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United States Department of Agriculture

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# The Food Assistance Landscape: FY 2017 Annual Report

Victor Oliveira



*The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs that together form a nutritional safety net for millions of children and low-income adults. These programs represent a significant Federal investment, accounting for over two-thirds of USDA's annual budget.*



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# The Food Assistance Landscape: FY 2017 Annual Report

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## Abstract

The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs that together affect the lives of millions of people. Accounting for \$98.6 billion, or over two-thirds of USDA's annual budget, these programs also represent a significant Federal investment. This report uses preliminary data from USDA's Food and Nutrition Service (FNS) to examine trends in U.S. food and nutrition assistance programs through fiscal year 2017 (October 1, 2016, to September 30, 2017). It also summarizes two recent Economic Research Service (ERS) reports: one that examines trends in the prevalence and severity of household food insecurity in the United States through 2016 and another that examines the contribution of Supplemental Nutrition Assistance Program benefits to household food spending.

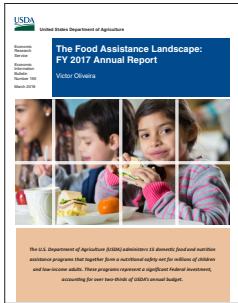
**Keywords:** Food and nutrition assistance programs, Supplemental Nutrition Assistance Program (SNAP); Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); National School Lunch Program; School Breakfast Program; Child and Adult Care Food Program; food security; economic conditions; National Household Food Acquisition and Purchase Survey (FoodAPS); food spending

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# The Food Assistance Landscape: FY 2017 Annual Report

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## What Is the Issue?

The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs that together affect the lives of millions of people. These programs also represent a significant Federal investment, accounting for over two-thirds of USDA's annual budget. This report examines trends in food and nutrition assistance programs through fiscal year (FY) 2017. It also summarizes two recent Economic Research Service (ERS) reports: one that examines trends in the prevalence and severity of household food insecurity in the United States through 2016 and another that examines the contribution of SNAP benefits to household food spending.

## What Did the Study Find?

- Spending for USDA's 15 domestic food and nutrition assistance programs totaled \$98.6 billion in FY 2017, 4 percent less than in the previous fiscal year and almost 10 percent less than the historical high of \$109.2 billion set in FY 2013.
- The Supplemental Nutrition Assistance Program (SNAP) accounted for 69 percent of all Federal food and nutrition assistance spending in FY 2017. On average, 42.2 million persons per month participated in the program, almost 5 percent fewer than in the previous fiscal year. Reflecting the decrease in participation, Federal spending for SNAP totaled \$68.0 billion, or 4 percent less than in the previous fiscal year. This was also 15 percent less than the historical high of \$79.9 billion set in FY 2013.
- On average, 7.3 million people per month participated in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in FY 2017, 5 percent fewer than in the previous fiscal year. This was the fewest number of participants in 17 years. The decrease in participation combined with a decrease in average per person food cost in FY 2017 lowered total spending on the program to \$5.6 billion, 6 percent less than in the previous fiscal year and 22 percent less than the historical high of \$7.2 billion set in FY 2011.
- On average, 30.0 million children participated in the National School Lunch Program each schoolday in FY 2017, 1 percent fewer than in the previous fiscal year and about 6 percent fewer than in FY 2011.

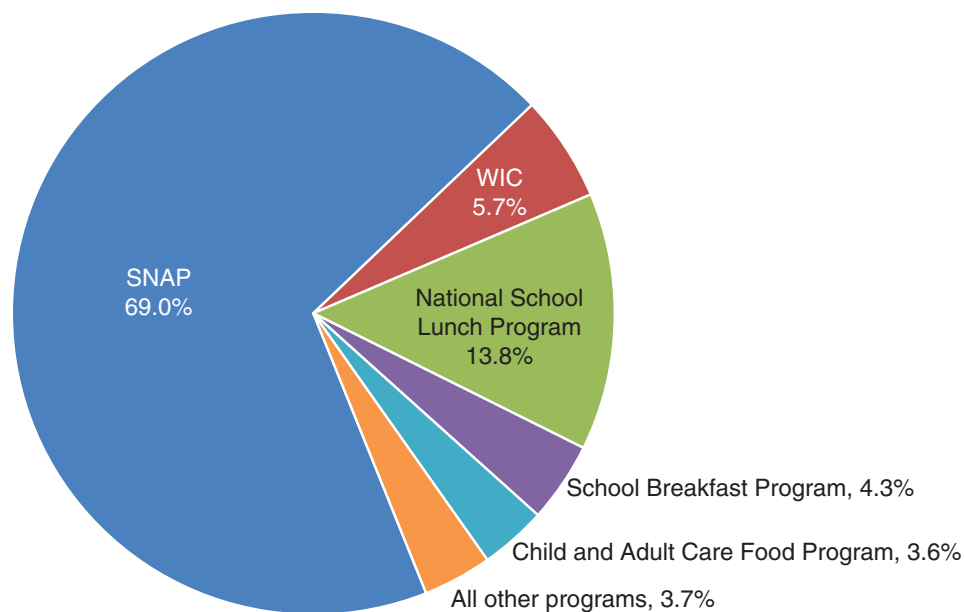
ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

- An average of 14.7 million children participated in the School Breakfast Program each schoolday in FY 2017, or 1 percent more than in the previous fiscal year. This was the smallest annual increase since 1985.
- Spending on the Child and Adult Care Food Program totaled \$3.5 billion in FY 2017, an increase of less than 1 percent over that in the previous year. This was the smallest annual increase since 1998.
- An estimated 12.3 percent of U.S. households (or 15.6 million households containing 41.2 million people) were food insecure at least some time during 2016. *Food insecurity* is a condition in which consistent access to adequate food for all household members is limited by a lack of resources at times during the year. About 59 percent of food-insecure households in 2016 participated in SNAP, WIC, and/or received a free or reduced-price lunch in the National School Lunch Program.
- On the days just after SNAP benefit receipt, average daily food expenditures were substantially higher than on days during the rest of the month. Food-at-home spending exhibited the same cyclical pattern; food-away-from-home spending, however, did not vary over the SNAP benefit month.

Summary figure 1

**USDA food and nutrition assistance expenditures by program, FY 2017**

*SNAP accounted for over two-thirds of food and nutrition assistance expenditures*



SNAP = Supplemental Nutrition Assistance Program.

WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

Expenditures for all food and nutrition programs totaled \$98.6 billion.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

# The Food Assistance Landscape: FY 2017 Annual Report

## Introduction

The U.S. Department of Agriculture (USDA) administers 15 domestic food and nutrition assistance programs. Together, these programs—which vary by size, type of benefits provided, and target population—form a nutritional safety net for millions of children and low-income adults. These programs represent a significant Federal investment, accounting for over two-thirds of USDA’s annual budget. USDA’s Economic Research Service (ERS) conducts studies and evaluations of these programs. This report uses preliminary data from USDA’s Food and Nutrition Service (FNS), the agency responsible for managing the programs, to examine trends in the food and nutrition assistance programs through fiscal 2017 (October 1, 2016, to September 30, 2017). It also looks at trends in economic and social indicators that affect participation in and spending on food and nutrition assistance programs. In addition, the report summarizes a recent ERS study that examined the prevalence and severity of household food insecurity in the United States through 2016 and highlights another recent ERS publication that examined the food-spending patterns of SNAP households using data from USDA’s National Household Food Acquisition and Purchase Survey (FoodAPS).



## Total Food Assistance Expenditures Continue To Decrease

Federal food expenditures for USDA's domestic food and nutrition assistance programs totaled \$98.6 billion in fiscal year (FY) 2017, or almost 4 percent less than in the previous fiscal year (table 1). This was the lowest amount since FY 2010 and almost 10 percent lower than the historical high of \$109.2 billion set in FY 2013 (fig. 1). (Note: all references to expenditures in this report refer to nominal—i.e., not adjusted for inflation—Federal expenditures.)

Table 1  
**USDA nutrition assistance at a glance, FY 2016 and FY 2017**

Program		FY 2016	FY 2017	Percent change
SNAP	Average monthly participation (millions)	44.2	42.2	-4.6
	Average benefit per person (\$/month)	125.40	125.99	0.5
	Total annual expenditures (\$ billions)	70.9	68.0	-4.1
WIC	Average monthly participation (millions)	7.7	7.3	-5.4
	• Women	1.8	1.7	-5.5
	• Infants	1.9	1.8	-4.7
	• Children	4.0	3.8	-5.6
	Food cost per person (\$/month)	42.76	41.30	-3.4
	Total expenditures (\$ billions)	6.0	5.6	-6.2
National School Lunch Program	Average daily participation (millions)	30.4	30.0	-1.0
	• Free	20.1	20.0	-0.4
	• Reduced price	2.0	2.0	-3.7
	• Full price	8.2	8.1	-1.8
	Total expenditures (\$ billions)	13.6	13.6	0.2
School Breakfast Program	Average daily participation (millions)	14.6	14.7	1.1
	• Free	11.5	11.6	1.0
	• Reduced price	0.9	0.8	-2.3
	• Full price	2.2	2.2	2.7
	Total expenditures (\$ billions)	4.2	4.2	0.6
Child and Adult Care Food Program	Meals served in:			
	• Childcare centers (millions)	1,494.0	1,483.2	-0.7
	• Family daycare homes (millions)	510.9	484.9	-5.1
	• Adult daycare centers (millions)	77.1	78.2	1.5
	Total expenditures (\$ billions)	3.5	3.5	0.0
All programs	Total expenditures (\$ billions)	102.4	98.6	-3.7

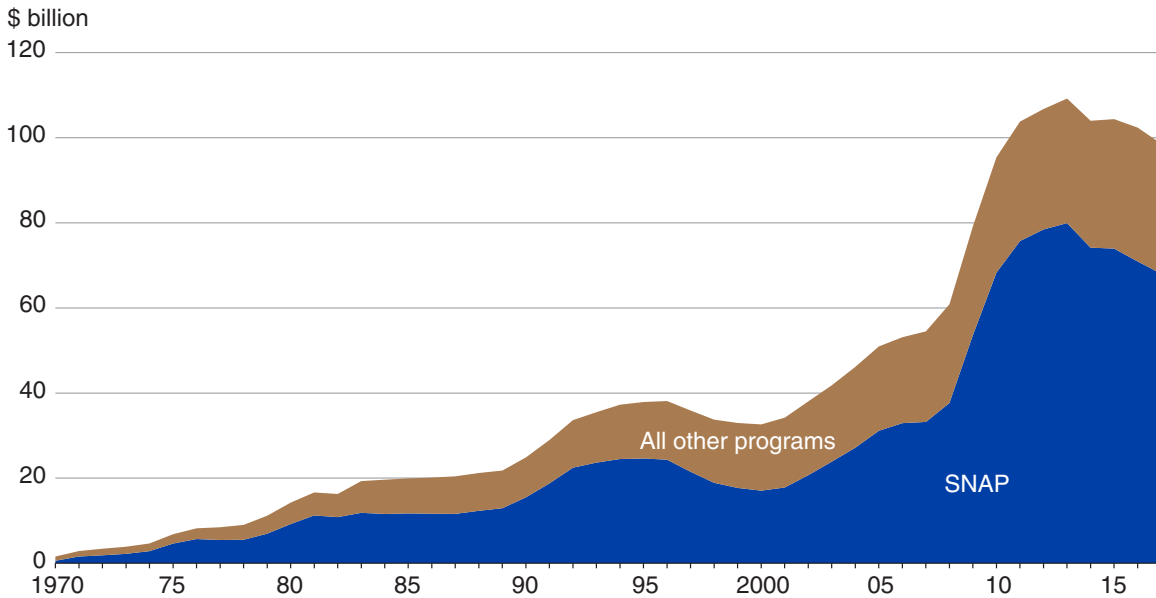
SNAP = Supplemental Nutrition Assistance Program.

WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

Note: Figures are based on preliminary data from the September 2017 Program Information Report (Keydata) provided by USDA, Food and Nutrition Service. The data were released in December 2017 and are subject to change. Total expenditures include figures from other programs and other costs not shown in table.

Source: USDA, Economic Research Service, using data from USDA, Food and Nutrition Service.

Figure 1  
**USDA expenditures for food assistance, FY 1970-2017**  
*Food assistance expenditures continued to fall in FY 2017*



SNAP = Supplemental Nutrition Assistance Program.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

The five largest food and nutrition assistance programs in FY 2017—the Supplemental Nutrition Assistance Program (SNAP); the National School Lunch Program; the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); the School Breakfast Program; and the Child and Adult Care Food Program—accounted for 96 percent of total USDA expenditures for domestic food and nutrition assistance. Expenditures fell substantially in FY 2017 for SNAP and WIC but stayed about the same for the other three programs.

