

A 15% increase to SNAP would give California a \$467 million boost when our people and economy need it the most*



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Technical Appendix

The following is a description of the calculations, assumptions, data sources, and notes used to complete the analysis: *A 15% increase to SNAP would give California a \$467 million boost when our people and economy need it the most.* The analysis was prepared for [California Food Policy Advocates](#) by [People's Health Solutions](#), a team of scientists and artists whose mission is to help build healthy and sustainable communities.

A special note on the reporting period for this analysis: The time period for this analysis is July – Sept. 2020, but the recession is expected to last longer. Federal proposals to temporarily increase SNAP benefits by 15% (e.g., the HEROES act) assume an increase would continue at least into FY 2021. July-Sept. 2020 was chosen as the reporting period for the analysis, because California's unemployment rate is expected to peak during this time period (with respect to the start of the COVID-19 pandemic and the end of 2021). During this same three-month time period, a temporary boost to unemployment benefits will expire. The COVID-19 crisis and its economic effects are already increasing food insecurity and hardship throughout California. We anticipate individuals and families will experience a heightened need for help accessing food during the time period for this analysis and continuing into the recession.

SNAP/CalFresh Participants Benefiting

Calculation:

- The infographic and bottom end of the ranges displayed in the tables are based on California Department of Social Services (CDSS) actual SNAP/CalFresh enrollment in January – March 2020 and do not assume that SNAP participation will increase due to the COVID-19 crisis.

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- The higher end of the range uses California Department of Social Services (CDSS) actual SNAP/CalFresh enrollment in January - March 2020 and Congressional Budget Office (CBO) unemployment projections to estimate, for illustrative purposes, potential SNAP/CalFresh enrollment growth per month in future quarters.
- Estimates are presented for the state overall, by county, and by congressional district. SNAP/CalFresh enrollment for each congressional district in January - March 2020 is calculated as the percent of SNAP/CalFresh recipients in California that reside in the district times state enrollment for the quarter.

Assumptions for calculating the higher end of the range:

- A one-percentage-point increase in the unemployment rate leads to a 3.4% increase in SNAP enrollment, as estimated by Bitler and Hoynes (2016). COVID-19 is unprecedented and we do not intend to predict anything specific about COVID-19 and its impact on caseload growth. This conservative model was chosen to provide an illustrative example of potential SNAP caseload growth.
- The unemployment rate in California will follow CBO projections. CBO numbers were used to represent a conservative estimate of projected SNAP/CalFresh participation increases.
- The additional \$600 in unemployment benefits some Californians are receiving will not impact projected SNAP/CalFresh enrollment trends during the reporting period. This assumption is made because we can't reasonably project what the effects on the temporary boost to unemployment benefits will be on enrollment in SNAP/CalFresh and because the boost will expire at the end of July, during the time period for this analysis.

Data Sources:

- Unemployment actual: CBO unemployment rates for Q1 2020 are used to estimate actual unemployment at baseline. <https://www.cbo.gov/publication/56351#data> Accessed on May 24, 2020.
- Unemployment projections: CBO unemployment rates for Q3 2020 (July - September 2020) are used to estimate projected unemployment. <https://www.cbo.gov/publication/56351#data> Accessed on May 24, 2020.
- SNAP actual enrollment: CDSS enrollment data for January - March 2020 are used to calculate California SNAP/CalFresh enrollment at baseline. Data are pulled from the Food Stamp Program Participation and Benefit Issuance Report (DFA 256). <https://www.cdss.ca.gov/inforesources/research-and-data/calfresh-data-tables/dfa256> Accessed on May 18, 2020.
- SNAP enrollment projections as a function of unemployment: Bitler, M., and Hoynes, H. (2016). The More Things Change, the More They Stay the Same? The Safety Net and

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Poverty in the Great Recession. *Journal of Labor Economics*, 34(1), pt. 2.

<https://www.nber.org/papers/w19449>

- Congressional district estimates: Estimates by congressional district are based on SNAP actual enrollment (see data sources above) and a California Budget and Policy Center analysis of CalFresh recipients provided directly to California Food Policy Advocates on June 11, 2020.

