ALASKA IMPACT:

FACT SHEET: Council of Economic Advisers Releases Report Highlighting New Research on SNAP's Effectiveness and the Importance of Adequate Food Assistance

A new report released today from the White House Council of Economic Advisers (CEA) finds that the Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps, is highly effective at reducing food insecurity—the government's measure for whether households lack the resources for consistent and dependable access to food. The report highlights a growing body of research that finds that children who receive food assistance see improvements in health and academic performance and that these benefits are mirrored by long-run improvements in health, educational attainment, and economic self-sufficiency. The report also features new research that shows benefit levels are often inadequate to sustain families through the end of the month—resulting in high-cost consequences, such as a 27 percent increase in the rate of hospital admissions due to low blood sugar for low-income adults between the first and last week of the month, as well as diminished performance on standardized tests among school age children.

Each month, SNAP helps about 46 million low-income Americans put food on the table. In Alaska alone, SNAP helps 38,000 households maintain an adequate and nutritious diet. The large majority of households receiving SNAP include children, senior citizens, individuals with disabilities, and working adults. Two-thirds of SNAP benefits go to households with children.

Today's CEA report draws on a growing body of high-quality research about food insecurity and SNAP, finding that:

SNAP benefits are concentrated among the neediest families and effectively decrease their poverty.

- In Alaska in 2013, the income of the average SNAP households placed these families at only 56 percent of the poverty line, much lower than the level necessary to support a family and provide adequate nutrition.
- In fact, 46 percent of Alaska SNAP recipients were in deep poverty, or had income below half of the poverty line.
- SNAP has proven highly effective in raising families out of poverty, and in 2013, SNAP raised 5,000 Alaska families above the poverty line. SNAP also raised 8,000 out of deep poverty, cutting the rate of deep poverty by 21 percent.

SNAP plays an important role in reducing both poverty and food insecurity in the United States—especially among children.

- SNAP benefits lifted at least 4.7 million people out of poverty in 2014—including 2.1 million children. SNAP also lifted more than 1.3 million children out of deep poverty, or above half of the poverty line (for example, \$11,925 for a family of four).
- The temporary expansion of SNAP benefits under the American Recovery and Reinvestment Act of 2009 (ARRA) lifted roughly 530,000 households out of food insecurity.

SNAP benefits support vulnerable populations including children, individuals with disabilities, and the elderly, as well as an increasing number of working families.

- In Alaska, children account for 43 percent of SNAP participants, while elderly adults account for 7 percent, and 8 percent of non-elderly adults have a disability.
- In total, SNAP serves 39,000 Alaska children, 6,000 elderly adults, and 7,000 non-elderly adults with a disability.
- Nationally, nearly one in two households receiving SNAP benefits have children, and three-quarters of recipient households have a child, an elderly member, or a member with a disability. Fully 67 percent of the total value of SNAP benefits go to households with children as these households on average get larger benefits than households without children.
- Over the past 20 years, the overall share of SNAP recipient households with earned income rose by 50 percent and income earned through work represented the largest source of income for SNAP families in Alaska. Among recipient households with children, the share with a working adult has doubled since 1990.

SNAP's impact on children lasts well beyond their childhood years, providing long-run benefits for health, education, and economic self-sufficiency.

- Among adults who grew up in disadvantaged households when the Food Stamp Program was first being introduced, access to Food Stamps before birth and in early childhood led to significant reductions in the likelihood of obesity and significant increases in the likelihood of completing high school.
- Early exposure to food stamps also led to reductions in metabolic syndrome (a cluster of conditions associated with heart disease and diabetes) and increased economic self-sufficiency among disadvantaged women.

• These long-run impacts are especially important for the 13,000 pre-school aged children in Alaska who rely on SNAP to help provide the nutrition they need.

SNAP has particularly large benefits for women and their families.

- Maternal receipt of Food Stamps during pregnancy reduces the incidence of low birth-weight by between 5 and 23 percent.
- Exposure to food assistance in utero and through early childhood has large overall health and economic self-sufficiency impacts for disadvantaged women.

The majority of working-age SNAP recipients already participate in the labor market, and the program includes important supports to help more recipients successfully find and keep work.

- Fifty-seven percent of working-age adults receiving SNAP are either working or looking for work, while 22 percent do not work due to a disability. Many recipients are also the primary caregivers of young children or family members with disabilities.
- SNAP also supports work through the Employment and Training program, which directly helps SNAP beneficiaries gain the skills they need to succeed in the labor market in order to find and retain work. During fiscal year 2014, this program served about 600,000 SNAP recipients.

Even with SNAP's positive impact, nearly one in seven American households experienced food insecurity in 2014.

- These households—which included 15 million children—lacked the resources necessary for consistent and dependable access to food.
- In 2014, 40 percent of all food-insecure households and nearly 6 percent of US households overall were considered to have very low food security. This means that, in nearly seven million households, at least one person in the household missed meals and experienced disruptions in food intake due to insufficient resources for food.
- In Alaska, 33,000 of families were food insecure with 12 percent of households food insecure and 4 percent experiencing very low food security.

While SNAP benefits allow families to put more food on the table, current benefit levels are often insufficient to sustain them through the end of the month, with substantial consequences.

- More than half of SNAP households currently report experiencing food insecurity, and the fraction reporting very low food security has risen since the end of the temporary benefits expansion under ARRA.
- New research has linked diminished food budgets at the end of each month to high-cost consequences, including:
- o A drop-off in caloric intake, with estimates of this decline ranging from 10 to 25 percent over the course of the month;
- o A 27 percent increase in the rate of hospital admissions due to low blood sugar for low-income adults between the first and last week of the month;
- o An 11 percent increase in the rate of disciplinary actions among school children in SNAP households between the first and last week of the month;
- o Diminished student performance on standardized tests, with performance improving only gradually again after the next month's benefits are received.

Administration Efforts to Build on Progress

To reduce hunger and improve family well-being, the Obama administration has been and remains dedicated to providing American children and families with better access to the nutrition they need to thrive. These investments make a real and measurable difference in the lives of children and their families, and ensure a brighter, healthier future for the entire country.

Through the Recovery Act, the Administration temporarily increased SNAP benefits by 14 percent during the Great Recession to help families put food on the table. Reports indicate that food security among low-income households improved from 2008 to 2009 amidst a severe recession and increased unemployment; a significant part of that improvement is likely attributable to SNAP.

The Administration has also developed several initiatives to improve food security and nutrition for vulnerable children. Through the Community Eligibility Provision, schools in high-poverty areas are now able to offer free breakfast and lunch to all students with significantly less administrative burden. Recent revisions to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) added a cash benefit to allow participants to purchase fruits and vegetables, a change that substantially increased the value of the package. The Administration also has expanded access for low-income children to nutritious food during the summer months when school meals are unavailable and the risk of food insecurity is heightened. The results of these efforts have been promising. In 2014, the U.S. Department of Agriculture (USDA)

delivered 23 million more summer meals than in 2009. And the Administration has successfully implemented Summer Electronic Benefits Transfer for Children (SEBTC) pilots, which provide additional food assistance to low-income families with children during the summer months. These pilots were found to reduce very low food security among children by 26 percent. The President's 2016 Budget proposed a significant expansion of this effort.

Finally, this Administration has provided select states waivers to test ways of reducing the administrative burdens of SNAP for elderly households, a population that continues to be underserved. After seeing positive results in participating states, the President's 2016 Budget included a proposal to create a state option that would expand upon these efforts to improve access to SNAP benefits for the elderly.

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