

# New York State Comptroller THOMAS P. DINAPOLI



## **Economic and Policy Insights**

## Food Insecurity Persists Post-Pandemic

May 2024

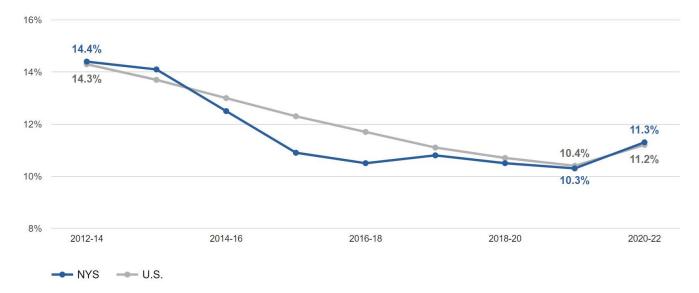
## Introduction

**FIGURE 1** 

In March 2023, the Office of the State Comptroller reported that the number of New York households facing food insecurity at the height of the pandemic declined due to federal actions.<sup>1</sup> Nevertheless, one in ten, or about 800,000, New York households experienced food insecurity at some point from 2019 to 2021. Since then, extraordinary federal assistance programs, including emergency food benefits, have lapsed and food insecurity has grown, as food and other costs remain elevated and poverty rates have increased despite the economic recovery. Additional federal and state efforts are needed to address food insecurity.

#### Food Insecurity Grew in 2022

Food insecurity worsened for many New Yorkers in the 2020 to 2022 period, according to the U.S. Department of Agriculture (USDA).<sup>2</sup> The USDA found an average of one in nine or 11.3 percent of New York households (about 875,000 families) were unable to acquire enough food due to a lack of money and other resources in 2020-2022.<sup>3</sup> These findings reflect an increase in food insecurity from the previous period, when one in ten or 10.3 percent of New York households (about 800,000 families) experienced food insecurity.<sup>4</sup> Nationally, food insecurity also increased for the first time in over a decade to 11.2 percent in 2020-22.



#### Estimated Percentage of Food Insecurity in the U.S. and NYS, 2012–14 to 2020–22

Note: USDA estimates average three calendar years of data.

Source: USDA reports on Household Food Security in the United States, 2014 – 2022, using data from the U.S. Census Bureau and Current Population Survey Food Security Supplements.

Prior to 2020-2022, rates of food insecurity in New York declined in six out of seven previous annual reports after peaking in 2012-14 at 14.4 percent, or one in seven New York households (about 1.1 million families). More localized data are not available from the USDA.

The USDA reports do not provide "an analysis of the factors that determine the prevalence or trends in food insecurity."<sup>5</sup> However, U.S. Agriculture Secretary Tom Vilsack linked the recent increase to the phase-out of "significant safety net enhancements that helped people through the worst of the pandemic,"<sup>6</sup> including the expanded Child Tax Credit, universally free school meals, and higher Supplemental Nutrition Assistance Program (SNAP) benefits. Another likely explanation for the increase is food price inflation. Other factors could include changes in unemployment and poverty rates, or updates and modifications to the USDA's survey instrument of respondent households.<sup>7</sup>

Data collected by the U.S. Census Bureau since the start of the pandemic also show general increases in food insufficiency among New York and U.S. households through 2023, as shown in Figure 2. Rates began to grow in 2021 and remained elevated in 2022 and 2023. Respondents to the survey indicated they sometimes or often went without enough to eat. Data from the first three months of 2024 indicate some decreases in food insufficiency.

