

THE POWER OF SNAP (CALFRESH) EMERGENCY ALLOTMENTS DURING THE COVID-19 PANDEMIC

The Imperative to Permanently Improve SNAP Benefit Adequacy

On March 19, 2020, Governor Newsom issued a statewide "stay-at-home" order¹ as the world was thrown into chaos with the onset of the COVID-19 pandemic.² As whole countries and states went into lockdown, millions of people lost their jobs and sources of income, threatening their ability to afford even the basics like food. News stories began to cover the unprecedented demand at food banks around the country,³ with videos and photos of cars in mile-long drive-through lines as families waited to pick up a bag of groceries.

THE FEDERAL RESPONSE TO STRENGTHEN SNAP & PREVENT HUNGER

Thankfully, under Speaker Pelosi's leadership, Congress acted within days to provide an unprecedented response, both in swiftness and scope, that would support households impacted by the pandemic in the months and years that followed. In March 2020, the Families First Coronavirus Response Act⁴ was passed, setting in motion several key improvements to SNAP⁵ (called CalFresh in California). First, it allowed states to request authority from the United States Department of Agriculture to issue SNAP "Emergency Allotments" (EAs),⁶ that increased benefits up to the maximum benefit level for their household size.

Faced with a catastrophic hunger crisis and thanks to leadership and swift action by the California Department of Social Services, California moved quickly to request and implement CalFresh EAs starting in March 2020⁷, and subsequently every month until February 2023 when they ended Federally. Over the course of three years, California issued a total of approximately \$14 billion in EAs,⁸ benefiting nearly 3 million households. These EAs, along with other measures to strengthen the reach and impact of SNAP, mitigated what would have been an unimaginable crisis. In 2021 alone, EAs helped Californians purchase 1.32 billion meals,⁹ or approximately 14% of the meals provided through all public and private food assistance programs in the state combined.

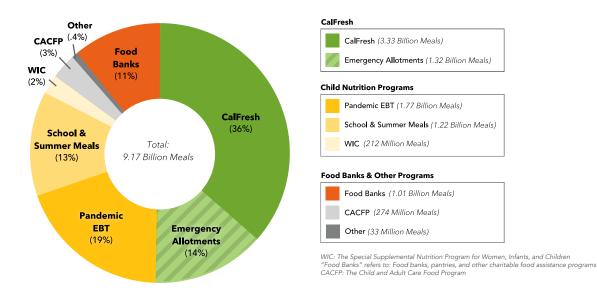
"EAs proved their worth through the pandemic when people were experiencing not only a communicative disease, but also an economic downturn that was quick and unprecedented."

-Andrea Brayboy, CalFresh and Nutrition Branch Chief, California Department of Social Services

This report highlights the tremendous impact that SNAP EAs had on California families who shared their first hand experiences with us through interviews and focus groups in the summer of 2023. Their stories prove that hunger and poverty are a policy choice, and that government can solve these crises when it acts. In 2021, child poverty fell to a record low of 5.2%,¹⁰ and food insecurity for households with children fell to a two-decade low.¹¹ Expanded federal response to the pandemic-induced economic crisis, including EAs, made key contributions to that success, and our recommendations highlight the need to make permanent and meaningful progress on improving benefit adequacy and expanding program access.

"Being able to immediately alleviate food insecurity was huge, and just really shows the power that the federal government has to remove barriers to SNAP."

-Roshena Duree, County Welfare Directors Association of California

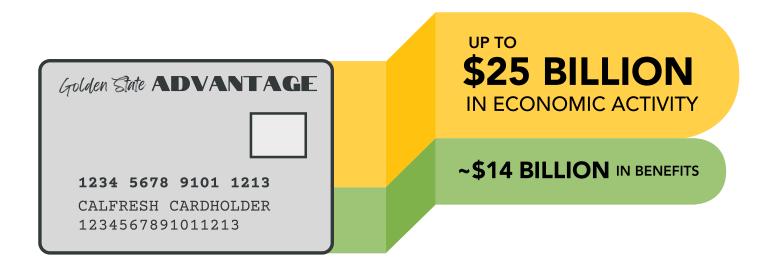


Food Assistance Sources for Californians in 2021

THE SCALE & POSITIVE IMPACT OF CALFRESH EAs IN CALIFORNIA

In February 2023, CalFresh households received around \$180 in EAs on average; the larger the household the more in EAs they received. Importantly, the dollar value of CalFresh EAs didn't just support households relying on the program to feed their families; the economic stimulus that this program provides is well documented.¹² CalFresh benefits spent in stores support not just the grocers but the growers, manufacturers, transporters, and their respective employees – who in turn have more money to spend on other goods and services. With approximately \$14 billion in benefits over three years, this resulted in up to \$25 billion in economic activity.

