SNAP Benefits: Participation Still Below Poverty Rate

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Wednesday, May 1, 2013 at 03:56 PM

Enrollment in the Supplemental Nutrition Assistance Program (SNAP) grew from 28 million in 2008 to 44.5 million in 2011 due to the economic fallout of the recession. Program growth slowed from 2011 to 2012, posting just a 4.2 percent annual increase. As SNAP enrollment rose during and after the recession, the gap between poverty and SNAP enrollment began to narrow. However, in 2011, the latest year for poverty data, per capita food stamp enrollment was still below the poverty rate.

Following significant enrollment growth in the Supplemental Nutrition Assistance Program (SNAP) from 2008 to 2011 due to the economic fallout of the recession, program growth slowed from 2011 to 2012.

- Enrollment in SNAP, formerly called food stamps, grew from 28 million in 2008 to 44.5 million in 2011, a 58 percent increase over the three-year period.¹
- As the economy began to improve, the national growth in the number of people enrolled between 2011 and 2012 was just 4.2 percent.²

All states experienced increases in SNAP enrollment following the 2008 recession. A few states reversed that trend in 2012, however, with enrollment actually decreasing.

- In four states—Florida, Idaho, Nevada and Utah—SNAP enrollment more than doubled from 2008 to 2011. For Florida, the largest of the triple-digit per capita growth states, enrollment grew 104 percent, rising from 1.45 million to 3.07 million residents receiving assistance with food expenses.
- Four of the five states with the slowest enrollment growth in the 2008-11 period were Southern states—Arkansas, Kentucky, Louisiana and West Virginia—where per capita enrollment in SNAP was already high. The fifth state was North Dakota.

The increase in SNAP enrollment following the 2008 recession brings per capita enrollment close to national poverty levels.

- In 2006, the percentage point gap between the percentage of people below poverty—12.3 percent—and the percentage receiving food stamps—9 percent was 3.3, representing about 10 million Americans.
- By 2011, the latest year for official U.S. poverty rates, the gap had almost been closed. Fifteen percent of Americans lived below poverty and 14 percent received SNAP benefits.
SNAP is a program designed to be countercyclical. As economic conditions worsen, the reach of the program expands as more people depend on SNAP. When the economy recovers, the program contracts.

- SNAP benefits play a crucial role in boosting families’ monthly income. To be eligible for assistance, gross monthly income generally must be below 130 percent of the federal poverty level. For a family of three in 2013, that would mean an annual income of no more than $24,828 a year. All sources of income count, including unemployment and Social Security.
- The average monthly benefit for a family of three is $412 per month.
- More than 75 percent of all SNAP participants are in families with children.
- A recent study published in the Archives of Pediatrics and Adolescent Medicine estimated that 49.2 percent of all American children will live in a household depending on SNAP at some point in their childhood.

SNAP benefits provide a significant boost to local economies. Federal stimulus legislation increased the monthly SNAP benefit to provide a greater boost to communities, but benefits will fall again in November 2013.

- The American Recovery and Reinvestment Act increased monthly SNAP benefits by 13.6 percent beginning April 1, 2009, pumping an estimated $18 billion into state economies between 2009 and 2012. Total increased economic activity in the states will exceed $34 billion.
- Starting Nov. 1, 2013, all SNAP participants will see a benefit cut. For families of three, the cut will likely be $20 to $25 per month, or $240 to $300 annually.
- Every $1 in SNAP benefits generates $1.79 in total economic activity, according to the U.S. Department of Agriculture.
- Mark Zandi of Moody’s, a credit rating agency that performs international financial research and analysis, estimates the multiplier to be $1.72, the highest multiplier of the Recovery Act measures Moody’s studied.

REFERENCES
2 Ibid [5].
4 Ibid [6].

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