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The U.S. Department of Agriculture has released estimates of the share of households that faced food insecurity in 2016. This comes against a backdrop of efforts to scale back the largest federal food assistance program.

### Throwing Locals a Line

It can be a challenge to track the flow of federal funds to states, but that challenge pales in comparison to the one faced by those wanting to track federal fiscal flows to units of local government.

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# FOOD INSECURITY

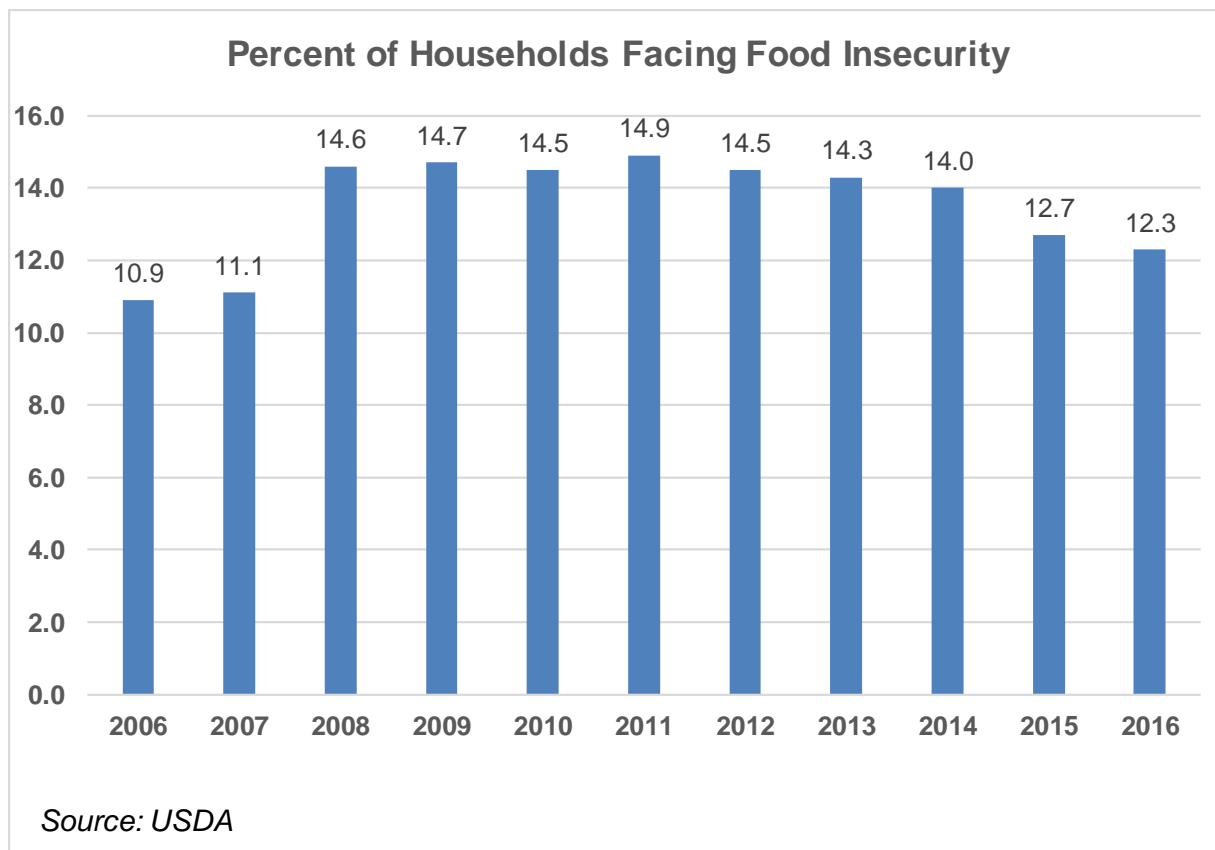
The U.S. Department of Agriculture (USDA) reports on the number of households in the country that face food insecurity each year. The most recent report covers 2016, and includes the following findings:

- ✓ At some point during the year, 12.3% of households were food insecure, including 4.9% with very low food security. The latter means the food intake of at least one household member was disrupted because the household lacked money or other resources to obtain food.
- ✓ There was no statistically significant change in food insecurity between 2015 and 2016, but a downward trend continued, from 14.9% in 2011.
- ✓ The typical food-secure household spent 29% more on food than the typical food-

insecure household of the same size and composition.