Total Value of CalFresh Emergency Allotments



"We are really thankful we have such a good relationship with all of our advocate partners, CBOs, and county partners that we were able to move quickly in the early days of the pandemic. It took a very big collaborative approach from everyone to get those benefits out."

-Kathy Yang, CalFresh Policy & Employment Bureau Chief, California Department of Social Services

"UFCW members are on the front lines of hunger in our country. They see just how programs like Emergency Allotments and SNAP help parents buy the groceries they need to feed their families, especially in high-cost areas, where too many jobs fall short in providing livable wages. They also see how ensuring people get fed helps support our local food economy and benefits farms, grocery stores, and workers. We must fight to enhance SNAP benefits, ensuring they cover necessities for the entire month, as well as fight restrictions and complex rules that slow down the checkout process, create stress for shoppers, and impact workers' workflow."

-Jassy Grewal, Legislative Director, United Food and Commercial Workers Western States Council

EMERGENCY ALLOTMENTS WERE AN EFFECTIVE SAFEGUARD AGAINST HUNGER:

1. More and greater variety of food. Households were able to purchase more fresh fruits, vegetables, meats, and high quality food.

"It was a tremendous, huge weight off my shoulder, because I was actually getting groceries and I was getting a healthy meal, and stuff that I find difficult to get on a normal basis." -CalFresh Recipient

2. EAs helped households weather income fluctuations. When CalFresh households experienced income losses, either from the pandemic or another reason, EAs enabled them to keep putting food on the table until they got back on their feet.

"You know, it was a dire moment, in the moment where I sought out ways to survive with my family. So it was a blessing on my finances to have that assistance coming in." –CalFresh Recipient

3. EAs had a stabilizing effect on households. CalFresh households were better able to stay current on rent and bills and make progress toward financial stability because EAs helped cover the cost of food.

"And that was a very good chance for me to take good care of my kids and myself too, and also be able to catch [up on] bills that I had to pay and ... not worry about where to get rent or how to take care of the kids, and how to put up some small meals." –CalFresh Recipient

"The ending of EAs did not end inflation. We know that many of our clients may have to face tough decisions on deciding whether to use their income to purchase more food or paying for other critical expenses, once they've exhausted their CalFresh benefits."

-Jenny Nguyen, Deputy Director of Budget and Fiscal Policy, County Welfare Directors Association of California

THE FEDERAL ENDING OF SNAP EMERGENCY ALLOTMENTS CREATED A BENEFITS CLIFF & HUNGER CRISIS

With the signing of the Consolidated Appropriations Act of 2023,¹³ SNAP EAs that had helped to mitigate hunger for millions of families across the country over the last three years came to an abrupt and early end. While the California Association of Food Banks and many state and national anti-hunger groups were opposed¹⁴ to the untying of SNAP EAs from the Federal Public Health Emergency status,¹⁵ this set in motion the sunsetting of EAs in California and many other states by the end of February 2023, with the final benefit received by CalFresh recipients in late March 2023.

It is also important to acknowledge the larger context in which EAs ended. CalFresh recipients received their last EA at a time when food prices in the Western United States were 8% higher than March of the previous year.¹⁶ Similarly, the costs of transportation,¹⁷ housing, and other goods had been increasing at double to triple prepandemic rates.¹⁸ The ending of EAs represented an average reduction of between 32-40% of households' food benefits between March and April.

"EAs definitely helped to supplement [food budgets] for a lot of households. There were a lot of clients that were able to purchase a lot of different foods that they may not have always been able to, given that they had more power to purchase healthier foods, more nutritious foods that we know tend to cost more, like fruits and vegetables. With inflation especially in California, it showed that what clients were receiving before Emergency Allotments was just not enough."

-Miguel Rosales, Senior Program Manager, GetCalFresh, Code for America

THE END OF EAs CAUSED HUNGER & TOXIC STRESS FOR CALFRESH HOUSEHOLDS:

1. Experiences of food insecurity have intensified. People are buying and eating less than what they need and relying on cheaper processed foods. Those with children or special dietary considerations are especially struggling.

