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# The Food Assistance Landscape: Fiscal Year 2019 Annual Report

Laura Tiehen



*The U.S. Department of Agriculture administers 15 domestic food and nutrition assistance programs that account for roughly two-thirds of the Department's annual budget. These programs vary by size, type of benefits, and target population, to form a nutritional safety net for millions of children and low-income adults.*



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## Abstract

The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs that together affect the lives of millions of people. Accounting for \$92.4 billion, or roughly two-thirds of USDA's annual budget, these programs also represent a significant Federal investment. This report uses preliminary data from USDA's Food and Nutrition Service to examine trends in U.S. food and nutrition assistance programs through fiscal year (FY) 2019 (October 1, 2018, to September 30, 2019). It also summarizes two recent Economic Research Service reports: one that examines the prevalence of household food insecurity in the United States in 2018 and another that estimates the effect that increasing Supplemental Nutrition Assistance Program, or SNAP, benefits during an economic downturn would have on U.S. gross domestic product, employment, and incomes. **Readers should note that these are 2019 statistics and do not reflect potential impacts of the coronavirus (COVID-19) pandemic that began in 2020.**

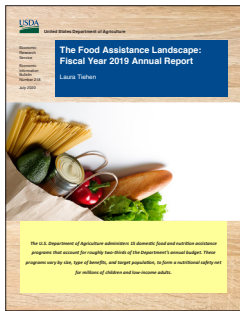
**Keywords:** food and nutrition assistance programs; Supplemental Nutrition Assistance Program (SNAP); Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); National School Lunch Program; School Breakfast Program; Child and Adult Care Food Program; food security; economic conditions; automatic stabilizer; gross domestic product (GDP) multiplier

## Acknowledgments

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# The Food Assistance Landscape: Fiscal Year 2019 Annual Report

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## What Is the Issue?

The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs that together affect the lives of millions of people. These programs also represent a significant Federal investment, accounting for roughly two-thirds of USDA's annual budget. This report uses preliminary data (which are subject to change as data become final) from USDA's Food and Nutrition Service (FNS) to examine trends in food and nutrition assistance programs through Fiscal Year (FY) 2019. It also looks at trends in economic and social indicators that affect participation in and spending on food and nutrition assistance programs. In addition, the report highlights two recent Economic Research Service (ERS) studies: one that examines the prevalence of household food insecurity in the United States in 2018 and another that estimates the effects that increasing Supplemental Nutrition Assistance Program (SNAP) benefits during an economic downturn would have on U.S. gross domestic product, employment, and incomes. **Readers should note that these are 2019 statistics and do not reflect potential impacts of the coronavirus (COVID-19) pandemic that began in 2020.**

## What Did the Study Find?

- Spending for USDA's 15 domestic food and nutrition assistance programs totaled \$92.4 billion in FY 2019, about 5 percent less than in the previous fiscal year and 22 percent lower than the inflation-adjusted historical high of \$117.9 billion set in FY 2013 (equivalent to \$109.2 billion in 2013 dollars).
- The Supplemental Nutrition Assistance Program (SNAP) accounted for 65 percent of all Federal food and nutrition assistance spending in FY 2019. (See chart below.) On average, 35.7 million people per month participated in the program, 12 percent fewer than in the previous fiscal year and 25 percent fewer than the historical high of 47.6 million in FY 2013. Reflecting the decrease in participation, Federal spending for SNAP totaled \$60.4 billion, or 8 percent less than in the previous fiscal year. This was 30 percent lower than the inflation-adjusted historical high set in FY 2013 of \$86.3 billion (or 25 percent lower than the FY 2013 nominal level of \$79.9 billion).
- On average, 6.4 million people per month participated in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in FY 2019, 7 percent fewer than in the previous fiscal year. This was the largest single-year percentage decrease in the program's history. The decrease in participation combined with a decrease in average per person food costs in FY 2019 lowered total spending on the program to \$5.1 billion, 6 percent less than in the previous fiscal year and 36 percent less than the inflation-adjusted historical high of \$8 billion set in FY 2011 (or \$7.2 billion in 2011 dollars).

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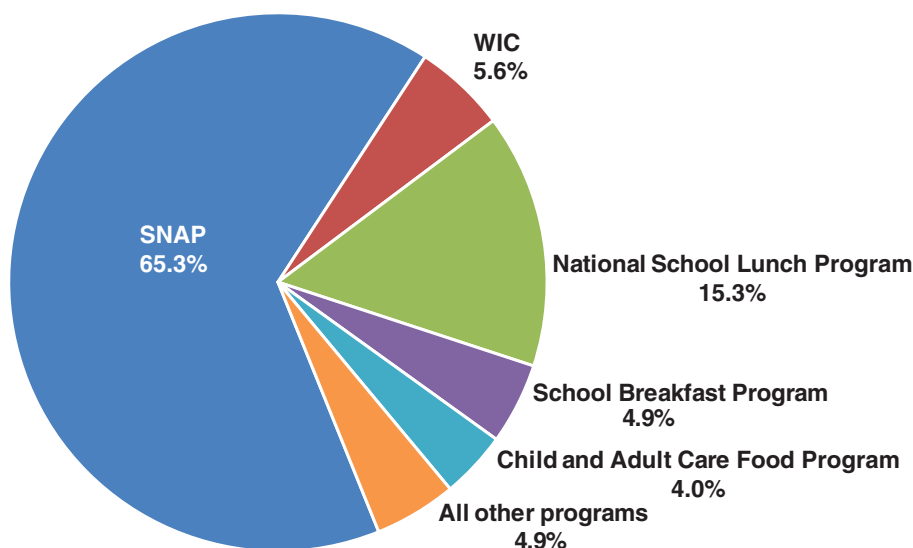
- On average, 29.4 million children participated in the National School Lunch Program each school day in FY 2019, less than 1 percent fewer than in the previous fiscal year and about 8 percent fewer than the historical high of 31.8 million set in FY 2011. Over two-thirds (68 percent) of participants received a free lunch and another 6 percent received a reduced-price lunch. The rest paid full price for their lunch.
- An average of 14.7 million children participated in the School Breakfast Program each school day in FY 2019, virtually unchanged from the previous fiscal year. This was the smallest annual percentage increase since 1982. Eighty percent of participants received a free breakfast and another 5 percent received a reduced-price breakfast. The remainder received breakfast at full price.
- About 2 billion meals were served in the Child and Adult Care Food Program, a slight increase (0.2 percent) from the previous fiscal year. The number of meals increased each fiscal year from 2006 to 2016 but declined in 2017 and 2018.

## How Was the Study Conducted?

This report uses preliminary data from USDA’s Food and Nutrition Service (FNS)—the agency responsible for administering the food and nutrition assistance programs—to examine program trends through FY 2019 (October 1, 2018, to September 30, 2019). It also looks at trends in economic and social indicators that affect participation in and spending on food and nutrition assistance programs and highlights two recent Economic Research Service (ERS) reports.

### USDA food and nutrition assistance expenditures by program, FY 2019

SNAP accounted for nearly two-thirds of food and nutrition assistance spending



Notes: FY = Fiscal Year. SNAP = Supplemental Nutrition Assistance Program. WIC = Special Supplemental Nutrition Program for Women, Infants, and Children. Expenditures for all food and nutrition programs totaled \$92.4 billion. They include nutrition family assistance grants to Puerto Rico, the Northern Marianas, and American Samoa; the Commodity Supplemental Food Program; the Food Distribution Program on Indian Reservations; the Nutrition Services Incentive Program; the Summer Food Service Program; the Special Milk Program; Disaster Feeding; The Emergency Food Assistance Program; and nutrition programs administration.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

# The Food Assistance Landscape: Fiscal Year 2019 Annual Report

## Introduction

Over the course of a year, about 1 in 4 Americans participates in at least 1 of the U.S. Department of Agriculture's (USDA) 15 domestic food and nutrition assistance programs. Together, these programs—which vary by size, type of benefits provided, and target population—form a nutritional safety net for millions of children and low-income adults. These programs represent a significant Federal investment, accounting for roughly two-thirds of USDA's annual budget.