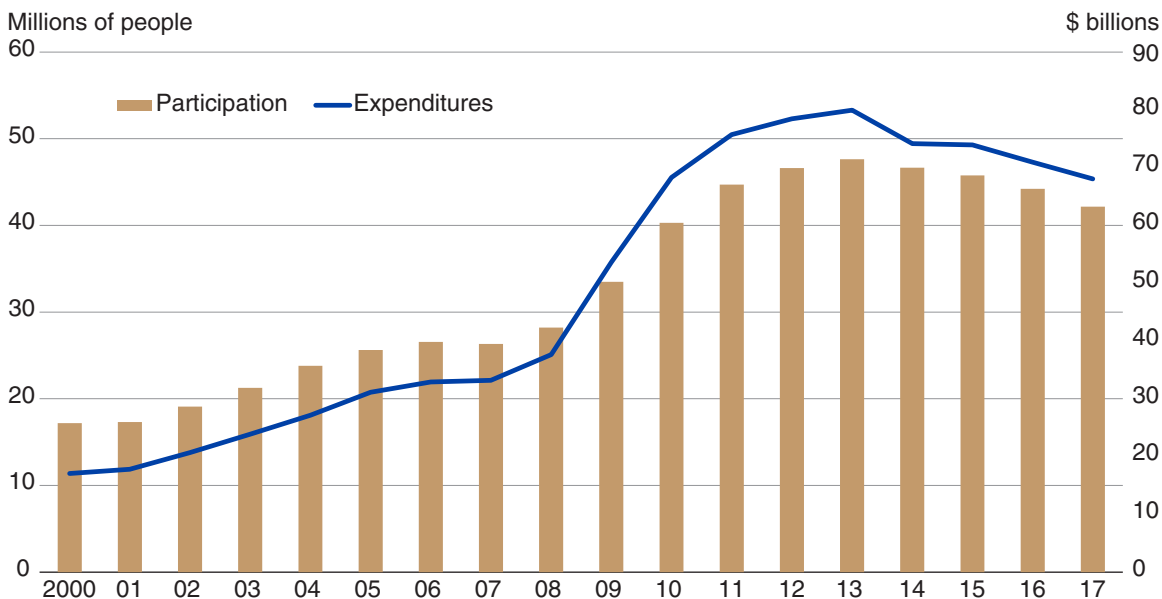
## Participation in SNAP Declines for Fourth Straight Year

The Supplemental Nutrition Assistance Program—formerly the Food Stamp Program—is the cornerstone of USDA’s food and nutrition assistance programs, accounting for 69 percent of all Federal food and nutrition assistance spending in FY 2017. The program provides monthly benefits for participants to purchase food items at authorized retail foodstores. SNAP benefits can be redeemed for most types of food but cannot be used to purchase tobacco, alcohol, hot foods, or foods intended to be eaten in the store (except by people who cannot cook for themselves). Unlike other food and nutrition assistance programs that target specific groups, SNAP is available to most needy households with limited income and assets (subject to certain work and immigration status requirements). During FY 2017:

- On average, 42.2 million persons per month participated in the program, almost 5 percent fewer than in the previous fiscal year and 11 percent less than the historical high average of 47.6 million per month in FY 2013.
- FY 2017 marked the fourth consecutive year that participation decreased after increasing in 12 of the previous 13 years (fig. 2).
- About 13 percent of the Nation’s population participated in the program in an average month.
- Per-person benefits averaged \$125.99 per month, about the same as in the previous fiscal year.
- Reflecting the decrease in participation, Federal spending for SNAP totaled \$68.0 billion, or 4 percent less than in the previous fiscal year. This was also 15 percent less than the historical high of \$79.9 billion set in FY 2013.

Figure 2

### SNAP average monthly participation and annual program expenditures, FY 2000-17 Participation and expenditures fell in FY 2017



SNAP = Supplemental Nutrition Assistance Program.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## Decline in WIC Participation Persists

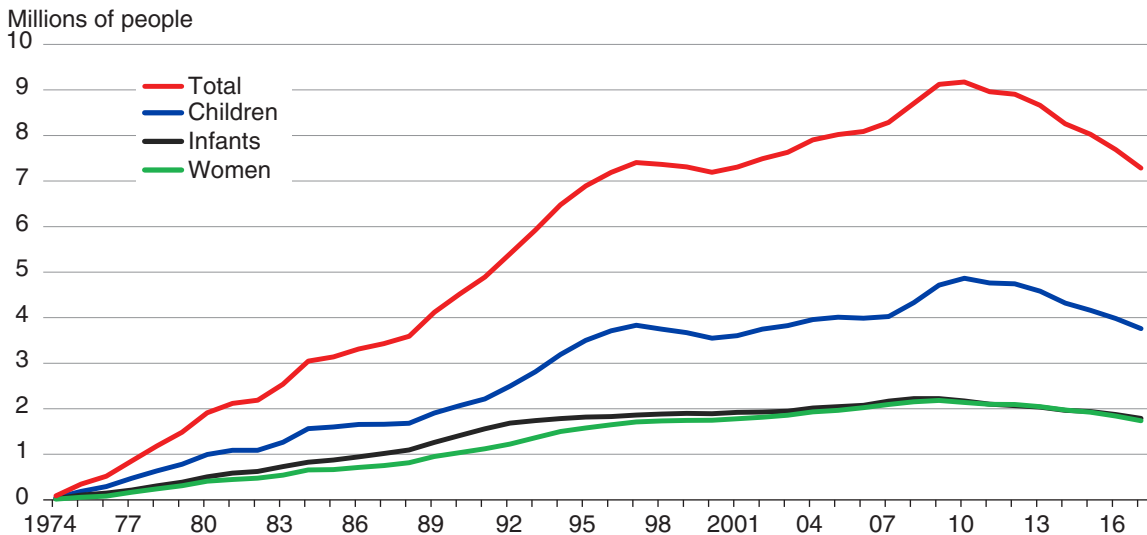
The Special Supplemental Nutrition Program for Women, Infants, and Children helps safeguard the health of low-income pregnant, breastfeeding, and postpartum women as well as infants and children up to age 5 who are at nutritional risk by providing supplemental foods, nutrition education, and health care referrals at no cost to participants. The foods are designed to supplement the energy and nutritional needs of the target population. To be eligible on the basis of income, applicants' income must be at or below 185 percent of the Federal poverty guideline. A person who participates or who has certain family members who participate in other benefits programs such as SNAP, Medicaid, or Temporary Assistance for Needy Families (TANF) automatically meets the WIC income eligibility requirement. During FY 2017:

- On average, 7.3 million people per month participated in the program, 5 percent fewer than in the previous fiscal year (fig. 3). This was the fewest number of participants in 17 years.
- Children made up more than half (52 percent) of all participants, while women comprised 24 percent and infants comprised about 25 percent.
- The number of women, infants, and children participating in WIC each fell by 5-6 percent. This marked the seventh consecutive fiscal year—and the seventh year in the program's history—that participation for all three groups fell.
- Food costs per person averaged \$41.30 per month, or about 3 percent less than in the previous fiscal year.
- The decrease in participation, combined with the decrease in the average per person food cost, lowered total spending on the program to \$5.6 billion, 6 percent less than in the previous fiscal year and 22 percent less than the historical high of \$7.2 billion set in FY 2011.