"It's enough to buy, like, maybe two packs of ramen and two boxes of Ritz crackers." –CalFresh Recipient

2. Households are making tradeoffs between food and other expenses. Inflation has driven up the cost of living such that despite cutting back on food, some households are still unable to make rent or afford clothing or school supplies for their children. Many are falling behind on bills and accumulating debt.

"My biggest expenses right now is all my money goes to the utilities, gas and light. I don't have money to get school clothes for my kids, and school shoes. Like, everything is going to the utilities and not towards the day to day needs." –CalFresh Recipient

3. Physical and mental health have declined. Poor diets, chronic stress, and going without basic needs have led to worsening health and well-being. People report frequent experiences of sadness, worry, and depression since EAs ended.

"Definitely I feel we're not doing too good in terms of being healthy, I think in my family, we actually miss the nutritional benefits in food by choosing to buy processed food. And we know this, and ...there's nothing we can do about it, because we're actually working [within] our own budget. It's not as if we can afford the fresh food [that we got] before, but we just switch over to what [we] can actually afford." –CalFresh Recipient

4. Shopping patterns changed, impacting local economies. CalFresh households are shopping less because they have less money not only for food but also for gas and other goods. Accounting for the stimulating effect that CalFresh has on the greater economy, the total value of EAs lost is approximatley \$1 billion per month statewide.

"Well, I try to go [grocery shopping] at least once every 15 days, I buy everything I need to make the meals of the day and I try to go every 15 days, because if I go more often, then I spend more." –CalFresh Recipient



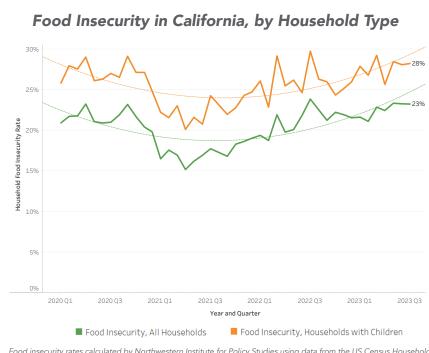
HUNGER IN CALIFORNIA IS ON THE RISE, AGAIN

It is no surprise that as soon as EAs ended, food banks began seeing the impact in their communities. In 2023 CAFB fielded two "pulse" surveys on the needs food banks were observing in their communities for food assistance and strategies they have used to adapt after the ending of EAs. Through these surveys, which asked about April and July 2023 respectively, we learned that:

- In both months, the vast majority (88%) of food banks that responded had received more calls from community members seeking food, compared with the preceding months.
- In July, more than two thirds (68%) of food banks served more people compared to prior months. This is striking given that July and August are typically slower for many food banks.
- To cope with increased demands, 75% of food banks have had to increase fundraising, and 69% have had to use a disproportionate percentage of their budgets to supply food for their communities.

What food banks are still seeing and experiencing in their communities is a direct result of shocking spikes in poverty and hunger all across the country.¹⁹ Among all age groups, household types, races, and ethnicities, 12.4% were living in poverty in 2022, up from 7.8% in 2021. This single-year jump - the largest that has been documented in the last 50 years coincided with the ending of antihunger and antipoverty programs that had been reducing poverty nationwide — a testament to how important these supports were for families.

In addition to alarming poverty rates, the latest data from the Census Household Pulse Survey shows that nearly 1 in 4 households in California face food insecurity, while nearly 1 in 3 households with children are food insecure.²⁰ These



Hunger in California is on the Rise Again

Food insecurity rates calculated by Northwestern Institute for Policy Studies using data from the US Census Household Pulse Survey.

rates are comparable to those in 2020, during the early stages of the pandemic. Communities of color — Black and Latine households in particular — are facing deep and disproportionate impacts.

Many households started using food banks for the first time when EAs ended to help feed themselves and their families. Some experienced challenges accessing food distributions, but most found the services extremely valuable to making ends meet.

"I've heard comments of people saying, I've never had to do this, I've never had to go to a food pantry. I've never had to think about the food that I'm buying. We have noticed an increase in our partner food pantries; they have noticed since the end of the emergency allotments, that there has been an increase [in participation]."