This report uses preliminary data (which are subject to change as data become final) from USDA's Food and Nutrition Service, the agency responsible for managing the programs, to examine trends in the food and nutrition assistance programs through fiscal year (FY) 2019 (October 1, 2018, to September 30, 2019). It also looks at trends in economic and social indicators that affect participation in and spending on food and nutrition assistance programs. In addition, the report summarizes a recent Economic Research Service study that examines the prevalence of household food insecurity in the United States in 2018 and another that estimates the effect that increasing Supplemental Nutrition Assistance Program, or SNAP, benefits during an economic downturn would have on U.S. gross domestic product, employment, and incomes. **Readers should note that these are 2019 statistics and do not reflect potential impacts of the coronavirus (COVID-19) pandemic that began in 2020.**

## **COVID-19 and USDA Food Assistance**

In late January 2020, the United States Government declared a national public health emergency in response to the 2019 novel coronavirus (COVID-19) pandemic. The COVID-19 pandemic necessitated a shutdown of schools, businesses, and many other activities to limit the spread of the virus. The economic shutdown resulted in a jump in monthly unemployment from 4.4 percent in March 2020 to 14.7 percent in April 2020, before decreasing somewhat to 11.1 percent by June 2020. The job losses have sharply increased the need for food assistance among U.S. households. In response to the public health crisis, legislative and administrative actions have given States the flexibility to simplify participation rules in Federal food assistance programs. States are reducing application requirements and making it easier to maintain benefits in both SNAP (the Supplemental Nutrition Assistance Program) and WIC (the Special Supplemental Nutrition Program for Women, Infants, and Children). Given widespread closures, schools may provide “grab-and-go” meals to children or their guardians, and States also have the option to provide SNAP-like benefits to households with children who normally receive free or reduced-price school meals. In addition, legislation has provided funding to accommodate increased food assistance program caseloads and temporarily boosted benefits for many SNAP participants.

Previous research has shown that program caseloads and expenditures are responsive to economic conditions and the policy environment. Future USDA, Economic Research Service research will document the changes in the food assistance landscape wrought by COVID-19 and explore the implications of those changes on outcomes such as food acquisition patterns and food insecurity. National data available at the time this report was completed showed that the number of Americans receiving SNAP benefits increased to 37.3 million in March 2020 (4 percent higher than the FY 2019 monthly average) while average per-person benefits increased to \$137 (6 percent higher than the FY 2019 monthly average).

Source: Unemployment rate information from U.S. Bureau of Labor Statistics. SNAP participation and benefits information from USDA, Food and Nutrition Service website, “SNAP Data Tables.”



## Total Food Assistance Expenditures Continued To Decline in 2019

Federal food expenditures for USDA's domestic food and nutrition assistance programs totaled \$92.4 billion in FY 2019, or 5 percent less than in the previous fiscal year (table 1). The five largest food and nutrition assistance programs in FY 2019—the Supplemental Nutrition Assistance Program, or SNAP; the National School Lunch Program; the Special Supplemental Nutrition Program for Women, Infants, and Children, or WIC; the School Breakfast Program; and the Child and Adult Care Food Program—accounted for 95 percent of total USDA expenditures for domestic food and nutrition assistance.

Table 1  
**USDA food and nutrition assistance at a glance, FY 2018 and FY 2019**

Program		FY 2018	FY 2019	Percent change
SNAP	Average monthly participation (millions)	40.8	35.7	-12.4
	Average benefit per person (\$/month)	124.50	129.83	4.3
	Total annual expenditures (\$ billions)	65.5	60.4	-7.8
WIC	Average monthly participation (millions)	6.9	6.4	-6.9
	Women	1.6	1.5	-7.3
	Infants	1.7	1.6	-6.0
	Children	3.5	3.3	-7.1
	Food cost per person (\$/month)	40.96	40.85	-0.3
	Total expenditures (\$ billions)	5.4	5.1	-5.7
National School Lunch Program	Average daily participation (millions)	29.6	29.4	-0.6
	Free	20.1	20.0	-0.7
	Reduced price	1.8	1.7	-3.2
	Full price	7.7	7.7	0.1
	Total expenditures (\$ billions)	13.8	14.1	2.1
School Breakfast Program	Average daily participation (millions)	14.7	14.7	0.1
	Free	11.7	11.7	-0.2
	Reduced price	0.8	0.7	-3.1
	Full price	2.2	2.2	2.4
	Total expenditures (\$ billions)	4.4	4.5	2.6
Child and Adult Care Food Program	Meals served in:	2,040.7	2,044.9	0.2
	Childcare centers (millions)	1,503.5	1,528.0	1.6
	Family daycare homes (millions)	457.6	434.6	-5.0
	Adult daycare centers (millions)	79.5	82.3	3.4
	Total expenditures (\$ billions)	3.6	3.7	2.5
All programs	Total expenditures (\$ billions)	96.9	92.4	-4.6

SNAP = Supplemental Nutrition Assistance Program.

WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

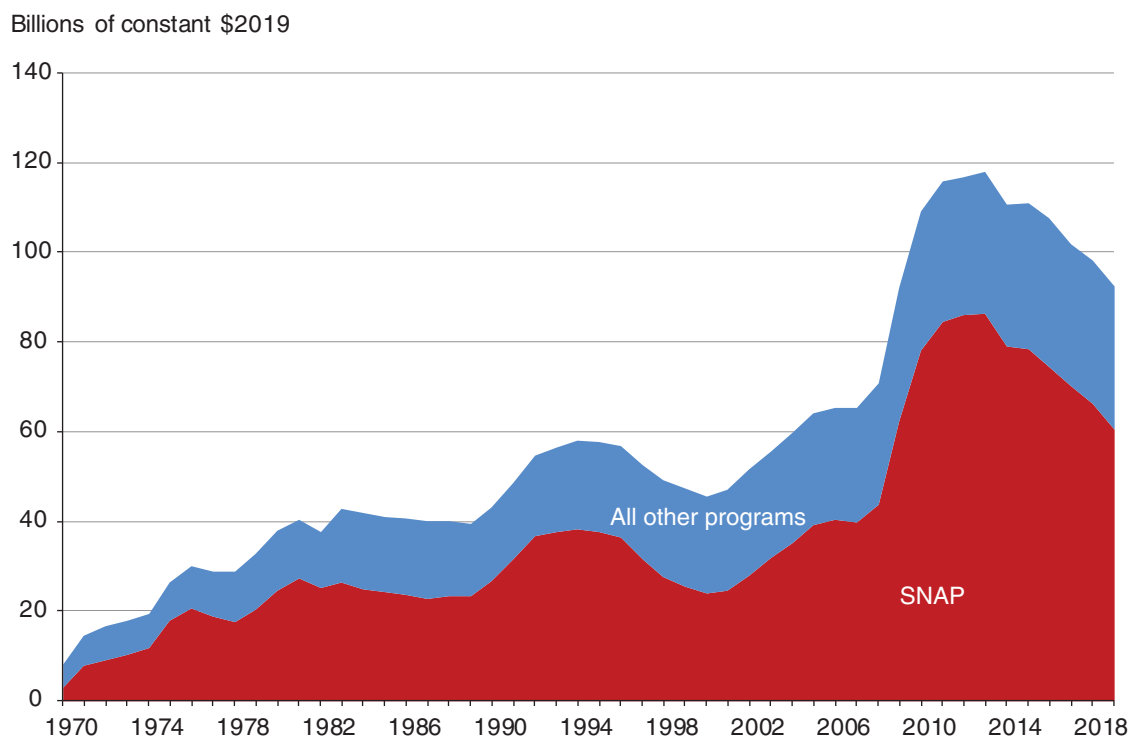
Note: Figures are based on preliminary data from the Program Information Report (Keydata) provided by USDA, Food and Nutrition Service. The data were released in April 2020 (for FY 2019 SNAP) and in December 2019 (for all other programs) and are subject to change. Expenditures are in nominal terms, and total expenditures include figures from other programs and other costs not shown in table.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

Expenditures in FY 2019 fell for both SNAP and WIC but increased somewhat for the other three programs. Federal expenditures on food assistance in FY 2019 were at their lowest inflation-adjusted level since FY 2009 and 22 percent lower than the inflation-adjusted historical high of \$117.9 billion set in FY 2013 (adjusted from the nominal value of \$109.2 billion in 2013 dollars using the Personal Consumption Expenditures price index from the U.S. Department of Commerce, Bureau of Economic Analysis) (fig. 1).