#### **FIGURE 2**

Average Annual Percentage of Households Self-Reporting Sometimes or Often Without Enough to Eat, 2020–2024

|                             | 2020  | 2021  | 2022  | 2023  | 2024<br>(to date) |
|-----------------------------|-------|-------|-------|-------|-------------------|
| All Households              |       |       |       |       |                   |
| U.S.                        | 10.9% | 9.5%  | 11.1% | 11.7% | 10.6%             |
| NYS                         | 11.2% | 10.5% | 11.6% | 11.6% | 9.5%              |
| Households with Children    |       |       |       |       |                   |
| U.S.                        | 14.6% | 12.5% | 14.2% | 14.5% | 13.4%             |
| NYS                         | 15.1% | 14.0% | 16.0% | 15.1% | 11.2%             |
| Households with no Children |       |       |       |       |                   |
| U.S.                        | 8.6%  | 7.7%  | 9.2%  | 10.0% | 9.1%              |
| NYS                         | 8.8%  | 8.5%  | 9.2%  | 9.8%  | 8.7%              |

Notes: Reported data across collection cycles were averaged for the year to obtain annual estimates due to the volatility in state data. In calculating all percentages, the Office of the State Comptroller excludes missing data (i.e., "Did Not Report" totals) from the denominators of applicable households. 2020 data cover the months of late April through December. The 2024 data cover the months of January through early April.

Source: Office of the State Comptroller analysis of U.S. Census Bureau Household Pulse Survey data

Households with children have experienced the highest rates of food insufficiency over the last few years — as high as 16 percent in 2022. Even with lower rates of food insecurity in the first three months of 2024, roughly one in nine families with children in New York sometimes or often do not have enough to eat.

#### **Use of Food Assistance Programs Remains Elevated**

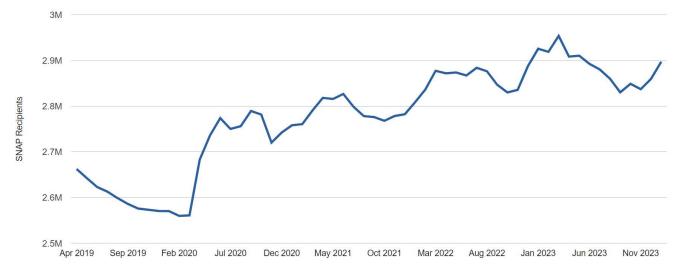
As families cope with food insecurity, SNAP — the largest federal nutrition assistance program — has played an important role in helping eligible, low-income individuals and households supplement their grocery budgets and afford healthy foods. Gross monthly income eligibility limits are generally set at 130 percent of the poverty level for households with no elderly or disabled members (for example, \$3,250 per month for a family of four without earned income).

During the pandemic, New York families benefitted from temporary increases in SNAP benefits authorized by federal law, including the issuance of supplemental emergency allotments to households not receiving the maximum benefit for the household's size, as well as a 15 percent increase to maximum SNAP benefit amounts from January through September 2021.

Separate from federal pandemic response laws, the USDA increased maximum benefits by 27 percent in October 2021 by updating the weekly cost of the diet it uses to determine benefit allotments.<sup>8</sup> It also implemented further increases — of 12.5 percent in October 2022 and 3.6 percent in October 2023 — to reflect the impact of food inflation during 12-month periods through June 2022 and June 2023, respectively.<sup>9</sup>

The impact of these actions on SNAP expenditures in New York is significant. Monthly SNAP expenditures increased by \$506.4 million or 142.0 percent from January 2020 to February 2023, when the pandemic started, to February 2023, when supplemental emergency SNAP allotments ended. Monthly expenditures through January 2024 are lower by \$223.6 million or 25.9 percent since pandemic-era SNAP allotments ended in February 2023, but have also ticked up in recent months.

As shown in Figure 3, the number of monthly SNAP recipients also increased to 2.8 million by June 2020, and then continued to trend upward through March 2023, when it reached a recent peak of 3 million. The number of monthly SNAP recipients was almost 15 percent greater in March 2023 than January 2020. Recipients have increased even as job growth has continued steadily since May 2020. Since March 2023, the number of monthly SNAP recipients decreased by 1.9 percent to about 2.9 million in January 2024.