- ✓ About 59% of food-insecure households participated in one or more of the major federal nutrition programs: Supplemental Nutrition Assistance Program (SNAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the National School Lunch Program.

The chart on the bottom of the page shows the food insecurity trend over the 2006-2016 period, with insecurity rising markedly at the onset of the Great Recession, and abating slowly in its wake. Almost 10 years after the onset of the recession, the national rate of food insecurity still exceeded the rate heading into the recession. That said, the chart shows a notable drop in food insecurity between 2014 and 2015.



## STATE RESULTS

The table on the right shows state-level results for the three-year average of food insecurity in 2014-2016. The national rate was 13%, bookended by **Mississippi** on the high side (18.7%) and **Hawaii** on the low side (8.7%), with exactly 10 percentage points between them.

While southern states are prevalent among the states with the highest rates of food insecurity, every region is represented, with **New Mexico** in the West, **Maine** in the Northeast, and **Indiana** in the Midwest. Every region is also represented among the states with the lowest food insecurity, including **Maryland** and **Virginia** in the South, **Hawaii** and **Colorado** in the West, **North Dakota** and **Minnesota** in the Midwest, and **New Hampshire** and **Vermont** in the Northeast.

Among the 10 most-populous states, half have food insecurity rates higher than the national average and half have lower rates.

The report notes that while the rates of food insecurity listed here refer to a household having experienced the condition at any time in the 12-month period, the rate on an average day is much lower, between 0.6% and 0.9%. It also notes that the margin of error for states makes the results less certain than the point estimates suggest.

**10-Year Change.** The table on the next page lists the percentage-point change in each state's rate of food insecurity between 2006 and 2016. Most notable is that 44 states saw their rate of food insecurity rise, with just six states and the **District of Columbia** registering declines: **Utah**, **South Carolina**, **Colorado**, **Texas**, **Iowa**, and **Idaho**. These states are regionally and economically diverse.

Three states saw their rate of food insecurity increase by more than five percentage points, led by **Alabama**, where the rate rose from 12.1% to 18.1%. **West Virginia** and **Nebraska** also saw large increases.

## Percent of Households Facing Food Insecurity, 2014-2016

| Rank | State                | Percent     |
|------|----------------------|-------------|
| 1    | Mississippi          | 18.7%       |
| 2    | Louisiana            | 18.3        |
| 3    | Alabama              | 18.1        |
| 4    | New Mexico           | 17.6        |
| 5    | Arkansas             | 17.5        |
| 6    | Kentucky             | 17.3        |
| 7    | Maine                | 16.4        |
| 8    | Indiana              | 15.2        |
| 8    | Oklahoma             | 15.2        |
| 10   | North Carolina       | 15.1        |
| 11   | West Virginia        | 14.9        |
| 12   | Ohio                 | 14.8        |
| 13   | Nebraska             | 14.7        |
| 14   | Oregon               | 14.6        |
| 14   | Arizona              | 14.6        |
| 16   | Kansas               | 14.5        |
| 17   | Michigan             | 14.3        |
| 17   | Texas                | 14.3        |
| 19   | Missouri             | 14.2        |
| 20   | Georgia              | 14.0        |
| 21   | Tennessee            | 13.4        |
|      | <b>United States</b> | <b>13.0</b> |
| 22   | South Carolina       | 13.0        |
| 23   | Montana              | 12.9        |
| 24   | Rhode Island         | 12.8        |
| 25   | Wyoming              | 12.7        |
| 25   | Alaska               | 12.7        |
| 27   | New York             | 12.5        |
| 27   | Pennsylvania         | 12.5        |
| 29   | Connecticut          | 12.3        |
| 30   | Nevada               | 12.1        |
| 30   | Idaho                | 12.1        |
| 32   | Florida              | 12.0        |
| 33   | California           | 11.8        |
| 34   | Washington           | 11.6        |
| 35   | Utah                 | 11.5        |
| 36   | District of Columbia | 11.4        |
| 37   | New Jersey           | 11.1        |
| 37   | Illinois             | 11.1        |
| 39   | Delaware             | 10.8        |
| 40   | Wisconsin            | 10.7        |
| 40   | Iowa                 | 10.7        |
| 42   | South Dakota         | 10.6        |
| 43   | Massachusetts        | 10.3        |
| 43   | Colorado             | 10.3        |
| 45   | Maryland             | 10.1        |
| 45   | Vermont              | 10.1        |
| 47   | Virginia             | 9.9         |
| 48   | Minnesota            | 9.7         |
| 49   | New Hampshire        | 9.6         |
| 50   | North Dakota         | 8.8         |
| 51   | Hawaii               | 8.7         |