Figure 1  
**Inflation-adjusted USDA expenditures for food and nutrition assistance, FY 1970–2019**

Total inflation-adjusted expenditures have fallen by 22 percent since FY 2013



SNAP = Supplemental Nutrition Assistance Program.

Note: Expenditures in billions of 2019 dollars, adjusted using the Personal Consumption Expenditures price index, U.S. Department of Commerce, Bureau of Economic Analysis.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## SNAP Continues To Contract Through 2019

The Supplemental Nutrition Assistance Program—formerly the Food Stamp Program—is the cornerstone of USDA’s food and nutrition assistance programs, accounting for 65 percent of all Federal food and nutrition assistance spending in FY 2019. The program provides monthly benefits for participants to purchase food items at authorized retail food stores. Benefit amounts are designed to increase with household size and decrease with household income. SNAP benefits can be redeemed for most types of food but cannot be used to purchase tobacco, alcohol, hot foods, or foods intended to be eaten in the store (except by people who cannot cook for themselves). Unlike other food and nutrition assistance programs that target specific groups, SNAP is available to most needy households with limited income and assets, subject to certain work and immigration status requirements. During FY 2019:

- On average, 35.7 million people per month participated in the program, 12 percent fewer than in the previous fiscal year.
- Per person benefits averaged \$129.83 per month, about 4 percent higher than in the previous fiscal year.
- Federal spending for SNAP totaled \$60.4 billion, 8 percent less than in the previous fiscal year.
- Almost 11 percent of the U.S. population participated in SNAP in an average month, almost one-third lower than the historical high average of 15.1 percent of Americans who participated in FY 2013 (see box “Share of U.S. Population Participating in SNAP”).

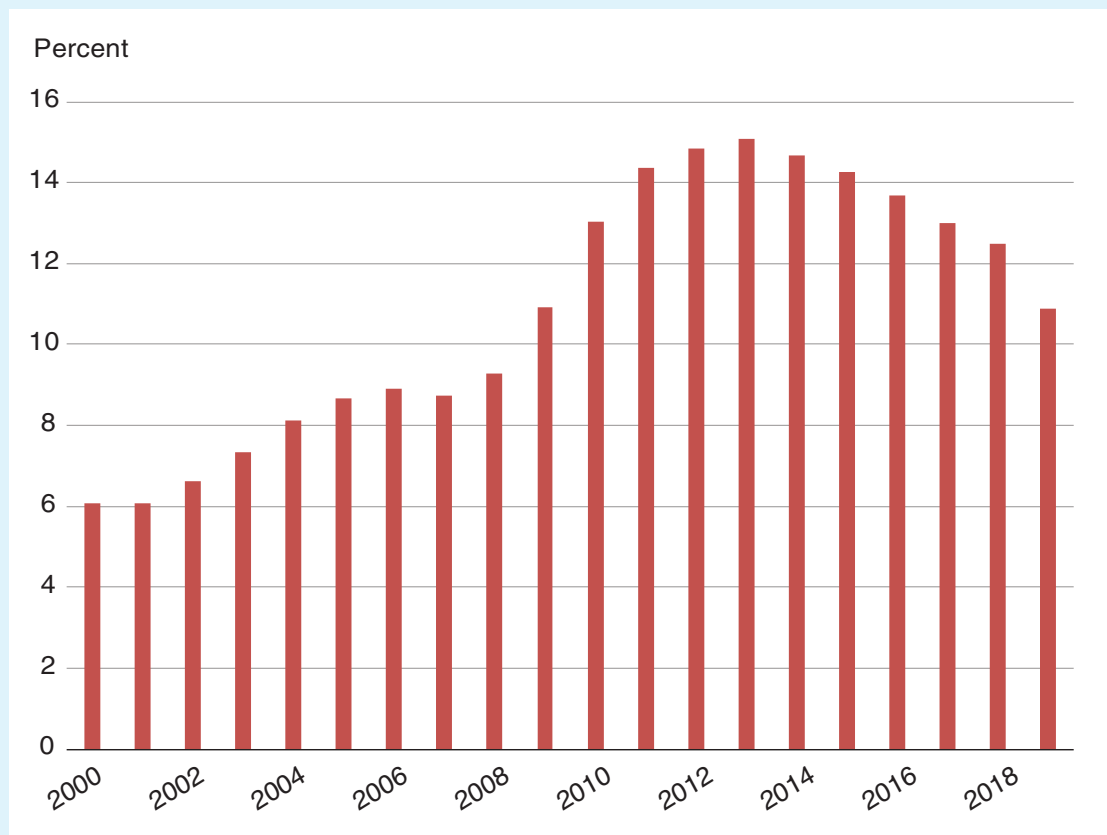
FY 2019 marked the sixth consecutive year that participation decreased after increasing in 12 of the previous 13 years (fig. 2). The 6-year decline in the number of participants largely reflects the continued improvement in economic conditions at the national level. Accompanying the decrease in participation, SNAP expenditures in FY 2019 were 30 percent less than the inflation-adjusted historical high of \$86.3 billion (or \$79.9 billion in 2013 dollars) set in FY 2013.

## Share of U.S. Resident Population Participating in the Supplemental Nutrition Assistance Program

The share of the Nation's population that participates in the Supplemental Nutrition Assistance Program is the ratio of the number of SNAP participants to the number of U.S. residents. While the number of SNAP participants has fluctuated since FY 2000, the caseload has roughly doubled between FY 2000 and FY 2019. Over the same time period, the U.S. population has increased by 16 percent, so SNAP participants' share of the population in FY 2019 is less than double that in FY 2000.

From 2000 to 2007, between 6 and 9 percent of Americans participated in SNAP. As economic conditions deteriorated during and immediately after the Great Recession—which lasted from December 2007 to June 2009—the share of Americans participating in SNAP rose, peaking in 2013 when over 15 percent of the U.S. population participated in the program each month. Since then, SNAP's share of the population has steadily fallen each year as economic conditions improved. In 2019, 10.9 percent of the population participated in the program, the lowest level since 2009, but still above pre-recession levels.