Figure 3

### Average monthly WIC participation, FY 1974-2017

*Participation for all three participant groups fell for the 7th straight year in FY 2017*



WIC = Special Supplemental Nutrition Program for Women, Infants, and Children.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## Participation in National School Lunch Program Declines Slightly

The National School Lunch Program provides nutritious lunches at low or no cost to students at school and snacks to children participating in after-school care programs. Schools that participate in the program receive cash and some commodities from USDA to offset the cost of operating the program. In return, schools must serve lunches that meet Federal nutrition requirements and offer free or reduced-price lunches to children from low-income families. Any child at a participating school may participate in the program. Children from families with incomes at or below 130 percent of the Federal poverty guidelines are eligible for free meals, and those from families with incomes between 130 percent and 185 percent of the poverty guidelines are eligible for reduced-price meals. Children from families with incomes over 185 percent of the poverty guidelines pay full price, although their meals are still subsidized to a small extent. Participating districts receive higher reimbursements when 60 percent or more of their lunches served during the second preceding school year were served free or at a reduced price.

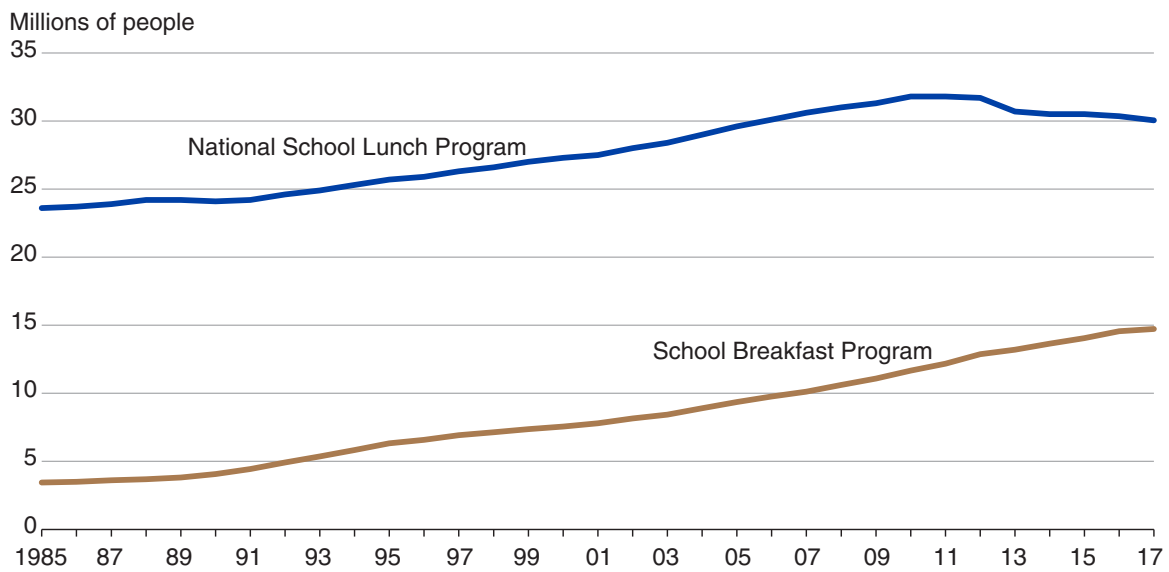
The Community Eligibility Provision (CEP), initiated in the Healthy, Hunger-Free Kids Act of 2010, allows schools and local educational agencies in high-poverty communities to offer free breakfast and lunch to all students. CEP eliminates the burden of collecting household applications to determine eligibility for school meals and simplifies how schools are reimbursed for meals. Eligibility to participate in CEP and the Federal reimbursement for CEP schools is based on the percentage of enrolled students who participate in other means-tested programs, such as SNAP. During FY 2017:

- On average, 30.0 million children participated in the National School Lunch Program each schoolday, 1 percent fewer than in the previous fiscal year and about 6 percent fewer than in FY 2011, when daily participation averaged 31.8 million (fig. 4). Participation has decreased in 5 of the last 6 years.
- Two-thirds (67 percent) of participants received a free lunch, 7 percent received a reduced-price lunch, and 27 percent received a full-price lunch.
- The share of meals served free or at a reduced price was the same as in fiscal 2016, after 9 consecutive years of increase.
- Spending for the program totaled \$13.6 billion, or about the same as in the previous fiscal year.

Figure 4

**Average daily participation in the National School Lunch Program and the School Breakfast Program, FY 1985-2017**

*Participation in the National School Lunch Program continued to decline, and participation in the School Breakfast Program leveled off in FY 2017*



Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.

## Growth of the School Breakfast Program Slows

The School Breakfast Program provides federally subsidized breakfasts to schoolchildren in participating schools. Students from low-income families receive either free or reduced-price meals (eligibility requirements are the same as those for the National School Lunch Program). Schools that participate in the program receive cash from USDA to offset the cost of operating the program. Participating schools receive higher “severe need” reimbursements when 40 percent or more of their lunches were served free or at a reduced price during the second preceding school year. During FY 2017:

- An average of 14.7 million children participated in the program each schoolday, or 1 percent more than in the previous fiscal year (fig. 4). This was the smallest increase since 1985.
- Similar to the previous year, almost four-fifths (79 percent) of participants received a free breakfast, 6 percent received a reduced-price breakfast, and 15 percent received a full-price breakfast.
- Spending totaled \$4.2 billion, an increase of less than 1 percent over the previous year.

