



## Insight

# Examining Nutrition Assistance in the Latest Coronavirus Aid Package

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## Executive Summary

- Included in the latest coronavirus relief package is a continuation of increased nutrition benefits, although the continuation of enhanced Supplemental Nutrition Assistance Program (SNAP) benefits is at a reduced rate.
- Nutrition programs such as SNAP have seen a substantial uptick in enrollment, suggesting the pandemic is making it more difficult for families to put food on the table.
- A 15 percent increase in SNAP benefits—roughly \$21 per person—provided for the first six months of 2021 to an estimated 40 million people will cost an additional \$5 billion, for a total cost of \$40.2 billion for the SNAP program from January through June 2021.

## Introduction

Congress has finally reached a deal on a new coronavirus relief package that will provide an estimated \$900 billion in relief through myriad avenues, including several provisions to provide direct support to individuals. The last package specifically dedicated to coronavirus relief—the Coronavirus Aid, Relief, and Economic Security (CARES) Act—was passed in March, and some of its provisions expired months ago. The new package contains aid provisions that are similar to those in the [Families First Act and the CARES Act](#): enhanced unemployment benefits; direct cash payments to individuals; rental assistance and an extension of the eviction ban; and additional nutrition assistance. The nutrition assistance is particularly important now as winter comes: Evidence shows that low-income families often have to reduce food expenditures as the weather cools to account for increased heating costs.<sup>[i]</sup>

This paper examines the need for such supplemental assistance and estimates the cost.

## Nutritional Assistance Provided in the Families First Act and the CARES Act

The Families First Act provided \$1.3 billion in funding for the Women, Infants, and Children (WIC) program, the Emergency Food Assistance Program, and the Senior Nutrition Program, as well as additional funds for nutritional assistance in the U.S. territories. The Families First Act also allowed families with children eligible to receive free or reduced-rate lunches to continue receiving daily lunches while schools are closed. Families receiving Supplemental Nutrition Assistance Program (SNAP) benefits could receive an increase in their benefit amount of up to 30 percent. Further, the work requirement for able-bodied adults without dependents, set to take effect on April 1, 2020, was waived until one month after the COVID-19 emergency ends. Seniors who are now homebound as a result of quarantine and stay-at-home orders became newly eligible for home-delivered meals through the Senior Nutrition Program. The CARES Act provided additional assistance by increasing funding for child nutrition programs by \$8.8 billion, for SNAP by \$15.8 billion, for the Commodity Assistance Program by \$450 million, and for the Aging and Disability Services Program by \$955 million.

## **Nutrition Assistance in the Coronavirus Response and Relief Supplemental Appropriations Act of 2021**

The latest assistance package will increase SNAP benefits by 15 percent (down from the 30 percent increase provided by the Families First Act) for the first six months of 2021. SNAP-eligible college students will not be required to meet work requirements while work-study programs are suspended during the pandemic. States will receive \$100 million for SNAP administrative costs; \$400 million for the Emergency Food Assistance Program; \$13 million for the Commodity Supplemental Food Program; \$175 million for Meals on Wheels. The bill also extends some of the program flexibilities put in place by the Families First Act. Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands will receive \$614 million in nutrition assistance grants. An additional \$75 million will be provided for the [Gus Schumacher Nutrition Incentive Program](#), which supports increased fruit and vegetable consumption among low-income families, and \$200 million for nutrition research. Other provisions will provide agricultural assistance to farmers and ranchers to help maintain the food supply. Schools and daycares will receive partial reimbursement for costs incurred due to sudden closure of many facilities in the spring.

### **Impact of the Increased SNAP Benefit Allotments**

From March to April of this year, the SNAP program saw a 51 percent increase in the amount of benefits provided nationwide; April's benefit level of \$7.8 billion was a 73 percent increase over the amount of benefits paid in April 2019. This increased cost was the result of both an increase in the number of beneficiaries—increasing 15 percent from April 2019 to April 2020 (with a 16 percent increase from March 2020 to April 2020)—as well as the increased benefit amount per person—up 50 percent from April 2019 to April 2020 (with an increase of 31 percent from March 2020 to April 2020, after the Families First Act provision went into effect). By April 2020, the average benefit was \$181.60 per person, and \$351.49 per household, up from \$120.81 per person and \$239.91 per household in April 2019.

Increasing the allowed benefit amount by 15 percent from January 2021 through June would bring the average benefit to an estimated \$167 per person or \$327 per household per month (compared to \$146 per person or \$286 per household without the increase). This estimate is based on the average benefit in March of this year plus an additional 5.3 percent to account for the increase in the maximum monthly benefit per person in 2021 resulting from higher food prices.<sup>[ii]</sup> Assuming 40 million SNAP recipients (or 20.5 million households) in each of the first six months of next year, an average benefit of \$167 per person or \$327 per household per month would cost \$40.2 billion, or roughly \$5 billion more than would likely be spent without the 15 percent benefit increase.

According to the Census Household Pulse Survey (HPS), average spending on food among households now reporting they often do not have enough to eat is \$305 at-home and \$77 away from the home. Of note, this is more than is spent by food-secure households: \$249 at home and \$92 away from the home. The higher spending by those struggling to get enough to eat suggests a larger average household size. Over 1 million of these households report using SNAP benefits. Based on these calculations, the SNAP benefit with the 15 percent increase would be roughly \$50 less than the average monthly spending by households reporting often not having enough to eat, suggesting this benefit amount may still not provide enough to cover their nutritional needs.