#### FIGURE 3 Monthly New York SNAP Recipients, April 2019 – January 2024

Source: NYS Office of Temporary and Disability Assistance (OTDA)

The federal Special Supplemental Nutrition Program for Women, Infants and Children (WIC) is administered at the national and regional levels by the USDA, and at the State level by the New York State Department of Health (DOH). This program provides eligible pregnant, postpartum and breastfeeding women, infants, and children up to age five with "checks or vouchers to purchase specific foods each month that are designed to supplement their diets with specific nutrients."<sup>10</sup> Program participants' gross income must be at or below 185 percent of federal poverty guidelines (e.g., \$4,810 per month for a family of four). They must also meet a state residency requirement and "be individually determined to be at 'nutritional risk' by a health professional."<sup>11</sup>

Among other provisions, federal pandemic response laws and subsequent federal legislation allowed the cash value of WIC's monthly fruit and vegetable benefit to increase from \$9 for children and \$11 for women to up to \$35 per participant, and then eventually to \$26 for children, \$47 for pregnant and postpartum participants, and \$52 for breastfeeding participants. The "minibus" spending bill recently passed by Congress and signed into law by the President continues full funding for WIC's additional fruit and vegetable benefits.<sup>12</sup>

Increases in the cash value of WIC's fruit and vegetable benefit, as well as hikes in participation rates and food prices, have contributed to significant program growth among New York households, as shown in Figure 4. The number of monthly WIC participants in New York increased 13.9 percent from October 2019 to December 2023.



#### FIGURE 4 Monthly New York WIC Participants, October 2019 – December 2023

#### **Financial Pressures on New Yorkers**

Rising food prices have contributed to significant increases in participation in and the costs of safety net assistance programs such as WIC and SNAP. In the last five years — but especially from late 2021 through early 2023 — year-over-year "food at home"<sup>13</sup> costs have risen sharply and essentially stayed there, as shown in Figure 5, affecting consumers throughout the nation and the New York metropolitan area.



#### FIGURE 5 Year-Over-Year Change in Food-at-Home CPI Index, New York Metropolitan Area and U.S., January 2019 – March 2024

Year-over-year food-at-home costs in the New York Metropolitan area increased from 4.6 percent in September 2021 to 11.9 percent in July and August 2022 and experienced the only percentage decreases in such costs in February and March 2024, underscoring the ongoing impact of rising food prices that have remained at elevated levels month after month.

Higher food costs have been one financial pressure on households; housing costs, which are typically the largest household expense, have also been growing strongly and steadily since 2021. A recent report by the Office of the State Comptroller indicated that New Yorkers face some of the highest housing cost burdens in the nation: in 2022, almost 4 in 10 New York households paid more than 30 percent of their income toward housing and 1 in 5 paid more than 50 percent. The stresses presented by high housing costs on household budgets often lead to trade-offs on food and other critical necessities.

Higher costs are also intersecting with an increase in the share of New Yorkers in poverty relative to the pre-pandemic period: In 2022, 17.7 percent of New Yorkers were in poverty, a significant increase from 15.9 percent in 2019. The rates, based on the Supplemental Poverty Measure, take into account both out-of-pocket expenses and non-cash benefits.<sup>14</sup>

Source: U.S. Bureau of Labor Statistics

## Conclusion

With the end of the pandemic in 2023, many of the enhancements to federal safety net programs such as SNAP and the enhanced Child Tax Credit that benefited food-insecure families in New York and nationwide for so many months also ended. These programs began to lapse as food and other household costs began to rise more rapidly than prior to the pandemic.

The Enacted Budget for State Fiscal Year 2024-25 provides State and federal funding to implement and administer a new federal food program for low-income families with school-aged children when schools are closed in the summer. The Summer Electronic Benefit Transfer Program for Children (Summer EBT) the USDA plans to launch this summer "will result in more than \$200 million in federal benefits for an estimated 2 million children in New York State," according to the Executive.<sup>15</sup>

The Enacted Budget also provides a total of \$192.3 million for school lunch and breakfast programs, for a year-over-year increase of \$11 million. In addition, the Budget appropriates \$57.8 million for the Hunger Prevention and Nutrition Assistance Program (HPNAP, which supplements food and operational costs of food pantries, soup kitchens and emergency shelters) and \$54.3 million for the Nourish New York program (created during the pandemic to connect New York agricultural products with food banks serving those experiencing food insecurity). These funding levels reflect year-over-year increases of \$1.3 million and \$4.3 million, respectively.