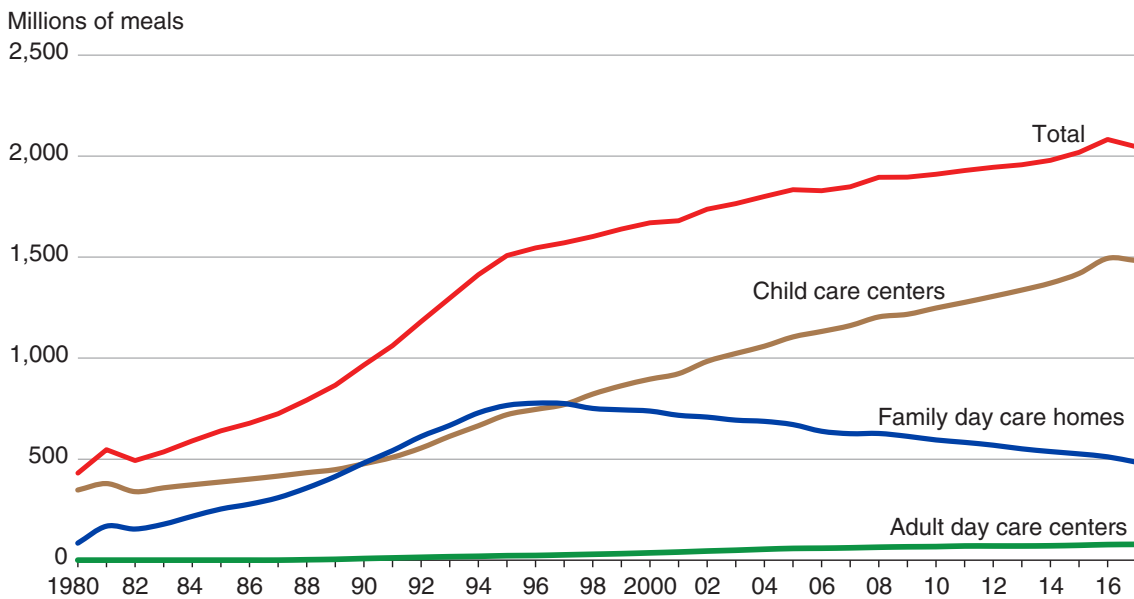
# Number of Meals Served in the Child and Adult Care Food Program Falls

The Child and Adult Care Food Program (CACFP) subsidizes healthy meals and snacks in participating childcare centers, daycare homes, and adult daycare facilities. All participating providers must be licensed or approved according to Federal, State, or local standards.

Care providers are reimbursed for each type of qualifying meal (breakfast, lunch/supper, or snack) they serve. In addition to cash reimbursement, USDA makes donated foods or cash (in lieu of donated foods) available to institutions participating in CACFP. During FY 2017:

- About 2 billion meals were served, a decrease of almost 2 percent from the previous year. This was only the third time in the program’s history that the number of meals decreased (fig. 5).
- Childcare centers accounted for 72 percent of all meals served, family daycare homes 24 percent, and adult daycare centers 4 percent.
- The number of meals served increased by 1 percent in adult daycare centers but decreased by 5 percent in family daycare homes and by 1 percent in childcare centers. The decline in the number of meals served in family daycare homes is a continuation of a general trend that began in FY 1997.
- Program expenditures—which include annual adjustments to reimbursement rates for inflation—totaled \$3.5 billion, an increase of less than 1 percent over the previous year. This was the smallest annual increase since 1998.

Figure 5  
**Meals served in the CACFP by type of provider, FY 1980-2017**  
*Number of meals served in the CACFP fell in FY 2017*



CACFP = Child and Adult Care Food Program.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service.



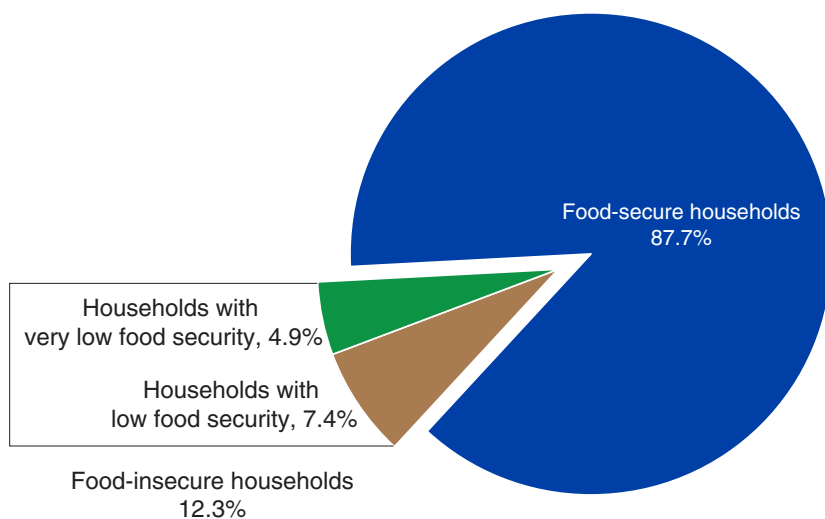
## Prevalence of Food Insecurity Unchanged in 2016

Food security—access by all people at all times to enough food for an active, healthy life—is one of several conditions necessary for a population to be healthy and well nourished. Food-insecure households are those that, at times during the year, are unable to acquire adequate food for one or more household members because they have insufficient money or other resources. Food-insecure households are further classified as having either low food security or very low food security. In the more severe range of food insecurity—very low food security—the eating patterns of one or more household members are disrupted and their food intake reduced, at least some time during the year, because they can not afford enough food. USDA’s food and nutrition assistance programs increase food security by providing low-income households access to food, a healthful diet, and nutrition education. USDA monitors the prevalence and severity of household food insecurity in the United States through an annual nationally representative food security survey sponsored by ERS. Household food security status is based on responses to a questionnaire about food-insecure conditions experienced by household members in the prior 12 months. Results from the survey are reported in a series of annual reports. The most recent available data—covering 41,186 households—are from the December 2016 survey. During 2016:

- An estimated 12.3 percent of U.S. households (or 15.6 million households containing 41.2 million people) were food insecure at least some time during the year, a rate not significantly different than that in the previous year (fig. 6 and table 2).
- A total of 4.9 percent of all households (6.1 million households containing 14.6 million people) had very low food security. On average, households classified as having very low food security experienced the condition in 7 months of the year, for a few days in each of those months.
- Among households with children under age 18, 16.5 percent were food insecure at some time during 2016. In about half of food-insecure households with children, only adults were food insecure (8.5 percent of households with children); in the rest (i.e., 8.0 percent of households with children), children were also food insecure. In 0.8 percent of households with children (298,000 households), food insecurity among children was so severe that caregivers reported that children were hungry, skipped a meal, or did not eat for a whole day at some point during the year because there was not enough money for food.
- Rates of food insecurity were substantially higher than the national average for households with incomes near or below the Federal poverty line, households with children headed by single women or single men, households with women and men living alone, Black- and Hispanic-headed households, and households in principal cities and nonmetropolitan areas.
- About 59 percent of food-insecure households in the month prior to the survey participated in SNAP, WIC, and/or received a free or reduced-price lunch in the National School Lunch Program.

