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Los Angeles Regional Food Bank Policy Brief

Charitable Food Programs Unprepared to Absorb Impact of Recent SNAP Cut

Since the Great Recession started in 2008, the Los Angeles Regional Food Bank and the agencies served by the Food Bank have collectively increased food volume in an attempt to meet the growing demand for food assistance. The Food Bank, which receives food donations from the food industry, commodities from the U.S. Department of Agriculture and purchases food to supplement its inventory, has increased food distribution by 75 percent since 2007, the year before the recession started.

The elevated demand for food is primarily due to a local high unemployment rate, one of the highest in the nation. Out of a total labor force of 4.9 million people in Los Angeles County, 471,800 people were unemployed in October 2013 (9.7 percent seasonally adjusted unemployment rate) compared to 263,200 people (5.6 percent) when the recession began in late 2007.¹ This nearly doubling of the number of unemployed workers since the beginning of the recession has led many of these former wage earners to seek food assistance. In addition, interviews of food recipients indicate that many adults are still working but are working fewer hours per week, which has placed considerable pressure on their household budgets.

Federal Cuts to the Supplemental Food Assistance Program (SNAP)

On November 1, 2013 cuts were made to the Supplemental Nutrition Assistance Program (called CalFresh in California) due to the expiration of a temporary boost in SNAP benefits as part of the 2009 Recovery Act. The cut resulted in a benefit cut for every SNAP household. For families of three, the cut is \$29 a month — a total of \$319 for November 2013 through September 2014, the remaining months of fiscal year 2014. That's a serious loss, especially in light of the very low amount of basic SNAP benefits. Without the Recovery Act's boost, SNAP benefits will average less than \$1.40 per person per meal in 2014.²

The number of Los Angeles County residents receiving CalFresh benefits has increased markedly since the beginning of the recession. The CalFresh Program is designed to respond quickly to an economic downturn, so it is not surprising that CalFresh participation has increased due to the increase in unemployment. According to

¹ State of California Employment Development Department Monthly Labor Force Data for Counties, [http://www.calmis.ca.gov/file/lfmonth/la\\$pd.pdf](http://www.calmis.ca.gov/file/lfmonth/la$pd.pdf) and <http://www.calmis.ca.gov/htmlfile/county/losangel.htm> accessed November 25, 2013.

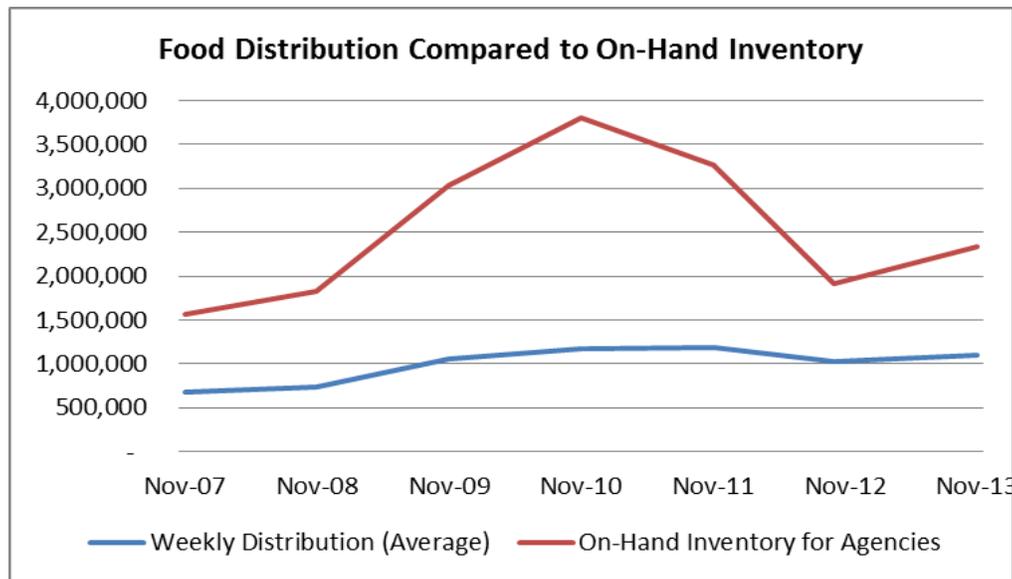
² Center on Budget and Policy Priorities, <http://www.cbpp.org/cms/?fa=view&id=3899>, accessed November 25, 2013.

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September 2013 data, 1.1 million Los Angeles County residents received CalFresh benefits, a 70 percent increase from December 2007 when the recession began.³

Food Bank Inventory Levels

The high demand for food assistance has had the effect of reducing the Food Bank's on-hand inventory for agencies to a two week supply as outlined in the chart below.



On-hand inventory peaked in November 2010 and has decreased significantly during the past two years. For this reason, the Food Bank started an agency waiting list in July 2011. The primary reason for starting the waiting list was to ensure that the existing 670 agencies served by the Food Bank had an adequate access to food. More than 900 agencies are now on the waiting list. The Food Bank has selectively added new agencies this year as food acquisition has increased but now has to reassess this strategy given the tightening on-hand inventory.

Summary

While most of the Food Bank's support is from private contributions, federal policy and legislation has a significant impact on the Food Bank's work. The Senate-House negotiation on the Farm Bill legislation is critical for determining both SNAP funding levels and the level of USDA commodities distributed by food banks nationwide. These uncertain times make it difficult to plan for the future, and for many families and individuals experiencing food insecurity, the uncertainty can have a devastating impact.

³ California Department of Social Services Food Stamp Report, <http://www.cdss.ca.gov/research/PG352.htm>, accessed on November 22, 2013.