### Share of U.S. population participating in SNAP, FY 2000-19

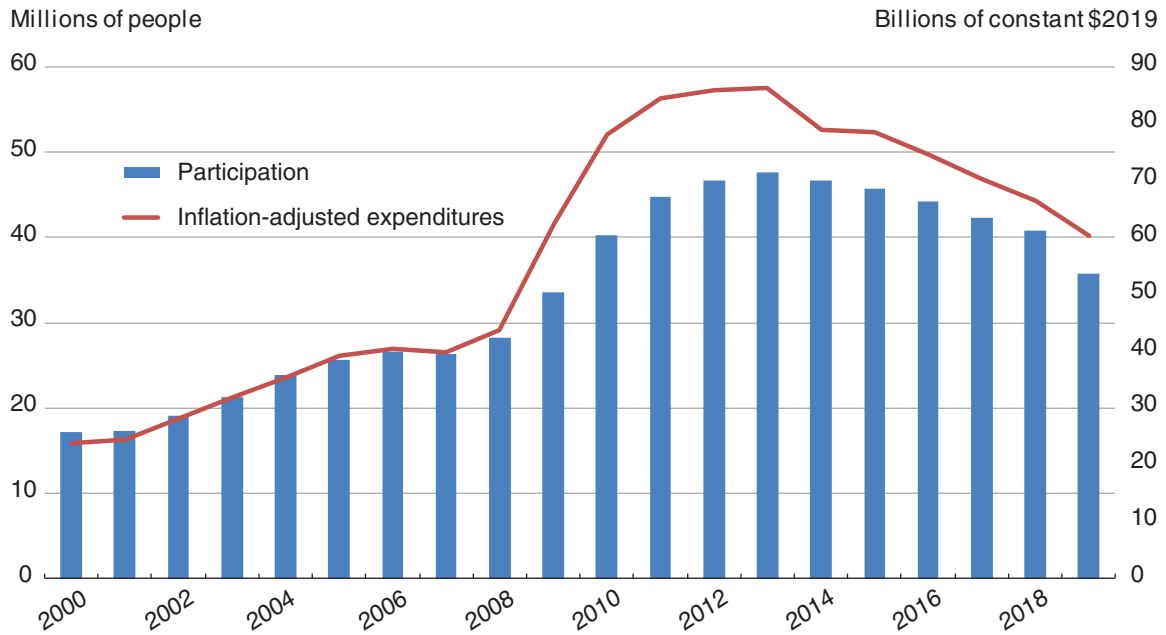


Source: USDA, Economic Research Service using data on SNAP participants from USDA, Food and Nutrition Service, and data on U.S. resident population estimates from U.S. Department of Commerce, Bureau of the Census.

Figure 2

**SNAP average monthly participation and inflation-adjusted annual program expenditures, FY 2000–19**

Participation and inflation-adjusted expenditures fell for the sixth consecutive year



SNAP = Supplemental Nutrition Assistance Program.

Note: Expenditures in 2019 dollars, using the Personal Consumption Expenditures price index, U.S. Department of Commerce, Bureau of Economic Analysis.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

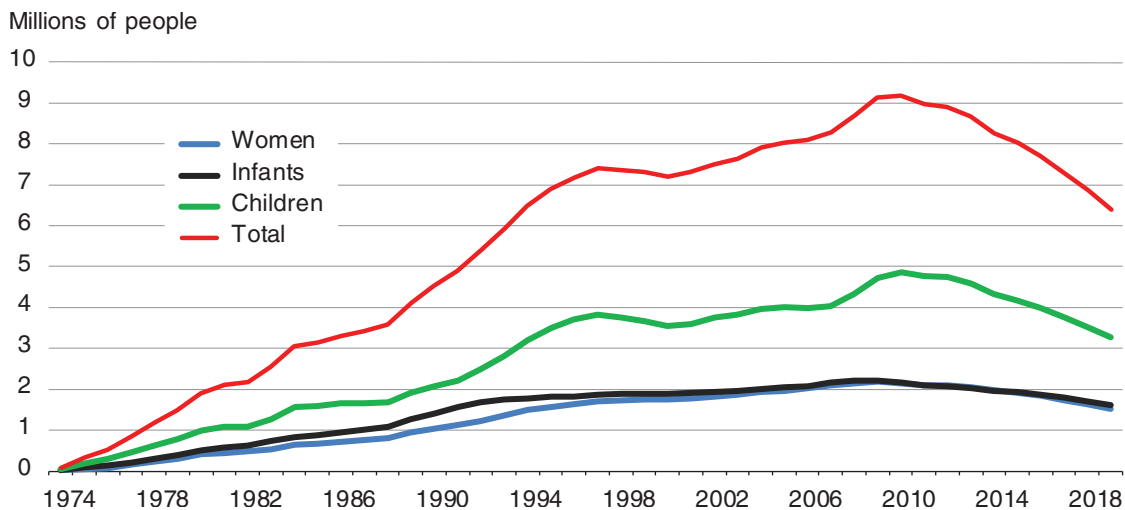
## WIC Participation Continues To Fall

The Special Supplemental Nutrition Program for Women, Infants, and Children, or WIC, helps safeguard the health of low-income pregnant, breastfeeding, and postpartum women as well as infants and children up to age 5 who are at nutritional risk by providing supplemental foods, nutrition education, and health care referrals at no cost to participants. The foods are designed to supplement the energy and nutritional needs of the target population. To be eligible based on income, applicants' income must be at or below 185 percent of the Federal poverty guidelines. A person who participates or who has certain family members who participate in other benefits programs such as SNAP, Medicaid, or Temporary Assistance for Needy Families automatically meets the WIC income eligibility requirement. During FY 2019:

- On average, 6.4 million people per month participated in the program, 7 percent fewer than in the previous fiscal year, the largest single-year percentage decrease in the program's history, and 30 percent fewer than the historical high of 9.2 million set in FY 2010 (fig. 3).
- Children 1-4 years of age made up about half (51 percent) of all participants, while infants constituted 25 percent and women constituted about 24 percent.
- The number of women, infants, and children participating in WIC each fell by 6-7 percent from the previous fiscal year. This marked the ninth consecutive fiscal year—and the ninth year in the program's history—that participation for all three groups fell.
- Food costs per person averaged \$40.85 per month, a slight decline from the previous fiscal year and the lowest, after accounting for inflation, in the history of the program.
- The decrease in participation, combined with the decrease in the average per person food costs, lowered total spending on the program to \$5.1 billion, 6 percent less than in the previous fiscal year and 36 percent less than the inflation-adjusted historical high set in FY 2011 of \$8 billion (adjusted from the nominal value of \$7.2 billion in that year).

Figure 3  
**Average monthly WIC participation, FY 1974-2019**

Participation for all three participant groups fell for the ninth consecutive year in FY 2019



WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## National School Lunch Program Participation Declines Slightly

The National School Lunch Program provides nutritious lunches at low or no cost to students at school and snacks to children participating in after-school care programs. Schools that participate in the program receive Federal subsidies for reimbursable meals served and some commodities from USDA (see box “School Food Costs Vary by Location and Purchasing Volume”). In return, schools must serve lunches that meet Federal nutrition requirements and offer free or reduced-price lunches to children from low-income families. Any child at a participating school may participate in the program. Children from families with incomes at or below 130 percent of the Federal poverty guidelines are eligible for free meals, and those from families with incomes between 130 percent and 185 percent of the poverty guidelines are eligible for reduced-price meals. Children from families with incomes over 185 percent of the poverty guidelines pay full price, although their meals are still subsidized to a small extent. The Community Eligibility Provision of the National School Lunch Program, implemented nationally in 2014, increases access to school meals for children in predominantly low-income schools while reducing the burden associated with collecting household applications. The provision allows eligible schools to provide USDA school meals at no charge to all students in high-poverty schools, with eligibility based on the percentage of students receiving benefits from the Supplemental Nutrition Assistance Program or other specific means-tested assistance. During FY 2019:

- On average, 29.4 million children participated in the National School Lunch Program each school day, less than 1 percent fewer than in the previous fiscal year. Average participation was at a 15-year low and 8 percent lower than in FY 2011, when average daily participation peaked at 31.8 million.
- Over two-thirds (68 percent) of participants received a free lunch, 6 percent received a reduced-price lunch, and 26 percent received a full-price lunch (fig. 4). While the number of students receiving a full-price lunch was virtually unchanged (0.1 percent increase) from FY 2018, the number receiving a free or reduced-price meal decreased by 0.7 percent and 3.2 percent, respectively.
- Spending for the program totaled \$14.1 billion, or 2.1 percent more than in the previous fiscal year.