Source: USDA

It isn't altogether surprising that many states had higher rates of food insecurity in 2016 compared to 2006. After all, 2006 was a high-water mark for the national economy, and many households lost their homes in the ensuing housing collapse and Great Recession. That recession left a deep hole out of which households had to climb.

On the other hand, the length of time between the end of the Great Recession (June 2009) and 2016 is about seven years. It's reasonable to expect an economic recovery of that duration to have lifted more households to their pre-recession food security levels.

**The Role of SNAP.** The USDA report notes that almost 60% of food-insecure households make use of one of the three largest federal food programs: SNAP (~\$70 billion), WIC (~\$6.4 billion), or child nutrition programs, including school breakfast and lunch (~\$23 billion). SNAP is the largest by a wide margin.

The table on the next page shows the percent change in the number of households receiving SNAP benefits between fiscal years (FY) 2006 and 2016. Its results are even more surprising than those for food insecurity. On average, the number of households receiving SNAP benefits increased 85.6% over the 10-year period, ranging from a 307.7% increase in **Nevada**, to a 20.3% increase in **Arkansas**.

While it may seem unusual for every state to have seen an increase in the number of households receiving SNAP benefits, consider the following:

- ✓ As the population increases, the total number of households also goes up. An equal *share* of SNAP households would therefore be an increase in the *number* of SNAP households.
- ✓ Average household size has declined, accelerating the increase in the number of households generally. According to the

**Percentage-Point Change in Household Food Insecurity, 2004-2006 to 2014-2016**

| Rank | State                | Change     |
|------|----------------------|------------|
| 1    | Alabama              | 6.0        |
| 2    | West Virginia        | 5.6        |
| 3    | Nebraska             | 5.2        |
| 4    | Indiana              | 4.4        |
| 5    | Louisiana            | 3.9        |
| 6    | Connecticut          | 3.7        |
| 6    | Kentucky             | 3.7        |
| 8    | Maine                | 3.5        |
| 9    | New Jersey           | 3.4        |
| 10   | Nevada               | 3.3        |
| 11   | Arkansas             | 3.2        |
| 12   | Florida              | 3.1        |
| 13   | Delaware             | 3.0        |
| 13   | Montana              | 3.0        |
| 15   | New York             | 2.7        |
| 15   | Oregon               | 2.7        |
| 17   | Pennsylvania         | 2.5        |
| 18   | North Dakota         | 2.4        |
| 19   | Massachusetts        | 2.2        |
| 19   | New Hampshire        | 2.2        |
| 19   | North Carolina       | 2.2        |
| 22   | Michigan             | 2.1        |
| 22   | Ohio                 | 2.1        |
| 22   | Wyoming              | 2.1        |
| 25   | Kansas               | 2.0        |
| 25   | Virginia             | 2.0        |
| 27   | Missouri             | 1.9        |
| 28   | Wisconsin            | 1.8        |
|      | <b>United States</b> | <b>1.7</b> |
| 29   | Arizona              | 1.5        |
| 29   | Minnesota            | 1.5        |
| 29   | New Mexico           | 1.5        |
| 29   | Rhode Island         | 1.5        |
| 33   | Georgia              | 1.4        |
| 34   | Illinois             | 1.3        |
| 34   | Washington           | 1.3        |
| 36   | South Dakota         | 1.1        |
| 37   | California           | 0.9        |
| 37   | Tennessee            | 0.9        |
| 37   | Hawaii               | 0.9        |
| 40   | Maryland             | 0.6        |
| 40   | Oklahoma             | 0.6        |
| 40   | Mississippi          | 0.6        |
| 43   | Vermont              | 0.5        |
| 44   | Alaska               | 0.1        |
| 45   | Idaho                | -0.6       |
| 46   | Iowa                 | -0.7       |
| 47   | District of Columbia | -1.1       |
| 48   | Texas                | -1.6       |
| 49   | Colorado             | -1.7       |
| 49   | South Carolina       | -1.7       |
| 51   | Utah                 | -3.0       |

Source: USDA

Census Bureau, household size fell from 2.57 in 2006 to 2.53 in 2016. While the change is small, it can have a big impact on a national scale.

