.3%	83.9%	
Swain County	1,686	3,212	90.5%	4.7%	11.6%	146.8%	
Transylvania County	2,587	5,516	113.2%	3.2%	9.1%	184.4%	
Tyrrell County	682	1,598	134.3%	4.0%	9.3%	132.5%	
Union County	10,593	24,823	134.3%	3.8%	9.0%	136.8%	
Vance County	10,259	16,544	61.3%	6.2%	13.6%	119.4%	
Wake County	44,795	82,299	83.7%	3.3%	8.1%	145.5%	
Warren County	3,544	6,385	80.2%	6.0%	13.7%	128.3%	
Washington County	2,408	5,551	130.5%	5.8%	11.8%	103.4%	
Watauga County	1,880	4,092	117.7%	2.9%	7.6%	162.1%	
Wayne County	14,500	35,342	143.7%	4.4%	9.0%	104.5%	
Wilkes County	7,726	14,795	91.5%	4.8%	11.5%	139.6%	
Wilson County	10,449	19,856	90.0%	5.5%	12.8%	132.7%	
Yadkin County	3,013	6,084	101.9%	4.2%	8.8%	109.5%	
Yancey County	2,497	3,759	50.5%	4.8%	11.4%	137.5%	

Sources: Food Stamp Participation Data (NC Employment Security Commission, September 2007 and September 2011) and Unemployment Data (Employment Security Commission North Carolina, September 2007 and September 2011).