Figure 6

**U.S. households by food-security status, 2016**



Source: USDA, Economic Research Service, *Household Food Security in the United States in 2016*, ERR-237, September 2017.

Table 2

**U.S. food security at a glance**

Food-security status	2015		2016	
	<i>Thousands</i>	<i>Percent</i>	<i>Thousands</i>	<i>Percent</i>
All households	125,164	100.0	126,401	100.0
• Food-secure households	109,315	87.3	110,850	87.7
• Food-insecure households	15,849	12.7	15,551	12.3
— With low food security	9,540	7.7	9,413	7.4
— With very low food security	6,309	5.0	6,138	4.9
All households with children	38,978	100.0	38,400	100.0
• Food-secure households	32,519	83.4	32,058	83.5
• Food-insecure households	6,459	16.6	6,342	16.5
— With food-insecure children	3,022	7.8	3,069	8.0
— With very low food security among children	274	0.7	298	0.8

Source: USDA, Economic Research Service, *Household Food Security in the United States in 2016*, ERR-237, September 2017.

## Economic and Social Indicators Related to Participation in the Food and Nutrition Assistance Programs

Economic and demographic conditions affect participation in and spending on food assistance programs by influencing (1) the size of the eligible population, (2) the rate of participation among eligible people, and (3) benefit levels.

Because USDA's food and nutrition assistance programs are means tested, the number of persons eligible to participate in the programs is inherently linked to the economy. In particular, SNAP caseloads are strongly associated with economic conditions. SNAP is one of the Nation's primary countercyclical programs, expanding during economic downturns and contracting during periods of economic growth. The share of the population in SNAP generally tracks the poverty rate and—to lesser degrees—the unemployment rate and the poverty rate for children under age 18 (fig. 7). However, the improvement in economic conditions during the early stage of recovery may take longer to be felt by lower educated, lower wage workers who are more likely to receive SNAP benefits, resulting in a lagged response of SNAP participation to a reduction in the unemployment rate.

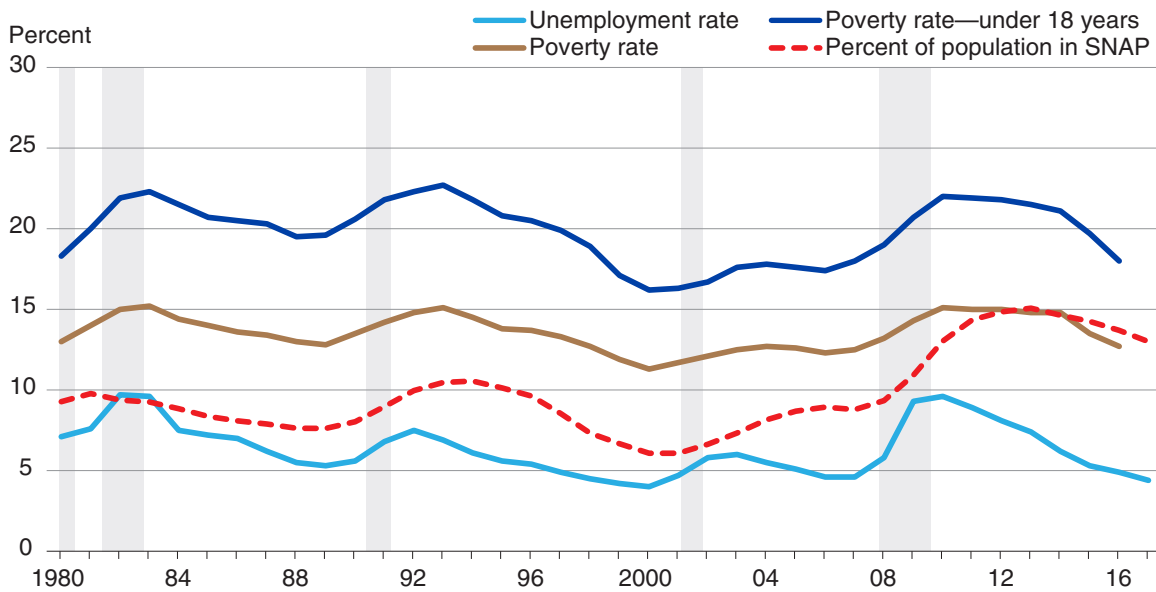
In general, U.S. economic conditions have improved in recent years (table 3). For example, in 2017:

- The number of employed persons grew by 1.9 million.
- The unemployment rate fell to 4.4 percent, the 7th consecutive year of declining unemployment rates and the lowest rate since 2000.
- Real gross domestic product (GDP) increased by 2.3 percent.
- The average price of food as measured by the Consumer Price Index (CPI) increased by 0.9 percent. The CPI for food away from home increased by 2.3 percent while the CPI for food at home decreased by 0.2 percent.

Income and poverty data from the U.S. Census Bureau indicate that in 2016 (the latest data available):

- The number of people in poverty fell by 2.5 million.
- The poverty rate fell to 12.7 percent, the lowest level in 11 years.
- Real median household income increased by 3.2 percent.

Figure 7

**Percentage of U.S. population in SNAP and selected economic indicators, 1980-2017**

Note: Gray vertical bars indicate recessions. Recessions: January 1980 to July 1980, July 1981 to November 1982, July 1990 to March 1991, March 2001 to November 2001, December 2007 to June 2009.

Source: USDA, Economic Research Service using data from USDA, Food and Nutrition Service; U.S. Department of Labor, U.S. Bureau of Labor Statistics; and U.S. Department of Commerce, U.S. Census Bureau.