- ✓ In the 2008 farm bill, SNAP benefits were augmented for most households and eligibility was expanded.

All these developments help to explain increases in SNAP caseloads. That said, they might not lead to increases as large as those shown on the table had not the Great Recession occurred during the period covered.

The national average (mean) is higher than the median (77.55%), reflecting the presence of some high-population states near the top of the table, including **Florida, California, Georgia, and North Carolina**. In contrast, many of the states with the smallest increases are low-population states, including **Arkansas, Maine, Kentucky, and North Dakota**.

Because SNAP is an open-ended entitlement—meaning federal dollars are provided to fund benefits for as many people as qualify for them—this increase in caseloads has also meant an increase in federal cost. On the heels of federal tax cuts that will reduce the revenues available to fund such costs, there is talk of implementing changes to SNAP to reduce its cost.

Specifically, the president’s recently released budget proposal (for FY 2019) recommended:

- ✓ New eligibility restrictions, benefits caps, and other reductions
- ✓ Home delivery of grocery boxes with shelf-stable foods

These delivered packages would account for about half a person’s total monthly benefit, and would be provided to anyone whose benefit is at least \$90 per month.

According to National Public Radio, “The USDA believes that state governments will be able to deliver this food at much less cost than SNAP recipients currently pay for food at retail stores—

### Percent Change in Households Receiving SNAP Benefits, 2006 to 2016

| Rank | State                | Percent     |
|------|----------------------|-------------|
| 1    | Nevada               | 307.7%      |
| 2    | Rhode Island         | 193.3       |
| 3    | Florida              | 177.8       |
| 4    | Maryland             | 177.0       |
| 5    | California           | 161.9       |
| 6    | Delaware             | 152.0       |
| 7    | Wisconsin            | 132.9       |
| 8    | New Mexico           | 127.1       |
| 9    | New Jersey           | 126.7       |
| 10   | Connecticut          | 118.8       |
| 11   | Idaho                | 115.2       |
| 12   | Colorado             | 110.1       |
| 13   | Georgia              | 107.3       |
| 14   | Washington           | 102.4       |
| 15   | North Carolina       | 102.3       |
| 16   | Hawaii               | 98.5        |
| 17   | Massachusetts        | 98.2        |
| 18   | Arizona              | 93.9        |
| 19   | Pennsylvania         | 91.4        |
| 20   | Oregon               | 88.3        |
|      | <b>United States</b> | <b>85.6</b> |
| 21   | Minnesota            | 83.9        |
| 22   | Alabama              | 81.4        |
| 23   | Vermont              | 81.4        |
| 24   | Illinois             | 79.1        |
| 25   | South Dakota         | 77.6        |
| 26   | Iowa                 | 77.5        |
| 27   | New Hampshire        | 75.5        |
| 28   | New York             | 74.9        |
| 29   | Virginia             | 72.4        |
| 30   | South Carolina       | 66.8        |
| 31   | District of Columbia | 66.7        |
| 32   | Ohio                 | 65.2        |
| 33   | Alaska               | 63.6        |
| 34   | Utah                 | 59.8        |
| 35   | Texas                | 56.1        |
| 36   | Montana              | 54.8        |
| 37   | Nebraska             | 53.0        |
| 38   | Oklahoma             | 52.5        |
| 39   | Michigan             | 51.0        |
| 40   | West Virginia        | 50.7        |
| 41   | Mississippi          | 48.5        |
| 42   | Wyoming              | 41.8        |
| 43   | Tennessee            | 41.5        |
| 44   | Kansas               | 40.1        |
| 45   | Indiana              | 31.7        |
| 46   | North Dakota         | 31.0        |
| 47   | Louisiana            | 26.6        |
| 48   | Missouri             | 26.4        |
| 49   | Kentucky             | 21.7        |
| 50   | Maine                | 20.8        |
| 51   | Arkansas             | 20.3        |

Source: Reports, based on USDA

thus reducing the overall cost of the SNAP program by \$129 billion over the next 10 years. This and other changes in the SNAP program will reduce the SNAP budget by \$213 billion over those years — cutting the program by almost 30%.”

