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Finding: Food & Nutrition Assistance

February 03, 2014





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### Most Recent Recession Doubled Share of SNAP Households **Receiving Unemployment Insurance**

### by Mark Prell





The 2007-09 recession was the longest of the post-WWII era, and unemployment rose sharply—from 4.6 percent in 2007 to 9.3 percent in 2009. The economic downturn increased participation in two social safety net programs: USDA's Supplemental Nutrition Assistance Program (SNAP), which provides benefits to low-income households to purchase foods, and unemployment insurance, which provides financial support to eligible workers who become unemployed through no fault of their own. Some households may



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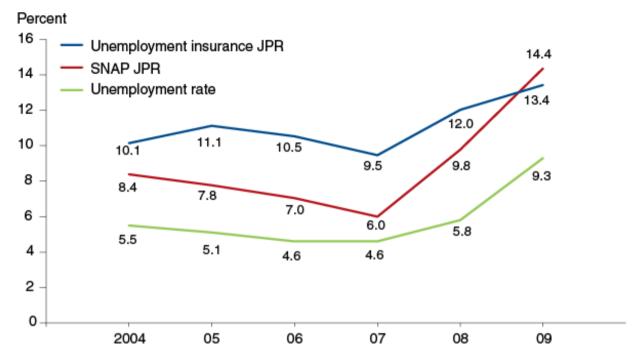
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receive benefits from both SNAP and unemployment insurance as they try to put together resources to get them through times of economic challenge.

A recent ERS study found that an estimated 14.4 percent of SNAP households also received unemployment insurance at some point in 2009 (a recessionary year)—nearly double the estimate of 7.8 percent in 2005 (a full-employment year). During a recession, households with strong labor market connections—their members have work histories and earnings sufficient to be eligible for unemployment insurance—become a larger component of the SNAP caseload, increasing the share of SNAP households that also receive unemployment insurance. Conversely, an estimated 13.4 percent of households in which one or more members received unemployment insurance also received SNAP at some point in 2009, an increase of about one-fifth over the estimate of 11.1 percent from 2005.

Some types of SNAP households are more likely to receive support from both programs, while other types of SNAP households rely on SNAP alone. In 2009, the share of SNAP households that also received unemployment insurance increased with the education level of the householder, until reaching a plateau with households with a high school diploma or greater. As a result, SNAP-only participation was greatest for households with less than a 9th grade education—92 percent of this subgroup of SNAP households participated in SNAP alone. In 2009, just 6.7 percent of SNAP households in deep poverty (annual income below 50 percent of the poverty line) also received unemployment insurance—meaning that 93.3 percent of deep-poverty SNAP households relied on SNAP alone, perhaps because they lack the work histories and sufficient earnings to be eligible for unemployment insurance. Households that are most prone to rely on SNAP alone with no support from unemployment insurance at any time during the year tend to be the least well-off, most vulnerable households as measured by education or income.

## Joint participation rates for SNAP and unemployment insurance increased during the 2007-09 recession



Notes: SNAP = Supplemental Nutrition Assistance Program.

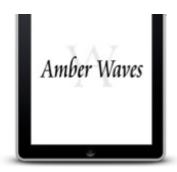
**Unemployment insurance JPR** (Joint Participation Rate) is the subset of households that receive both SNAP benefits and unemployment insurance as a share of all households receiving unemployment insurance.

**SNAP JPR** is the subset of households that receive both SNAP benefits and unemployment insurance as a share of all households receiving SNAP benefits.

Source: USDA, Economic Research Service using data from the U.S. Census Bureau's Annual Social and Economic Supplement to the Current Population Survey.

### This article is drawn from...

Participation in SNAP and Unemployment Insurance: How Tight Are the Strands of the Recessionary Safety Net?, by David Finifter and Mark Prell, USDA, Economic Research Service, November 2013



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