Promoting HPNAP, Nourish New York and other State nutritional programs is one of several recommendations made in the Comptroller's March 2023 report. Others include expanding State efforts to improve outreach and access to SNAP and WIC and pursuing innovative approaches to addressing food insecurity, such as expansion of medically tailored meals provided by Medicaid, subsidizing the costs of online food delivery and providing incentives to bring grocery stores and healthy food to food deserts. In addition, federal action is needed to renew an enhanced federal child tax credit and increase SNAP and WIC eligibility to at least 200 percent of the federal poverty level — these actions would have a deep impact on hunger in New York and in the nation.

### Endnotes

- Office of the New York State Comptroller, New Yorkers in Need, Food Insecurity and Nutritional Assistance Programs, March 2023 at https://www.osc.ny.gov/reports/new-yorkers-need-food-insecurity-and-nutritionalassistance-programs.
- 2 U.S. Department of Agriculture (USDA), Household food security in the United States in 2022, October 2023 at https://www.ers.usda.gov/webdocs/publications/107703/err-325.pdf?v=3110.8.
- 3 The USDA obtains state-level estimates by averaging three years of data "to generate large enough sample sizes for each state to produce reliable estimates and detect differences across states."
- 4 USDA, Household food security in the United States in 2021, September 2022 at https://www.ers.usda.gov/ webdocs/publications/104656/err-309.pdf?v=2640.
- 5 M.P. Rabbitt, L.J. Hales, L.J., M.P. Burke, & A. Coleman-Jensen, A. Household Food Security in the United States in 2022, USDA, Economic Research Service, October 2023.
- 6 USDA Press Release, "Statement from Secretary Tom Vilsack on the 2022 Household Food Security in the U.S. Report," October 25, 2023 at https://www.fns.usda.gov/news-item/usda-0217.23.
- 7 Angela Rachidi and Craig Gundersen, The American Enterprise Institute Center on Opportunity and Social Mobility, Why Did Food Insecurity Increase from 2019 to 2022 in the United States? March 2024 at https://www.aei.org/wp-content/uploads/2024/03/COSM\_Rachidi-Gundersen\_Why-Did-Food-Insecurity-Increase.pdf?x91208.
- 8 USDA, USDA Modernizes the Thrifty Food Plan, Updates SNAP Benefits, August 2021 at https://www.fns.usda.gov/news-item/usda-0179.21.
- 9 USDA, SNAP Cost-of-Living Adjustments, Fiscal Years 2022 2024, at https://fns-prod.azureedge.us/sites/ default/files/resource-files/2022-SNAP-COLA-%20Maximum-Allotments.pdf, https://fns-prod.azureedge.us/ sites/default/files/resource-files/snap-fy-2023-cola-adjustments.pdf and https://fns-prod.azureedge.us/sites/ default/files/resource-files/FY24-SNAP-COLA-Memo.pdf.
- 10 USDA, WIC Frequently Asked Questions, at https://www.fns.usda.gov/wic/frequently-asked-questions.

11 Ibid.

- 12 Public Law Number 118-42, H.R.4366 Consolidated Appropriations Act, 2024, at https://www.congress.gov/ bill/118th-congress/house-bill/4366/text.
- 13 According to the U.S. Bureau of Labor Statistics, food at home refers to total expenditures for food at grocery stores (or other food stores) and food prepared by consumers on trips. It excludes the purchase of nonfood items.
- 14 For a full discussion of this measure, see Office of the State Comptroller, New Yorkers in Need: A Look at Poverty Trends in New York State for the Last Decade, December 2022 at https://www.osc.ny.gov/reports/new-yorkers-need-look-poverty-trends-new-york-state-last-decade.
- 15 New York State Governor Kathy Hochul news release, "Governor Hochul Unveils New Initiatives to Support Children and Families Across New York," January 9, 2024 at https://www.governor.ny.gov/news/ governor-hochul-unveils-new-initiatives-support-children-and-families-across-new-york.

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