# HOW TO BUILD AN Economy that Works for All



## FOOD ASSISTANCE

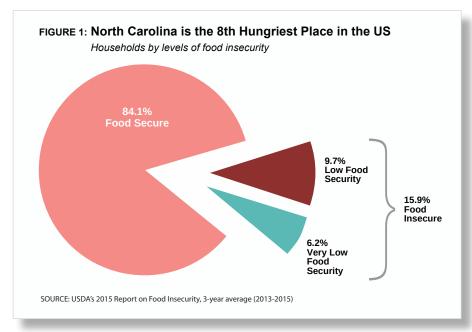
Make sure North Carolinians have access to food

When North Carolinians are able to purchase and eat healthy and nutritious food, they fuel active and healthy lifestyles, stay engaged at work and school, and boost the economy through their grocery shopping.

Every night, almost 630,000 North Carolina households don't have enough to eat. North Carolina has the 8th highest rate of food insecurity in the nation. Homes that have low food security often must make tough choices about the amount and quality of food they are able to provide their families. Homes that are considered to have "very low" food security often miss meals. According to the USDA, in the past year more than 90 percent of these families

worried that food would run out; nearly 80 percent could not afford a balanced meal; and individuals in 96 percent of homes with very low food security skipped meals in order to make food last longer.

Food insecurity does not affect everyone equally. Households with children are more likely to have trouble putting enough nutritious food on the table. Nationally, 16.6 percent of homes with children are food insecure, compared to 10.9 percent of



homes without children. Additionally, single-parent households face different rates of food insecurity based on the gender of the parent—9.4 percent of households led by single mothers experience very low food security compared to 8.2 percent of households with single fathers.<sup>1</sup>

### Food Assistance is Critical in Reducing Poverty

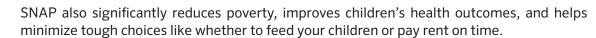
Although many North Carolinians—including children, families, and older adults—face hunger and go without adequate and nutritious foods on a regular basis, the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps, helps reduce food

**hardship.** It is the largest anti-hunger program in the nation and plays a critical role in ensuring that North Carolinians have enough food to eat.

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Due to the increase in jobs that don't pay enough to afford the basics, it can be tough for North Carolinians to put enough food on the table even when they have a steady job. In 2015, SNAP reached 1.6 million individuals across the state, targeting the most vulnerable folks to help ensure that older adults, veterans, and children get enough to eat each day. On average, SNAP benefits lifted 175,000 North Carolinians, including 81,000 children, out of poverty from 2011 to 2014.<sup>2</sup>

#### Making sure families can eat boosts the economy

**SNAP benefits help stimulate the state's economy, pumping upward of \$2 billion into the economy.** Much of this economic activity benefits local grocery stores and food retailers.

Currently, more than 9,600 individual stores in North Carolina accept SNAP. Not only does SNAP stimulate local and state economies, it does so efficiently. Nearly 80 percent of SNAP benefits are utilized within the first two weeks from reception and 97 percent of benefits are spent by the end of the benefit month.<sup>3</sup>

Addressing hunger also increases productivity in the work place and classroom, in turn improving health outcomes. A recent study showed adults who had access to food supports as children were 18 percent more likely to graduate from high school and were 16 percent less likely to be obese.<sup>4</sup> Receiving SNAP also increases the employment rate of adults. Experts found a 70 percent increase in the number of households that are employed within a year of receiving benefits.<sup>5</sup>

#### Policy recommendations to combat hunger in North Carolina

Many of the programs and policies operating in North Carolina to combat hunger are established under federal law. From SNAP to child nutrition programs, the new Federal Administration and Congress leadership have suggested severely reducing the availability of these programs to low-income Americans through block granting, eligibility restrictions, and underinvestment.

Given this broader context in which North Carolina may have to combat hunger, it is critical that policymakers ensure the effectiveness of these programs while also using their authority to enhance the reach and effectiveness of anti-hunger programs in every community across the state.

SNAP is one of the most direct ways to fight food insecurity. In light of threats to this program at the federal level, which would limit the effectiveness of this critical tool, it is important that state policymakers enact policies that increase access to food assistance. Unfortunately, state legislators passed a bill last year which permanently re-imposed a strict time limit for childless, non-disabled adults, contributing to a historic drop in SNAP participants. Such a harsh time limit – regardless of labor market conditions – should be waived in times of economic distress.

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- North Carolina should develop a plan to provide a job, volunteer position, or skills training opportunity to all individuals, subject to the time limit. Most counties have more people looking for work than jobs available and only nine counties operate a SNAP employment and training program. In addition, it is hard to come by volunteer postings totaling 20 hours a week in many urban areas, let alone more rural settings. It is therefore critical that state legislators fund two key programs: 1) subsidized employment for those receiving food assistance and 2) skills training that could draw down additional federal dollars.
- While SNAP is by far the best tool to ensure all North Carolinians can access food, the state should also recognize the critical role food banks and healthy retail options in food deserts play in providing food. The state's commitment to food banks should be reflected in funding for their operations and reach into more rural parts of the state. It is also critical to continue expanding the Healthy Corner Store initiative to deliver options in food deserts.
- For children, school-based initiatives such as the Community Eligibility Program and Breakfast in the Classroom are effective policies to address hunger. Making sure the state's network of Child Nutrition Officers can provide much-needed meals will require a state commitment when federal funds are insufficient to reach every child.

<sup>1.</sup> Prosperity Watch (Issue 66, No. 1): Nearly 1 in 6 NC households face issues of hunger

Mitchell, Tazra and Alexandra Sirota. "Elevated Poverty Hampers Economic Opportunity for All." Budget & Tax Center. October 2016. Available here: <u>http://www.ncjustice.org/?q=budget-and-tax/btc-report-north-carolinas-greatest-challenge%E2%80%94elevated-poverty-hampers-economic</u>

<sup>3.</sup> Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP). Center on Budget and Policy Priorities. March 2016. Available here: <a href="http://www.cbpp.org/research/policy-basics-introduction-to-the-supplemental-nutrition-assistance-program-snap">http://www.cbpp.org/research/policy-basics-introduction-to-the-supplemental-nutrition-assistance-program-snap</a>

<sup>4.</sup> Sherman, Arloc, Sharon Parrott and Danilo Trisi. "Chart Book: The War on Poverty at 50, Section 3." Center on Budget and Policy Priorities. January 2014. Available here: <a href="http://www.cbpp.org/cms/index.cfm?fa=view&id=4073">http://www.cbpp.org/cms/index.cfm?fa=view&id=4073</a>

Rosenbaum, Dottie. "The Relationship Between SNAP and Work Among Low-Income Households." Center on Budget and Policy Priorities. January 2013. Available here: <u>http://www.cbpp.org/research/the-relationship-between-snap-and-work-among-low-incomehouseholds#\_ftn3</u>