## **School Food Costs Vary by Location and Purchasing Volume**

USDA reimburses school food authorities (SFAs), the governing bodies responsible for food service operations in the school district, for the meals they serve to participating students. With a few exceptions, reimbursement rates are the same for all SFAs. If a school food authority faces above average costs for food, labor, or both, this could adversely affect its ability to serve meals that meet USDA nutrition standards and are within the authority's budget.

Food costs make up almost half of overall meal costs in the National School Lunch Program and School Breakfast Programs. Recent USDA, Economic Research Service research found that food costs vary by volume of purchasing and by regional location. For example, when SFAs were grouped according to their purchasing volume, those with the lowest volume of fruit and vegetable purchases had 16 percent higher costs compared with SFAs with the highest volume. The researchers also found that food costs were highest in the Northern Plains, Mountain, and Southern Plains States and lowest in the Southeast States. For example, food costs for an SFA making average-size purchases in the Northern Plains States were 13.2 percent higher than food costs for an SFA making the same size purchases in the Southeast States.

Small SFAs in high-cost regions are particularly disadvantaged. For example, a small SFA in the Northern Plains making one-fourth the average-size purchase would have food costs that were 20.7 percent higher than a SFA in the southeast making an average size purchase. Higher food costs could translate into higher meal costs unless SFAs are able to offset higher food costs by using less labor or lower cost labor, purchasing less expensive foods within a food category, or limiting food variety in order to purchase larger volumes.

Source: Ollinger, Michael, Joanne Guthrie, and Audrey Peo, *USDA School Meal Programs: How and Why the Cost of Food Purchases Varies Across Locales*, ERR-260, Economic Research Service, USDA, November 2018.



# School Breakfast Program Participation Levels Off

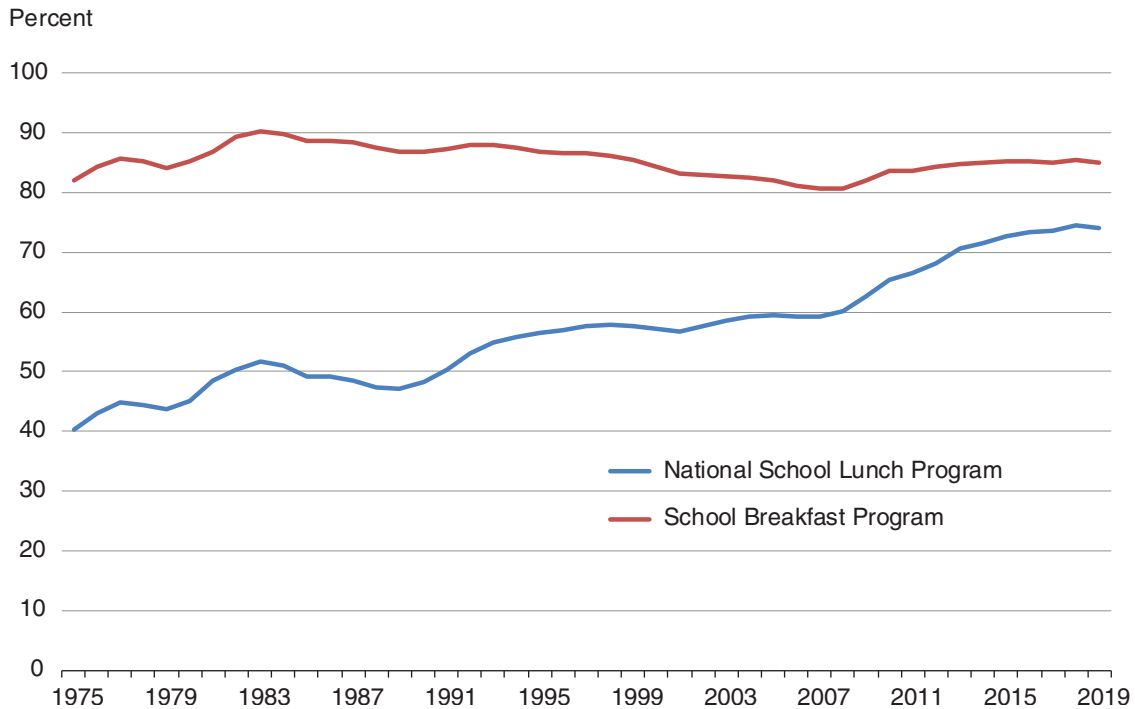
The School Breakfast Program provides federally subsidized breakfasts to schoolchildren in participating schools. Students from low-income families receive either free or reduced-price breakfasts. The eligibility requirements are the same as those for the National School Lunch Program. Schools that participate in the program receive subsidies from USDA for reimbursable meals served. During FY 2019:

- An average of 14.7 million children participated in the program each school day, or about half the number who participated in the National School Lunch Program. This was an increase of one-tenth of a percent, virtually unchanged from the previous fiscal year.
- Four-fifths (80 percent) of participants received a free breakfast, 5 percent received a reduced-price breakfast, and 15 percent received a full-price breakfast (fig. 4). While the number of students receiving a full-price breakfast increased by 2.4 percent from FY 2018, the number receiving a free or reduced-price meal decreased by 0.2 percent and 3.1 percent, respectively.
- Spending totaled \$4.5 billion, almost 3 percent more than in the previous year.

Figure 4

## Free and reduced-price meals' share of all meals by program, FY 1975-2019

The percentage of meals served free or reduced-price in the National School Lunch Program declined slightly in 2019, after 11 years of growth



Source: USDA, Economic Research Service, using data from USDA, Food and Nutrition Service.

## After a 2-Year Decline, the Number of Meals Served in the Child and Adult Care Food Program Increased Slightly

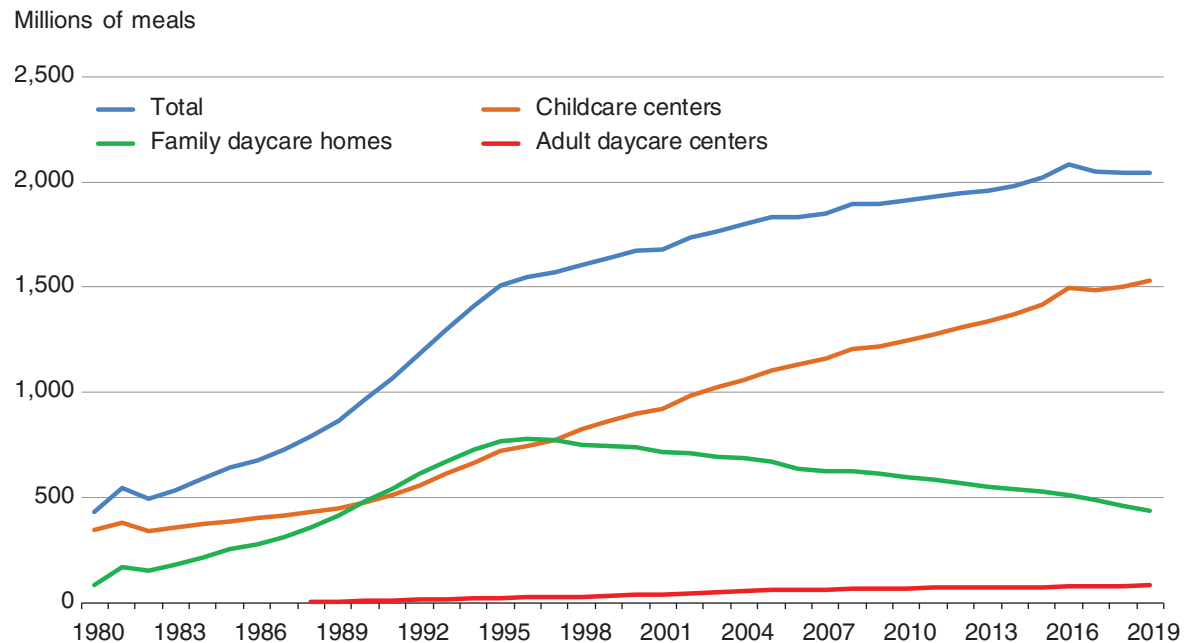
The Child and Adult Care Food Program (CACFP) subsidizes healthy meals and snacks in participating childcare centers, daycare homes, and adult daycare facilities. All participating providers must be licensed or approved according to Federal, State, or local standards. Care providers are reimbursed for each type of qualifying meal (breakfast, lunch/supper, or snack) they serve. In addition to cash reimbursement, USDA makes donated foods or cash—in lieu of donated foods—available to institutions participating in CACFP. During FY 2019:

- About 2 billion meals were served, a slight increase (0.2 percent) from the previous year. This follows 2 consecutive years in which the number of meals decreased, after a 14 percent increase from 2006 to 2016 (fig. 5).
- Childcare centers accounted for 75 percent of all meals served, family daycare homes 21 percent, and adult daycare centers 4 percent.
- The number of meals served in family daycare homes decreased by 5 percent from the previous year, a continuation of a general downward trend that began in FY 1997. In contrast, the number of meals served in childcare centers increased by 1.6 percent and in adult daycare centers by 2.5 percent.
- Program expenditures totaled \$3.7 billion, an increase of 3 percent over the previous year.

Figure 5

### Meals served in the CACFP by type of provider, FY 1980-2019

Number of total meals served in the CACFP levels off in FY 2019 after recent declines



CACFP = Child and Adult Care Food Program.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## Prevalence of Food Insecurity Continued To Decline in 2018

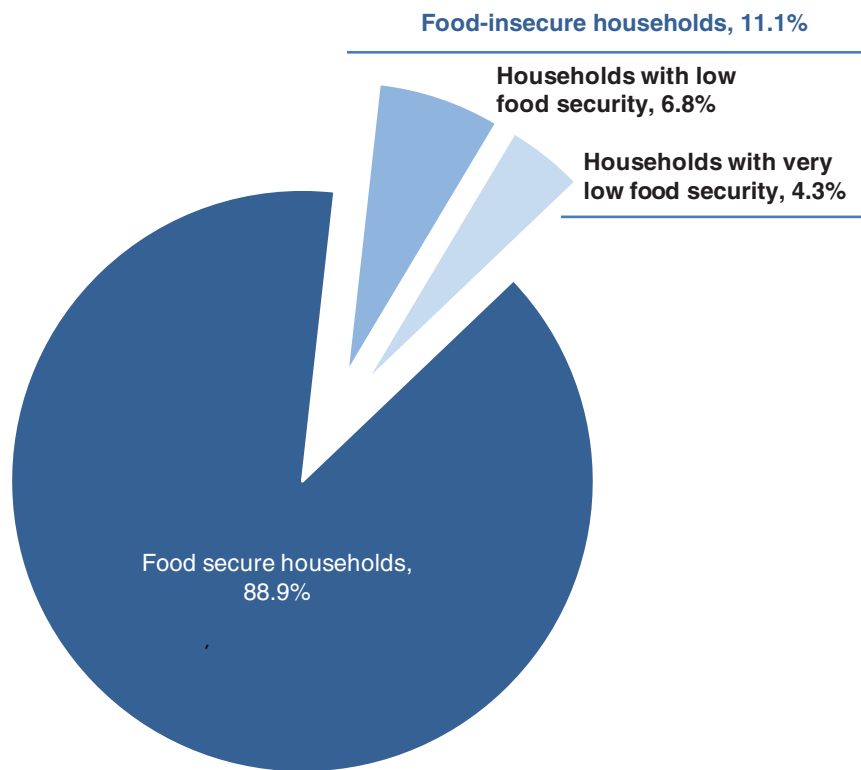
Food security—access by all people to enough food always for an active, healthy life—is one of several conditions necessary for a population to be healthy and well nourished. Food-insecure households are those that, at times during the year, are unable to acquire adequate food for one or more household members because they have insufficient money or other resources. Food-insecure households are further classified as having either low food security or very low food security. In the more severe range of food insecurity—very low food security—the eating patterns of one or more household members are disrupted and their food intake reduced, at least some time during the year, because they cannot afford enough food. USDA’s food and nutrition assistance programs increase food security by providing low-income households access to food, a healthful diet, and nutrition education. USDA monitors the prevalence and severity of household food insecurity in the United States through an annual nationally representative food security survey sponsored by the USDA, Economic Research Service. Household food security status is based on responses to a questionnaire about food-insecure conditions experienced by household members in the prior 12 months. Results from the survey are reported in a series of annual reports. The most recent Economic Research Service report uses data covering 37,300 sample households from the December 2018 survey. During 2018:

- An estimated 11.1 percent of U.S. households (or 14.3 million households) were food insecure at least some time during the year, down from 11.8 percent in 2017 and continuing a decline from a high of 14.9 percent in 2011 (fig. 6 and table 2).
- A total of 4.3 percent of all households (5.6 million households) had very low food security, not statistically different from the 4.5 percent in 2017. On average, households classified as having very low food security experienced the condition in 7 months of the year, for 1 to 7 days of the month.
- Among households with children under age 18, 13.9 percent (5.2 million households) were food insecure at some time during 2018, a statistically significant decline from 15.7 percent in 2017. In about half of food-insecure households with children, only adults were food insecure (6.8 percent of households with children); in the rest (i.e., 7.1 percent of households with children), children were also food insecure. In 0.6 percent of households with children (220,000 households), food insecurity among children was so severe that caregivers reported that children were hungry, skipped a meal, or did not eat for a whole day at some point during the year because there was not enough money for food.
- Rates of food insecurity were higher than the national average for households with income near or below the Federal poverty guidelines, all households with children—especially those headed by single women or single men, adults living alone, Black- and Hispanic-headed households, and households in principal cities.
- The typical food-secure household spent 21 percent more on food than the typical food-insecure household of the same size and household composition.
- About 56 percent of food-insecure households in the month before the survey participated in one or more of the three largest food and nutrition assistance programs—SNAP, WIC, and the National School Lunch Program (receiving free or reduced-price lunch).

Figure 6

**Food security status of U.S. households, 2018**

U.S. households by food security status, 2018



Source: USDA, Economic Research Service, Household Food Security in the United States in 2018, ERR-270, September 2019.

Table 2

**U.S. food security at a glance, 2017-18**

	2017		2018	
	<i>Thousands</i>	<i>Percent</i>	<i>Thousands</i>	<i>Percent</i>
All households	127,272	100.0	129,245	100.0
Food-secure households	112,254	88.2	114,934	88.9
Food-insecure households	15,018	11.8	14,311	11.1
<i>With low food security</i>	9,261	7.3	8,730	6.8
<i>With very low food security</i>	5,757	4.5	5,581	4.3
All households with children	37,942	100.0	37,612	100.0
Food-secure households	31,975	84.3	32,369	86.1
Food-insecure households	5,967	15.7	5,243	13.9
<i>With food-insecure children</i>	2,926	7.7	2,658	7.1
<i>With very low food security among children</i>	250	0.7	220	0.6

Source: USDA, Economic Research Service, Household Food Security in the United States in 2018, ERR-270, September 2019.

## Economic and Social Indicators Related to Participation in the Food and Nutrition Assistance Programs

Economic and demographic conditions affect both participation in and spending on food assistance programs by influencing the size of the eligible population, the rate of participation among eligible people, and benefit levels.

Because USDA's food and nutrition assistance programs are means tested, the number of people eligible to participate in the programs is linked to the strength of the economy. In particular, SNAP caseloads are strongly associated with economic conditions. SNAP is one of the Nation's primary countercyclical programs, expanding during economic downturns and contracting during periods of economic growth. The number of SNAP participants generally tracks the number of unemployed people and the number of people in poverty (fig. 7). However, the improvement in economic conditions during the early stages of recovery may take longer to be felt by the low-wage workers who are more likely to receive SNAP benefits, resulting in a lagged response of SNAP participation to a reduction in the unemployment rate.