### **Impact of Nutrition Assistance on Food Insecurity**

Reports of food insecurity over the past year indicate a dramatic increase in the number of people going hungry. The latest [HPS](#) report, which measured in part food sufficiency from November 25 to December 7 among households with children, found that 3.7 million households who had reported having enough to eat prior to the

onset of the pandemic, now reported not having enough to eat, either sometimes or often; they account for 27 percent of previously food-secure households. Of the 8 million households that reported sometimes not having enough to eat prior to the pandemic, 78 percent continue to report the same level of sufficiency. Of the 2.8 million who reported often not having enough to eat before the pandemic, 2.2 million continue to report often suffering from a lack of sufficient food; 433,000 sometimes don't have enough, and 182,000 households now have enough food, though not always what they want.

Feeding America, a national network of food banks, [estimates](#) that 50 million are facing food insecurity this year. The organization reports providing 4.2 billion meals from March through October of this year.[\[iii\]](#) It is reported that 80 percent of food banks are providing more meals this year than last year, reflective of the national impact of the pandemic rather than localized events as is more common.[\[iv\]](#) In October, food banks reported distributing 50 percent more food than they had a year ago.[\[v\]](#)

As [noted](#) by Scott Winship and Angela Rachidi at the American Enterprise Institute, however, the numbers from the HPS may not provide the most accurate reflection of the change in food security relative to prior to the pandemic. The best source for such data in previous years was the Census Bureau's Current Population Survey Food Security Supplement, which showed that 3.4 percent of adults reported not having enough to eat in December 2019, a share that had been declining since January 2015.[\[vi\]](#) The first HPS report found that an estimated 8.2 percent of adults reported not having enough to eat prior to the pandemic.[\[vii\]](#) This would suggest that food insecurity increased more than 140 percent in 3 months before the pandemic, which is highly inconsistent with previous data and has no obvious cause. Thus, reports of how much food insecurity has increased since before the pandemic may be unreliable and overstated. Using poverty rates and economic models, Winship and Rachidi estimate that the true food insecurity rate is closer to 5 or 6 percent, a 2 to 3 percentage-point increase from before the pandemic.

## **Impact of Food Insecurity on Health and Educational Wellbeing**

Regardless of the increase in the number who are food insecure, the fact remains that millions of households are going hungry. Individuals who are facing food insecurity are likely to face myriad challenges and potential long-term consequences. Food insecurity has been shown to cause numerous health problems and lead to a number of [chronic conditions](#), including several that are consistently among the most common causes of death in the United States.[\[viii\]](#) Food insecurity also creates educational challenges for children: Hungry children are less able to focus or remember information.[\[ix\]](#) When children do not receive proper nutrition, they are more likely to experience cognitive impairments.[\[x\]](#) Of course, any educational challenges due to nutritional inadequacies are in addition to the educational challenges faced by most children during the pandemic as a result of school closures. Further, this hunger is correlated with other challenges: People who report often not having enough to eat also report worse health status than those who have enough to eat and are more likely to report feeling nervous, anxious, depressed, hopeless, and unable to stop worrying nearly every day.[\[xi\]](#)

## **Conclusion**

The ongoing pandemic has brought significant financial hardship to millions of families and individuals across the country. One of the key challenges resulting from lost income is the ability to adequately feed oneself or one's family. Millions of households report sometimes or often not having enough food. Food insecurity can cause a number of health challenges and makes learning more difficult (at a time when learning is already more challenging regardless of access to food). Congress provided enhanced nutrition benefits through various programs at the start of the pandemic, including a 30 percent increase in SNAP benefits through the end of this year. Now, Congress is extending some nutritional assistance, although the SNAP benefit enhancement will be reduced to 15 percent from January through June 2021. It is estimated that these extra benefits will cost \$5 billion, for a total SNAP benefit cost of \$40.2 billion in the first half of 2021.

- [i] <https://ajph.aphapublications.org/doi/pdfplus/10.2105/AJPH.93.7.1149>
- [ii] <https://www.fns.usda.gov/news-item/fns-001420>
- [iii] <https://www.feedingamerica.org/hunger-blog/food-bank-response-covid-numbers>
- [iv] <https://www.feedingamerica.org/hunger-blog/food-bank-response-covid-numbers>
- [v] <https://www.feedingamerica.org/hunger-blog/food-bank-response-covid-numbers>
- [vi] <https://www.aei.org/wp-content/uploads/2020/10/Has-Hunger-Swelled.pdf> (Figure 5)
- [vii] <https://www.census.gov/data/tables/2020/demo/hhp/hhp1.html>
- [viii] <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2015.0645>
- [ix] [https://www.wilder.org/sites/default/files/imports/Cargill\\_lit\\_review\\_1-14.pdf](https://www.wilder.org/sites/default/files/imports/Cargill_lit_review_1-14.pdf)
- [x] <https://journals.sagepub.com/doi/abs/10.1177/0379572120907763>
- [xi] <https://www.census.gov/data/tables/2020/demo/hhp/hhp20.html>