Of course, any such change would have to win congressional approval, which is never easily accomplished. Moreover, SNAP already has work requirements, which apply to unemployed adults without dependents or disabilities. They are required to work 20 hours per week (or engage in other qualifying activities), unless the requirement has been waived due to high unemployment. Such waivers were widespread during the Great Recession, but states have re-imposed work requirements as the labor market has strengthened.

Recent congressional proposals would shorten the federal time limit for receiving SNAP benefits, increase the number of work hours required, extend the work requirement to non-disabled adults with children, and limit the types of food that could be purchased. Some observers note that extending the requirement to families with children is imperative if cost saving is the objective, because a large share of SNAP recipients are children.

Since 2018 is an election year, it’s not likely that Congress will opt to tackle SNAP reform before November. That said, the House is set to release its proposal for a new farm bill in the coming weeks, and it may include SNAP reforms. Whether such reforms can progress this year is a big unknown, and the effect they would have on program costs and food insecurity are others. For now, food insecurity remains above its pre-recession level, albeit lower than its recessionary peak.

## **THROWING LOCALS A LINE**

It can be a challenge to track the flow of federal funds to states, but that challenge pales in comparison to the one faced by those wanting to track federal fiscal flows to units of local

government. In the case of states, much of the difficulty arises because data sources don’t always agree with one another; the number for a given state may be different depending on what organization is doing the reporting.

For local governments, the problem is much more fundamental: there are very few sources of data that track dollars down to the local level. To help fill the void, the Urban Institute recently released *Follow the Money: How to Track Federal Funding to Local Governments*. As stated in the executive summary, “The purpose of this guide is to help local policymakers, the media, advocates, and community residents navigate the patchwork of primary data sources and online portals that show how the federal government distributes funding to local governments.”

The report describes the strengths, weaknesses, and best uses of various data sources, including USAspending.gov, Census, and local budget documents. It also provides guidance on where to find specific types of information. It concludes with a set of recommendations to improve the data situation:

1. Centralize local grants and financial management systems within a single city or county office.
2. Improve USAspending.gov by reducing the reporting burden for awarding agencies and recipients.
3. Collaborate across levels of government to standardize reporting detail.
4. Improve the user interface for sites such as USAspending.gov.
5. Invest in data dissemination and outreach.

While these recommendations may be simple, they are not easily accomplished. Getting buy-in for consistent reporting requirements and formats is a big undertaking, especially when it involves working across multiple agencies and levels of government, using different financial management and reporting systems.

In fact, the federal government has been sending mixed signals in this regard. On the one hand, the USAspending.gov platform is meant to consolidate federal funding data in one place with one format. On the other hand, the site isn't always easy to use—as the report alludes to—and has been beset by data quality issues in the past.

The ongoing fiscal imbalance of the federal budget suggests less, not more federal investment,

and state and local governments are also hard-pressed to make large information technology investments. That reduces the likelihood that these recommendations will be adopted, and increases the likelihood that analysts looking for a local angle will find their way to the Urban Institute's guide, to help them navigate what is available.

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## TECHNICAL NOTES

**Food insecurity.** The latest estimates of food insecurity by state are here: [www.ers.usda.gov/webdocs/publications/84973/err-237.pdf?v=42979](http://www.ers.usda.gov/webdocs/publications/84973/err-237.pdf?v=42979). SNAP caseload data can be downloaded here: [www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap](http://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap). The National Public Radio story on SNAP can be found here:

[www.npr.org/sections/thesalt/2018/02/12/585130274/trump-administration-wants-to-decide-what-food-snap-recipients-will-get](http://www.npr.org/sections/thesalt/2018/02/12/585130274/trump-administration-wants-to-decide-what-food-snap-recipients-will-get).

**Local funding.** The Urban Institute report is here: [www.urban.org/sites/default/files/publication/96761/2018.02.26\\_follow\\_the\\_money\\_v4\\_-\\_printpdf.pdf](http://www.urban.org/sites/default/files/publication/96761/2018.02.26_follow_the_money_v4_-_printpdf.pdf).

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