In general, U.S. economic conditions improved between 2016 and 2019 (table 3). For example:

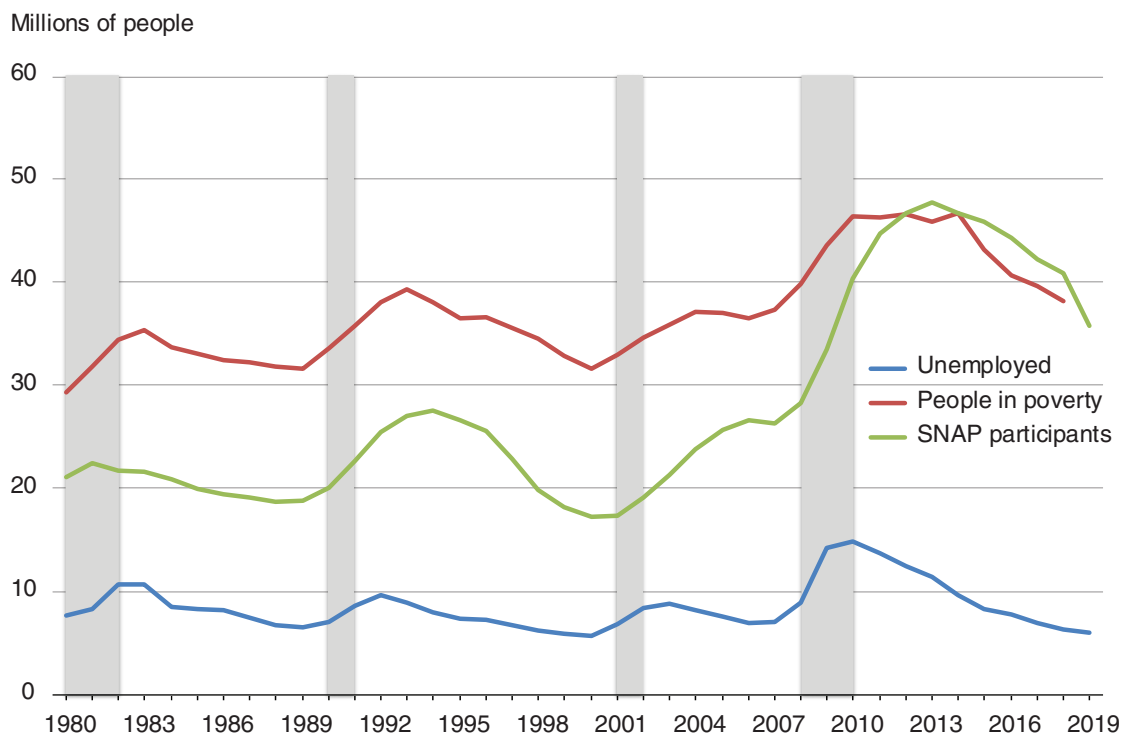
- The number of employed persons grew by 6.1 million and the number of unemployed persons declined by 1.8 million.
- The unemployment rate fell to 3.7 percent in 2019, the ninth consecutive year of declining unemployment rates and the lowest rate since 1969.
- The labor force participation rate has stabilized at roughly 63 percent, after falling from 67.1 percent in 2000 to 62.7 percent in 2015.

Income and poverty data from the Bureau of the Census indicate that in 2018 (the latest data available):

- There were 38.1 million people, or 11.8 percent of the U.S. population, living in households with income below the poverty line. The poverty rate was lower than the pre-recession level of 12.5 percent in 2007.
- Almost 12 million children, or 16.2 percent of all U.S. children, lived in poor households. The child poverty rate declined by 5.8 percentage points from its recent high of 22 percent in 2010.
- Real median household income was \$63,179, not statistically different from 2017, after gradually slowing annual growth between 2014 and 2017.

Figure 7  
**Number of SNAP participants, unemployed, and people in poverty, 1980-2019**

Economic conditions influence SNAP participation



SNAP=Supplemental Nutrition Assistance Program.

Notes: Grey vertical bars indicate recessions (January-July 1980; July 1981-November 1982; July 1990-March 1991; March-November 2001; December 2007-June 2009).

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service; U.S. Department of Labor, U.S. Bureau of Labor Statistics; and U.S. Department of Commerce, Bureau of the Census.

Table 3

**Selected economic and demographic indicators, 2016-2019**

Indicator	2016	2017	2018	2019
Population in July (millions)	322.9	325	326.7	328.2
Births (millions)	3.9	3.9	3.8	na
School enrollment (millions) <sup>a</sup>	55.9	55.9	55.9	55.9
Prekindergarten-grade 8	39.4	39.4	39.4	39.5
Grades 9-12	16.4	16.5	16.4	16.4
Employed persons (millions)	151.4	153.3	155.8	157.5
Unemployed persons (millions)	7.8	7.0	6.3	6.0
Unemployment rate (percent)	4.9	4.4	3.9	3.7
Labor force participation rate (percent)	62.8	62.9	62.9	63.1
Persons in poverty (millions)	40.616	39.698	38.146	na
Poverty rate (percent)	12.7	12.3	11.8	na
Children in poverty (millions)	13.253	12.808	11.869	na
Poverty rate for children (under 18)	18.0	17.5	16.2	na
Median household income (2018 dollars)	\$61,779	\$62,868	\$63,179	na
CPI for all items (annual percent change)	1.3	2.1	2.4	1.8
CPI for food (annual percent change)	0.3	0.9	1.4	1.9
CPI for food at home	-1.3	-0.2	0.4	0.9
CPI for food away from home	2.6	2.3	2.6	3.1

Notes: <sup>a</sup>School enrollment figures are projections. CPI = Consumer Price Index. na = data not available.

Source: USDA, Economic Research Service using data from U.S. Department of Commerce, Bureau of the Census (population, poverty, and household income); National Center for Health Statistics (births); National Center for Education Statistics (school enrollment); and the Bureau of Labor Statistics (employment, unemployment, labor force participation, and CPI).

## Economic Research Service Research Update

Economic Research Service research related to domestic food and nutrition assistance is conducted internally by ERS staff as well as through a portfolio of ERS-funded extramural research projects and partnerships. ERS has compiled a database of more than 1,100 peer-reviewed reports based on this research (searchable on the ERS website by title, author, year of publication, and topic area). Among recently released Economic Research Service research reports, one examined the role of SNAP as an economic stimulus during recessionary periods.

