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# Effects of the Decline in the Real Value of SNAP Benefits From 2009 to 2011

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## What Is the Issue?

Benefits provided by the Supplemental Nutrition Assistance Program (SNAP, formerly called the Food Stamp Program), were increased in 2009 by a provision of the American Recovery and Reinvestment Act (ARRA). Previous Economic Research Service (ERS) research found that low-income households' food spending increased and their food security improved following the ARRA SNAP-benefit increase. Subsequently, from 2009 to 2011, food-price inflation eroded about half of the value of the ARRA SNAP-benefit increase. This report examines whether, and to what extent, food spending declined and food security worsened as the inflation-adjusted value of SNAP benefits declined.

## What Did the Study Find?

- From 2009 to 2011, food security worsened for SNAP recipient households, but not for low-income non-SNAP households, as the inflation-adjusted value of SNAP benefits declined due to inflation.
- Adjusted for inflation in food prices, the maximum SNAP benefit declined by about 7 percent, a reduction of about \$47 per month for a family of four.
- The prevalence of very low food security among SNAP-recipient households increased by about 2.0 percentage points, after adjusting for differences in income, employment, and other household characteristics. This corresponds to an increase of 16.5 percent in the number of SNAP-recipient households with very low food security. Very low food security is a severe range of food insecurity in which the food intake of some household members is reduced below levels they consider appropriate.
- Food spending by SNAP-recipient households declined by 4.4 percent, amounting to a reduction of about \$26 per month for a family of four.
- Changes in food spending and food security were disproportionately larger for households that received larger SNAP benefits.

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.

- Changes in food security and food spending by low-income non-SNAP households were small and not statistically significant.
- Results of the two studies suggest that increasing the maximum SNAP benefit by 10 percent (\$69 per month for a family of four persons) would reduce the number of SNAP-recipient households with very low food security by about 22 percent, and reducing the maximum benefit by 10 percent would increase that number by about 29 percent.

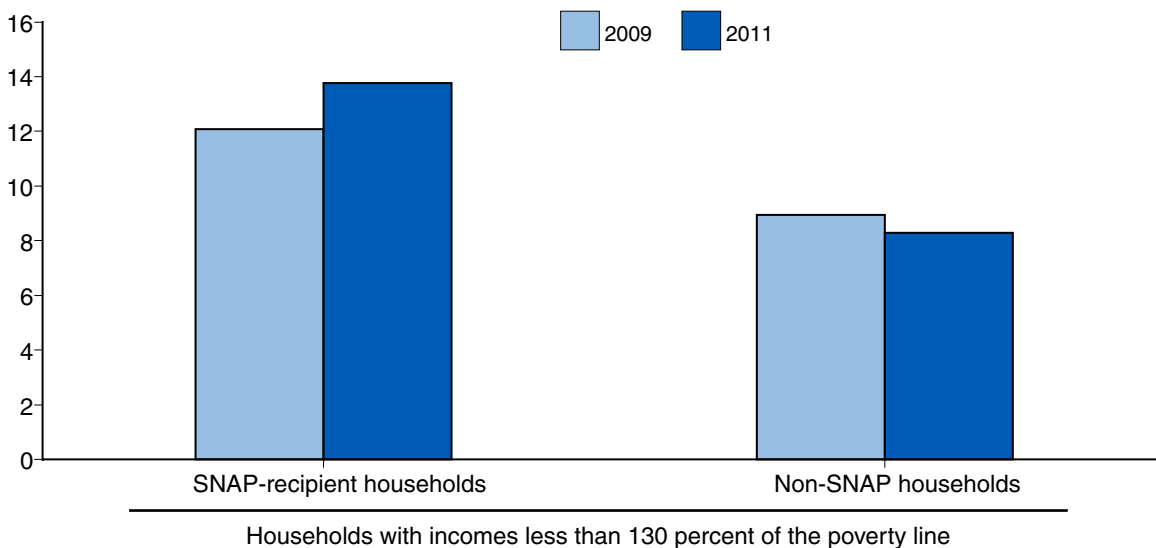
## How Was the Study Conducted?

The study used data on SNAP participation, food security, food spending, and other household characteristics from the 2009 and 2011 Current Population Survey Food Security Supplements (CPS-FSS). The CPS-FSS is an annual supplement to the monthly Current Population Survey, sponsored by USDA and administered by the U.S. Census Bureau. The CPS-FSS is a large, nationally representative survey of the civilian, noninstitutionalized population of the United States and is the source of data for USDA's series of annual reports on the food security of U.S. households.

The analyses compared changes from 2009 to 2011 in the prevalence of very low food security and food spending between households that received SNAP and similarly low-income households that did not receive SNAP.

### Food security worsened for SNAP-recipient households, but not for low-income non-SNAP households, as the inflation-adjusted value of SNAP benefits declined from 2009 to 2011

Prevalence of very low food security (percent)



SNAP = Supplemental Nutrition Assistance Program.

Note: The Federal poverty line for a family of four in 2011 was \$22,811.

The higher prevalence of very low food security in SNAP-recipient households compared with non-SNAP households reflects the self-targeting of SNAP participation. Households with greater unmet food needs are more likely to enroll in the program, and their greater need is only partially offset by the program benefits.

Source: Calculated by USDA, Economic Research Service using data from the 2009 and 2011 Current Population Survey Food Security Supplements.