Economic Research Service

April 2011

U.S. Department of Agriculture



This is a summary of an ERS report.

Find the full report at www.ers.usda.gov/publications/err116

Food Security Improved Following the 2009 ARRA Increase in SNAP Benefits

Mark Nord and Mark Prell

The American Recovery and Reinvestment Act (ARRA) of 2009 increased benefit levels for the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) and expanded SNAP eligibility for jobless adults without children. The changes were intended to assist those most impacted by the recession, to create and save jobs, and to stimulate the economy. In this study, we examine whether the increased SNAP benefits provided by ARRA improved the food security of low-income households (that is, the extent to which they were consistently able to obtain adequate food).

What Is the Issue?

Federal policy officials and the American public want to know whether the funds spent under various provisions of ARRA have met the goals of Congress and the Administration. The U.S. Department of Agriculture has previously documented the extent and timing of the additional purchasing power and estimated the extent of economic activity that resulted from the SNAP changes under ARRA. This is the first study to examine how much ARRA's SNAP enhancements may have improved the food security of low-income households.

What Did the Study Find?

The food security of low-income households (those with incomes in the eligible range for SNAP) improved from 2008 to 2009, and a substantial share of that improvement may be due to the increase in SNAP benefits implemented under ARRA. From late 2008 (pre-ARRA) to late 2009 (post-ARRA), the following changes were estimated, taking into account changes in income, employment, and other household characteristics:

- Among all low-income households, the prevalence of food insecurity fell by 2.2 percentage
 points, and the prevalence of very low food security fell by 2.0 percentage points. Very low
 food security is a severe range of food insecurity that impacts the eating patterns of some
 household members and reduces their food intake below levels they consider appropriate.
- Participation of low-income households in SNAP increased by about 3 percentage points.
- The SNAP benefits received by the typical (median) participating household increased by about 16 percent.
- Food expenditures by the typical (median) low-income household increased by 5.4 percent.
- Among households with incomes just above the income-eligibility range for SNAP, food
 expenditures (adjusted for changes in food prices) increased by a smaller percentage than
 among low-income households, and the prevalence of food insecurity among such households did not decline.

ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

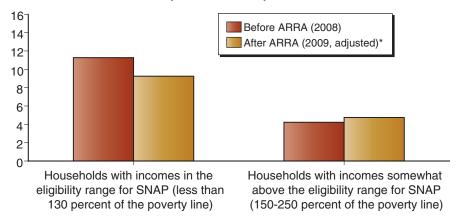
- Food spending increased more among SNAP participants than among low-income non-SNAP households, closing a gap in food spending that had persisted since at least 2001.
- The combination observed in 2009 of a simultaneous increase in SNAP participation and an improvement in food security from the previous year had not occurred in any other recent year.

How Was the Study Conducted?

We analyzed data on SNAP participation, food security, food spending, and other household characteristics from the annual Current Population Survey Food Security Supplement (CPS-FSS). The CPS-FSS is an annual supplement to the monthly Current Population Survey, sponsored by USDA and administered by the U.S.

The prevalence of very low food security declined among households with incomes in the eligibility range for SNAP, but not for households with incomes somewhat higher

Percent of households with very low food security



SNAP= Supplemental Nutrition Assistance Program. ARRA= American Recovery and Reinvestment Act.

*Percentages for 2009 were regression-adjusted for differences between years in household income, employment, and other household characteristics between years.

Source: USDA, Economic Research Service calculations based on Current Population Survey Food Security Supplement (CPS-FSS) data.

Census Bureau. The CPS-FSS is a large (46,000 households in 2009), nationally representative survey of the civilian, noninstitutionalized population of the United States and is the datasource for the Department of Agriculture's series of annual reports on the food security of U.S. households.

The main analysis compared SNAP participation, SNAP benefits, food spending, and food security in December 2009 (about 8 months after ARRA increased SNAP benefits) with the corresponding statistics for December 2008 (about 1 year into the recession but before SNAP benefits increased). We conducted separate analyses for all low-income households, for low-income households by SNAP participation status, and for households with incomes above the SNAP eligibility range but below the U.S. median, and used multivariate regression methods to control for changes in income, employment, and other household characteristics from 2008 to 2009.