Notes:

- Actual and projected SNAP/CalFresh enrollment numbers are based on federal-only SNAP/CalFresh enrollment.¹
- Statewide SNAP/CalFresh enrollment counts in the original data source do not exactly match the sum of enrollment across all counties, since CDSS masks data values of less than 11 to protect identities of the vulnerable clients they serve. Due to this there are differences in summed state totals for the congressional district and county tables.

Additional Federal Dollars

Calculation:

- Additional federal benefits from a 15% increase in the maximum allotment of SNAP/CalFresh benefits during the reporting period were estimated by multiplying average SNAP/CalFresh enrollment in each month by the average per-person per-month benefit for FY 2019 plus boost (\$141.14 + \$25.00) and summing them to obtain the total for the quarter.

Assumptions:

- A 15% increase in SNAP maximum benefit allotment leads to an average additional per-person benefit of \$25/month, as estimated by Rosenbaum, Dean, and Neuberger (2020).

Data Sources:

- Average SNAP/CalFresh benefit per person per month: USDA Food and Nutrition Service (2020). FY2019 California Statewide Average SNAP Benefit. SNAP Data

¹ "Federal-only SNAP/CalFresh enrollment" is defined by person as all persons receiving SNAP/CalFresh benefits (i.e., federally funded benefits). "Federal-only SNAP/CalFresh enrollment" is defined by household as all SNAP/CalFresh households with persons receiving SNAP/CalFresh benefits (federally funded) and mixed federal/state households. Mixed federal/state households are households with persons receiving SNAP/CalFresh benefits (federally funded) and persons receiving California Food Assistance Program benefits, the Supplemental Nutrition Benefit, and/or the Transitional Nutrition Benefit (state funded).

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Tables. <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>.

- SNAP/CalFresh projected monthly participation: see summary above of how SNAP/CalFresh Participants Benefiting was calculated for the infographic and ranges displayed in tables.
- Additional per-person benefit of \$25/month: Rosenbaum, D., Dean, S., and Neuberger, Z. (Updated May 22, 2020). Case for Boosting SNAP Benefits in Next Major Economic Response Package. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/food-assistance/the-case-for-boosting-snap-benefits-in-next-major-economic-response-package>

Notes

- Average SNAP/CalFresh monthly benefits have increased for some California households due to temporary SNAP emergency allotments made possible through the Families First Coronavirus Response Act. The impact of emergency allotments on monthly SNAP/CalFresh benefits are excluded as part of this analysis, as there is not enough available data to accurately predict the impact of the temporary policy change on average monthly benefits during the time period for the analysis. In addition, as noted in Robin Hall, et al. v. United States Department of Agriculture, et al, it is estimated that more than one million SNAP/CalFresh-eligible households are not eligible for the emergency allotments.

Economic Boost

Process:

- SNAP multiplier was applied by multiplying total additional federal dollars by 1.54.

Assumptions:

- Every dollar spent on SNAP leads to an additional \$1.54 in economic activity, as estimated by Canning and Mentzer Morrison (2019).

Data Sources:

- Additional federal dollars: see summary of how this was calculated above.
- Economic multiplier: Canning, P. and Mentzer Morrison, R. (2019). The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier. United States Department of Agriculture Economic Research Services. <https://www.ers.usda.gov/publications/pub-details/?pubid=93528>

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SNAP Retailers

Process:

- SNAP/CalFresh retailer location data was analyzed geographically to calculate the total number of retailers accepting SNAP EBT by California county and congressional district.
 - For county level data, "county" field from the location data was used to summarize the total number of retailers by county.
 - For congressional district level data, 116th congressional district boundaries were used to overlay the location of retailers geographically using ArcMap.

Data Source:

- United States Department of Agriculture (2020). SNAP Retailer Locator Data. <https://www.fns.usda.gov/snap/retailer-locator> Accessed June 24, 2020.
- U.S. Census TIGER 116th Congressional District Boundary Shapefile (2019). <https://www.census.gov/geographies/mapping-files/time-series/geo/tiger-line-file.html>