Table 3

**Selected economic and demographic indicators, 2014-17**

Indicator	2014	2015	2016	2017
Population in July (millions)	318.6	321.0	323.4	325.7
Births (1,000)	3,988	3,978	3,941 (PR)	NA
School enrollment (1,000)	54,965 (PJ)	54,994 (PJ)	55,077 (PJ)	55,447 (PJ)
Prekindergarten-grade 8 (1,000)	38,938 (PJ)	38,926 (PJ)	39,010 (PJ)	39,363 (PJ)
Grades 9-12 (1,000)	16,026 (PJ)	16,067 (PJ)	16,067 (PJ)	16,084 (PJ)
Employed persons (1,000)	146,305	148,834	151,436	153,337
Unemployed persons (1,000)	9,617	8,296	7,751	6,982
Unemployment rate (percent)	6.2	5.3	4.9	4.4
Labor force participation rate (percent)	62.9	62.7	62.8	62.9
Persons in poverty (1,000)	46,657	43,123	40,616	NA
Poverty rate (percent)	14.8	13.5	12.7	NA
Children in poverty (1,000)	15,540	14,509	13,253	NA
Poverty rate for children (under age 18)	21.1	19.7	18.0	NA
Median household income (2016 dollars)	54,398	57,230	59,039	NA
CPI for all items (percent change)	1.6	0.1	1.3	2.1
CPI for food (percent change)	2.4	1.9	0.3	0.9
CPI for food at home	2.4	1.2	-1.3	-0.2
CPI for food away from home	2.4	2.9	2.6	2.3
Real GDP (percent change)	2.6	2.9	1.5	2.3

CPI = Consumer Price Index. GDP = Gross Domestic Product. NA = Data not available. (PR) = Provisional. (PJ) = Projected.

Source: USDA, Economic Research Service using data from U.S. Census Bureau (population, poverty, and household income); National Center for Health Statistics (births); National Center for Education Statistics (school enrollment); Bureau of Labor Statistics (employment, unemployment, labor force participation, and CPI); and the Bureau of Economic Analysis (GDP).

## ERS Research Update

ERS research related to domestic food and nutrition assistance is conducted internally by ERS staff as well as through a portfolio of ERS-funded extramural research projects and partnerships. ERS has compiled a database of nearly 1,100 peer-reviewed reports based on this research (searchable on the ERS website by title, author, year of publication, and topic area). Among the ERS research reports released in FY 2017, one analyzed a recent USDA survey that offered a unique opportunity to conduct a detailed study of the food-spending patterns of SNAP households.

**The Food-Spending Patterns of Households Participating in the Supplemental Nutrition Assistance Program: Findings From USDA's FoodAPS, EIB-176.** SNAP is designed to increase the food purchasing power of low-income households and increase their ability to achieve a nutritious diet and attain food security. Given the large Federal investment in SNAP, it is beneficial for policymakers and program administrators to have a comprehensive understanding of the food expenditures of households that participate in the program.

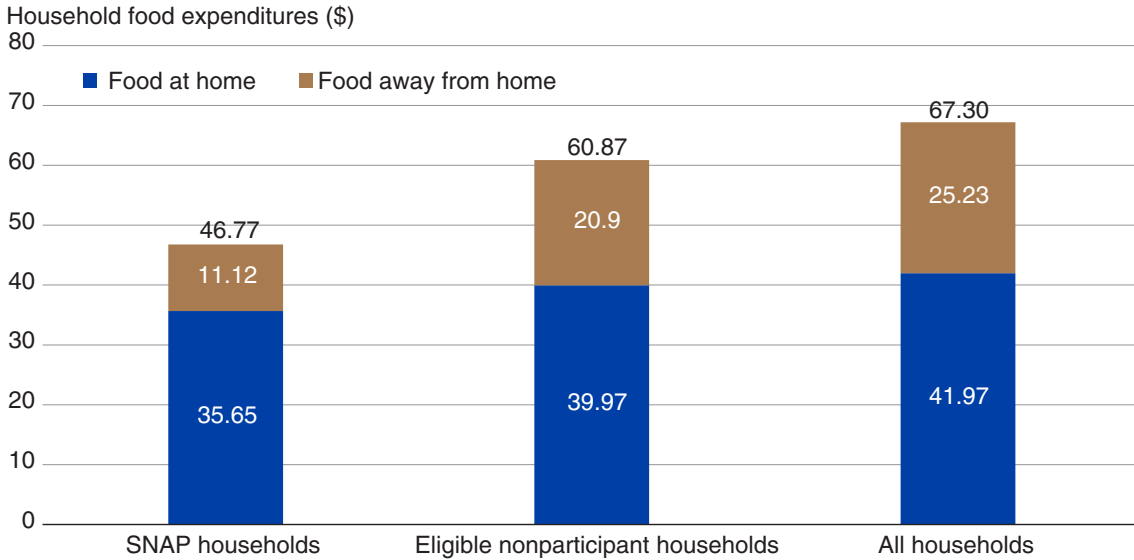
A recent USDA survey—the National Household Food Acquisition and Purchase Survey (FoodAPS)—provides more accurate information on SNAP receipt and more comprehensive information on food spending than previously available in a household survey. FoodAPS is a nationally representative USDA survey that collected detailed information about food acquisitions by all household members over a 7-day period between April 2012 and January 2013. A total of 4,826 households, 1,581 of which participated in SNAP, completed the survey. The main food shopper or meal planner for each household (the primary respondent) provided information on household characteristics and expenditures for all at-home and away-from-home foods and beverages purchased and acquired from all sources by all household members.

Data from the survey were used to compare the food expenditures of SNAP households with those of other households. The primary comparison group was households determined to be eligible for SNAP but not participating in the program. These households are most similar to SNAP households in terms of income and asset levels. When examining average household food expenditures, it is important to adjust for differences in household size and composition that are likely to influence food needs. The study used several different approaches to adjust for these differences, including the use of an adult-male equivalent (AME) measure, which is based on the average daily energy needs for particular age and gender groups, as found in the *2010 Dietary Guidelines for Americans*. The AME measure is similar to a per-person spending measure, but it also accounts for differing caloric needs based on the age and gender of household members. For example, the estimated daily energy needs of an adult male age 31 to 50 are 2,200 calories. The estimated daily energy needs for an adult female age 31 to 50 and a girl age 2 are 1,800 calories and 1,000 calories, respectively.

After adjusting for household size and composition, the study found that SNAP households spend less on food than other households, even households whose income and assets are low enough to make them eligible for SNAP. The average SNAP household spent \$47 per week on food per AME (fig. 8). This was about 23 percent less than eligible nonparticipant households (\$61 per AME) and 30 percent less than the U.S. household average of \$67 per AME.