### The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier, ERR-265

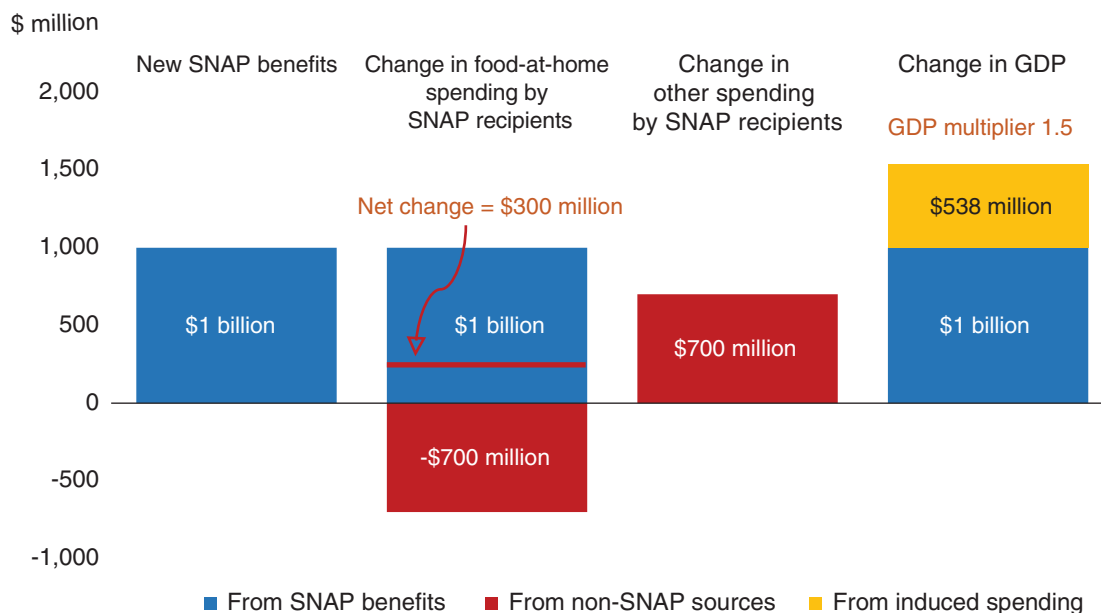
The primary goal of SNAP is to reduce food insecurity, but the program also acts as an automatic stabilizer during economic downturns. As incomes fall, SNAP spending tends to increase as more individuals become eligible and enroll in the program. In addition, as SNAP enrollees spend their benefits, income is generated for all involved in the production, distribution, marketing, and sales of the final goods and products sold, creating a multiplier effect throughout the economy that may extend well beyond the initial money distributed for the SNAP benefit.

A recent Economic Research Service study estimated the impact that a hypothetical \$1 billion increase in SNAP assistance would have on gross domestic product (GDP), employment, and incomes across different U.S. industries, highlighting agriculture. The induced effects of Government spending on the economy are usually discussed in terms of multipliers. The specific type of multiplier measured was the short-run change in total GDP per \$1 increase in SNAP spending—“short-run” meaning roughly within 1 year of the spending increase.

The Economic Research Service study estimated a GDP multiplier for SNAP of 1.54, which means that the \$1 billion in additional SNAP spending would induce further new spending in the economy that collectively increases GDP by \$1.54 billion (fig. 8). The initial response to the \$1 billion of additional SNAP benefits is an estimated increase in food spending of \$300 million and an estimated increase of \$700 million in other spending by SNAP recipient households. Most SNAP households spend their own cash in addition to benefits to purchase adequate food, so an increase in SNAP benefits would allow them to redirect some of the cash that they would have spent on food to other goods and services. The study estimates that SNAP households are likely to spend all of any income increase, rather than directing it into savings, which means that the approximate increase in nonfood spending among SNAP households is \$700 million.



Figure 8  
**\$1 billion in new SNAP benefits raises Gross Domestic Product by \$1.5 billion**



Notes: SNAP = Supplemental Nutrition Assistance Program. GDP = Gross Domestic Product. "Induced spending" refers to spending occurring after the initial \$1 billion SNAP expenditure, which is derived from income that is generated from all involved in the production, distribution, marketing, and sales of the good and services purchased. Results are reported in 2016 dollars.

Source: The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier by Patrick Canning and Brian Stacy, ERR-265, Economic Research Service, USDA, July 2019.

The Economic Research Service study estimates are consistent with previous research on the multiplier values for temporary deficit-financed increases in Government spending. While a 2011 review suggested that estimates from 0.8 to 1.5 are plausible, more recent work cited in the ERS study finds higher multiplier effects, from 1.7 to 2, for Government spending increases that are directed to low-income households.

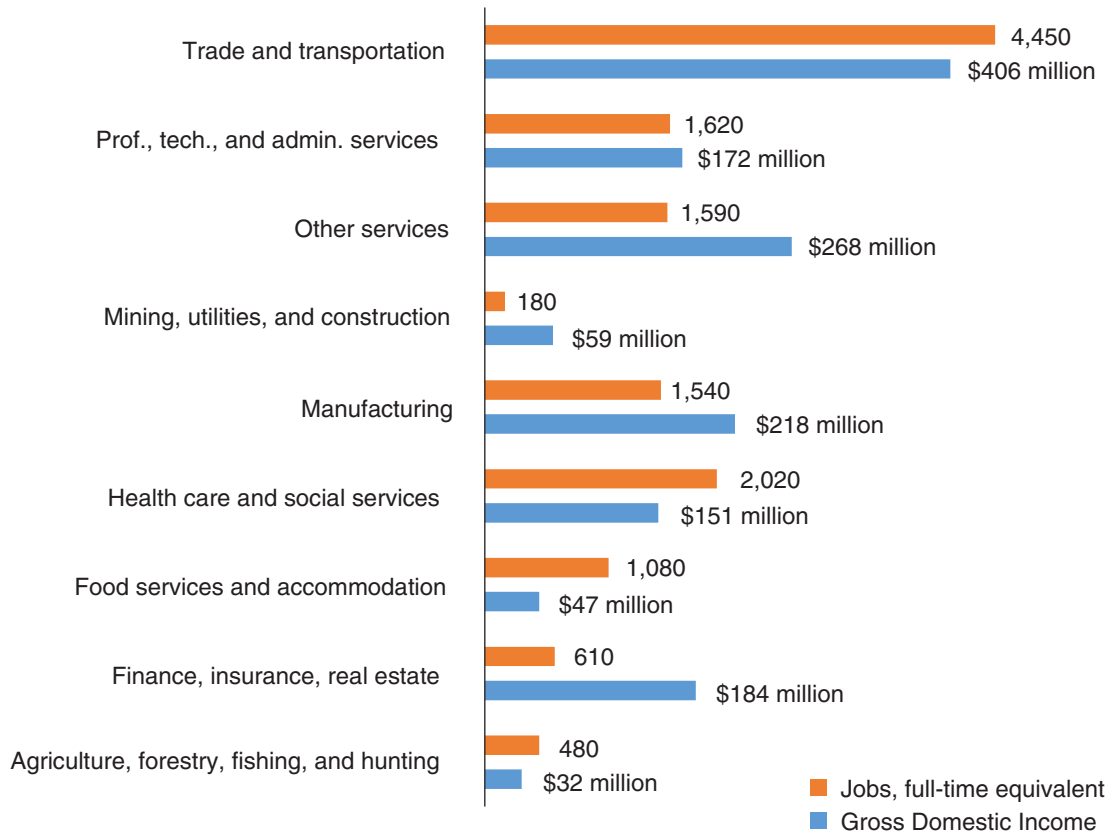
Along with the \$1.54 billion increase in GDP, the hypothetical SNAP spending increase was estimated to support 13,560 jobs across the economy, with the greatest effect in the trade and transportation industries (fig. 9). These industries include grocery stores, food and other wholesalers, plus the trucking and rail freight industries, among others, and the SNAP spending increase would generate new income totaling \$406 million and 4,450 jobs. In agriculture industries (farming, forestry, fishing, and hunting) the spending would create \$32 million in income and 480 jobs.

These findings about the multiplier impacts from additional SNAP assistance are derived from a model that is most appropriate to conditions during a slowing economy when unemployment is relatively high and interest rates on new business loans are relatively low. The model assumes that the additional spending—and the subsequent increased industry output—does not put pressure on the supply of labor and cause wages and loan interest rates to rise. The multiplier effects are likely to be smaller when the economy is at or near full employment. Because SNAP participation and the benefit amounts received largely depend on a household's income, new and higher SNAP spending by the Federal Government is most likely to occur during economic downturns when employment and incomes fall and there are underemployed resources in the economy.

Figure 9

### The effect of new SNAP benefits varies by major industry group

Change in annual employment and Gross Domestic Income per \$1 billion per SNAP benefits, 2016



SNAP = Supplemental Nutrition Assistance Program.

Source: The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier by Patrick Canning and Brian Stacy, ERR-265, Economic Research Service, USDA, July 2019.