-CalFresh Outreach Worker

POLICY SOLUTIONS TO PERMANENTLY IMPROVE SNAP & PREVENT HUNGER

Our following recommendations include Federal and State policies that are key to making permanent progress on the hunger-fighting power of SNAP:

IMPROVE BENEFIT ADEQUACY:

- » The Closing the Meal Gap Act (<u>H.R. 3037 Adams</u> / <u>S. 1336 Gillibrand</u>) would replace the Thrifty Food Plan with the more appropriate Low-Cost Food Plan as the basis for SNAP allotments; eliminate the punitive cap on the SNAP Excess Shelter Deduction; and streamline ways for states to establish a SNAP Standard Excess Medical Deduction for persons who are older adults or have disabilities (with a minimum standard of \$140).
- » The Hot Foods Act (<u>H.R. 3519 Meng, Fitzpatrick</u> / <u>S. 2258 Bennet</u>) would permanently end the prohibition on purchasing hot and prepared foods with SNAP.
- » Permanently expand statewide the CalFresh Minimum Nutrition Benefit Pilot to all CalFresh households who are currently receiving the minimum benefit of \$23 per month, so that no households are receiving less than \$50 per month, as originally proposed in <u>SB 600 (Menjivar)</u>.

EXPAND ELIGIBILITY & END EXCLUSIONARY RULES:

- » Enhance Access to SNAP Act (EATS Act) (<u>H.R. 3183 Gomez</u> / <u>S. 1488 Gillibrand</u>) would eliminate the outdated and unfair SNAP restrictions for college students.
- » Improving Access to Nutrition Act (<u>H.R. 1510 Lee</u> / <u>S. 2435 Welch</u>) would repeal SNAP's harsh and counterproductive three-month time limit for out-of-work Americans and improve SNAP access for families working their way up the economic ladder.
- » The Lift the Bar Act (<u>H.R. 4170 Jayapal</u> / <u>S. 2038 Hirono</u>) would broaden the reach of SNAP for lawfully present immigrants by undoing exclusionary restrictions that deny eligibility and have a broader chilling effect on participation.
- » The Re-Entry Support Through Opportunities for Resources & Essentials (RESTORE Act) (<u>H.R. 3479 Cohen</u> / <u>S. 1753 Booker</u>) would repeal the SNAP Drug Felony Ban and codify a USDA administrative waiver to SNAP state agencies that allows individuals to apply for SNAP 30 days prior to their release from incarceration.

BOLSTER THE EMERGENCY FOOD NETWORK:

- The Farmers Feeding America Act (<u>H.R. 6203 Salinas, Panetta</u> / <u>S. 2713 Casey</u>) would provide \$500 million annually in additional funding for The Emergency Food Assistance Program entitlement commodities, roughly doubling the total size of the program.
- Permanently increase annual state funding for the CalFood program to \$60 million, enabling food banks to purchase and distribute more California-grown and produced foods throughout their communities.

ADDITIONAL FEDERAL POLICIES THAT BOLSTERED SNAP DURING THE PANDEMIC:

- In April 2021 after litigation from the Western Center on Law & Poverty,²¹ the lowest income SNAP households that were already at or close to the maximum finally started receiving an EA of \$95 per month.
- With the signing of the Consolidated Appropriations Act of 2021²² in December 2020, baseline SNAP benefits were increased by 15%,²³ bumping benefits up by about \$27 per month per person. The American Rescue Plan,²⁴ passed in March 2021, extended this temporary increase to benefits through September 2021.²⁵

- And while SNAP benefits are based on the Thrifty Food Plan²⁶ and adjusted annually, in August 2021 the USDA re-evaluated the Thrifty Food Plan²⁷ as directed by Congress in the 2018 Farm Bill (and unrelated to the Pandemic), which resulted in a significant increase to benefits starting on October 1, 2021. The re-evaluation concluded that the cost of a "nutritious, practical, cost effective diet" was 21% higher, and this increased benefits by about \$36 per person, per month.
- In addition to EAs, the Families First Coronavirus Response Act suspended the implementation of Able-Bodied Adults Without Dependents (ABAWD) time-limits on SNAP, protecting adults aged 18-49 without dependents from these cruel and punitive rules. And subsequently in the Consolidated Appropriations Act of 2021, SNAP eligibility was expanded to more college students²⁸ who were eligible for federal or state work-study or had an "expected family contribution" of \$0.
- Lastly, in recognition of the unprecedented circumstances of the Pandemic and stay-at-home orders that caused disruptions to households seeking food assistance and county human services departments alike, several administrative flexibilities were provided²⁹ through the Department of Health and Human Services Pandemic Public Health Emergency (PHE) Declaration.³⁰ These changes included important and in some cases long-sought program flexibilities to support access³¹ including the ability of states to waive the interview requirement for applying for or renewing SNAP benefits, and streamlining the use of "telephonic signatures" instead of wet signatures.

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