Figure 8

**Mean weekly food expenditures per AME: SNAP households, eligible nonparticipant households, and all households**



Notes: SNAP = Supplemental Nutrition Assistance Program. AME = Adult-male equivalent.

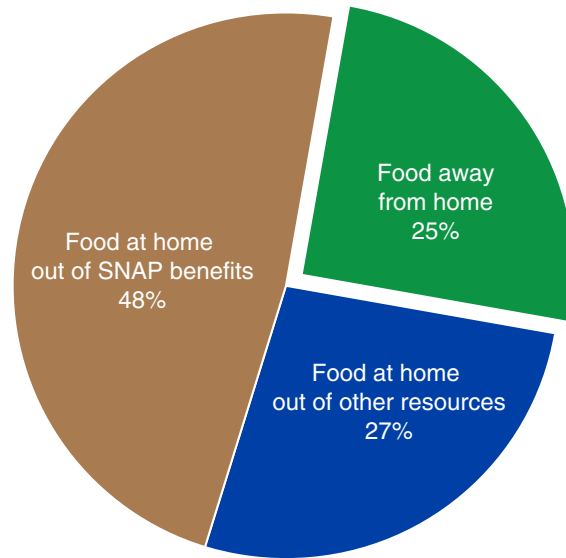
Source: USDA, Economic Research Service estimates using data from the National Household Food Acquisition and Purchase Survey (FoodAPS) collected April 2012-January 2013.

The patterns in food-at-home spending across the household categories based on SNAP participation and eligibility differed from the patterns in food-away-from-home spending. The average food-at-home spending of SNAP households does not differ significantly from that of eligible nonparticipant households, when measured per AME. However, eligible nonparticipant households spend almost twice as much on food away from home per AME (\$21) than SNAP households (\$11). It is not surprising that there are smaller differences in food-at-home spending than in food-away-from-home spending between SNAP and non-SNAP households. SNAP benefits enable participant households to increase food-at-home spending levels to be closer to those of nonparticipant households, but the benefits cannot be used to purchase food away from home.

The contribution of SNAP benefits to household food spending is substantial, almost two-thirds (63 percent) of food-at-home spending (fig. 9). This demonstrates that SNAP benefits make a substantial contribution to the food spending of participant households, but that these households also use other resources (such as their own income or other cash assistance benefits) to pay for food.

Figure 9

**Sources of food spending by SNAP households**



SNAP = Supplemental Nutrition Assistance Program.

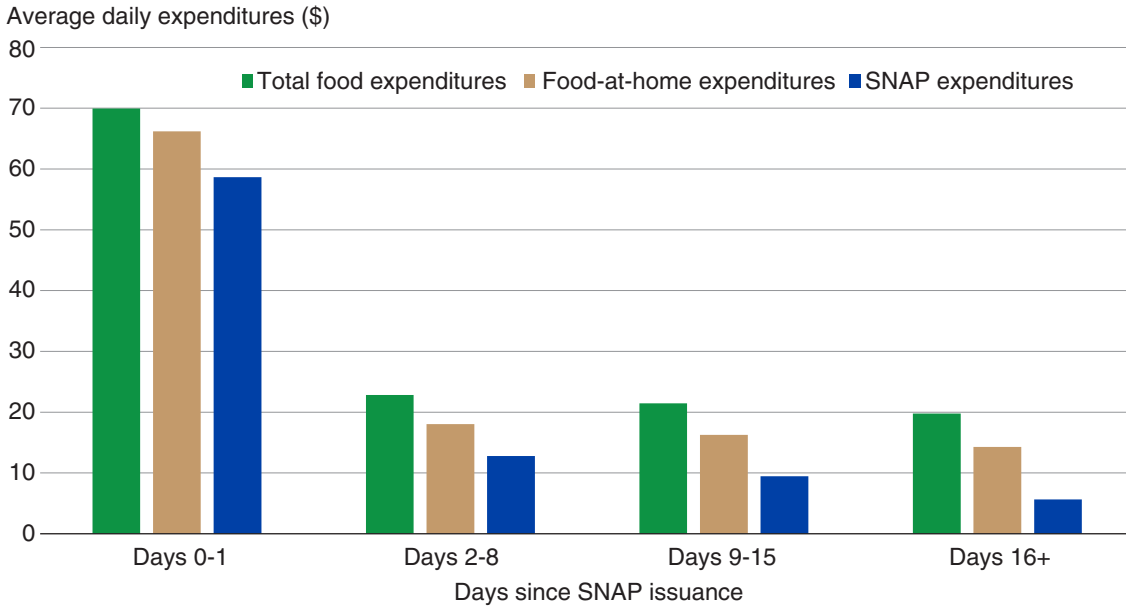
Source: USDA, Economic Research Service, *The Food-Spending Patterns of Households Participating in the Supplemental Nutrition Assistance Program: Findings From USDA's FoodAPS*, EIB 176, August 2017.

Results from the study, consistent with prior research, also indicate that SNAP households have cyclical purchasing patterns, with a large share of food spending occurring soon after benefit receipt and then declining steadily throughout the rest of the month. SNAP households spend a daily average of \$70 on the day of and the day following benefit receipt—referred to as “days 0-1”—compared with a daily average of \$23 in the week following (days 2-8) (fig. 10). Daily food spending during the rest of the SNAP benefit month falls slightly, with a daily average of \$21 in days 9-15 and of \$20 in days 16 and beyond. The differences in total food spending across the SNAP benefit month are driven by changes in food-at-home expenditures, which also show a substantial decline between days 0-1 (with a daily average of \$66) and the week following (days 2-8, with a daily average of \$18). Household spending on food away from home does not vary significantly over the course of the SNAP benefit month, with a daily average ranging from \$4 to \$6.

SNAP benefits account for most (89 percent) daily average expenditures on food at home on the day of and the day following benefit receipt. In the days following, the share of food-at-home spending attributed to SNAP declines, though with day-to-day variation. By the second half of the month (days 16 and beyond), spending out of SNAP benefits accounts for 40 percent of average daily food-at-home spending.

Figure 10

**SNAP households' average daily total food expenditures and SNAP expenditures over the SNAP benefit cycle**



SNAP = Supplemental Nutrition Assistance Program.

Source: USDA, Economic Research Service, *The Food-Spending Patterns of Households Participating in the Supplemental Nutrition Assistance Program: Findings From USDA's FoodAPS*, EIB-176, August 2017.