

Renewing Pandemic EBT Is Critical to Preventing a Further Spike in Child Hunger

Congress acted decisively this spring to provide economic support to American families as the economy headed toward its highest unemployment rate since the Great Depression by passing enhanced unemployment benefits, direct payments, the Paycheck Protection Program and other measures. Research has found that this swift action likely prevented a much worse recession and a significant increase in poverty.¹

Many of these policies, like the \$600 in additional weekly unemployment benefits, were temporary. However, the health crisis, which caused the economic catastrophe those measures were designed to address, has significantly worsened. In recent weeks, there has been a weekly average of more than four times as many new confirmed cases per day as when the Coronavirus Aid, Relief, and Economic Security Act (CARES) passed in March.²

One critical but temporary policy was the Pandemic Electronic Benefit Transfer (P-EBT) program, which helps low-income families with children replace the meals they received from federally funded school meal programs before the coronavirus forced their schools to close. P-EBT was created as part of the Families First package in early March and an extension was included in the House HEROES Act passed in May. However, it was not included in the recent Senate Republican HEALS proposal. Instead of any provisions to address hunger among low-income children and families, the HEALS proposal included an increase in the deduction for business meals that has been widely criticized and derisively called the "three-martini lunch deduction."³

The National School Lunch Program (NSLP) and School Breakfast Program (SBP) form a pillar of the U.S. anti-hunger infrastructure, reimbursing schools for the cost of providing free or reducedpriced meals to 30 million children and 15 million children, respectively, each year.⁴ Free meals are available to children in families with household incomes below 130 percent of the federal poverty line, and reduced-priced meals are available to children in families with household incomes below 185 percent of the federal poverty line. Additionally, some schools with a high share of children in low-income families provide meals to all students regardless of their family's income. Low-income children consume as much as 50 percent of their daily calories through school meal programs.⁵

Closing the nation's schools last spring meant that children were unable to access the free and reduced-price meals they normally receive while at school. This alone would have caused child hunger to rise, even if tens of millions of American families had not also experienced job loss. Congress passed P-EBT to address this problem by letting states load the value of the school meals children would normally receive onto an EBT card as is done for other types of food assistance benefits though the Supplemental Nutrition Assistance Program (SNAP). Every state but one implemented P-EBT, which provides benefits equal to the number of days schools were closed multiplied by the value of meals (\$5.70 per day in most states).⁶

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The P-EBT program in Families First only covered the 2019-2020 school year because policymakers hoped the virus would be contained before the fall. Now, with thousands of school districts announcing full or partial remote learning schedules for the new school year, it is critical that Congress extend P-EBT for the upcoming school year. Families with children are far more likely to lack adequate food than the general population, but evidence indicates that P-EBT was effective at reducing hunger. If Congress fails to extend P-EBT, the extent of partial and full school closures will mean an effective *cut* to meal programs for children.

Food insufficiency is a big problem among households with children, especially Black households

Food insecurity, which is defined as not having enough nutritious food to eat or worrying about having enough to eat, was an enormous problem in the United States even before the pandemic.⁷ One study estimates that over 8 percent of households experienced food insecurity on the eve of the COVID crisis. But the crisis and ensuing recession caused food insecurity to spike to 23 percent in April.⁸ The problem is even greater for households with children, more than 29 percent of which experienced food insecurity. This makes addressing hunger for families with children particularly important.⁹

Strikingly, households with children are more likely to experience hunger at any given income level. The below figure displays the share of adults by income level who reported food insufficiency—a related measure that captures whether individuals sometimes or often do not have enough to eat—between July 16 and July 21.¹⁰ The share of Black adults in households with children reporting food insufficiency is especially high at any given income level, illustrating the role of structural racism in food insufficiency in the current crisis.



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Pandemic EBT has been highly effective at reducing child hunger

Early evidence shows that Congress's actions to protect Americans from the economic fallout of COVID-19 have generally been highly effective. One recent study found that the additional \$600 in unemployment benefits helped households maintain and even increase consumption despite skyrocketing unemployment.¹¹ Still, economic damage and school closures mean food insecurity among children has increased and is even higher than during the Great Recession in 2008.¹²

Nevertheless, a recent Brookings Institution study found that hunger among children would have been risen substantially more without P-EBT.¹³ Analyzing variation in when states rolled out P-EBT benefits, the researchers found that P-EBT reduced the share of low-income households experiencing sometimes or often not having enough to eat by seven percentage points. Their estimates imply that P-EBT lifted at least 2.7 million-3.9 million children out of hunger.

Extending Pandemic EBT is necessary to prevent even more child hunger this fall

Congress should extend P-EBT for the 2020-2021 school year because so many schools will not provide in-person learning. In California, more than 80 percent of the population lives in counties that do not meet criteria for reopening schools in person due to coronavirus spread.¹⁴ The Nashville, Atlanta, Oakland, CA, Washington, DC, and Arlington, VA school districts will also only offer remote learning at the beginning of the year.¹⁵ Even many school districts that will provide inperson learning will only provide it for a fraction of the time to better ensure social distancing. New York City, for example, will only offer in-person learning to students 1-3 days per week.¹⁶

The large share of children who will be learning remotely this fall is a necessary public health measure, but will also cut many low-income children off from the free and reduced-price meals that keep them from going hungry. Failure to extend P-EBT for the 2020-2021 school year would effectively be a dramatic *cut* to our nation's school meals programs, since P-EBT simply allows families to purchase at home the food their children would normally receive at school. Failure to extend P-EBT in the next coronavirus relief package could result in millions of children going hungry in a pandemic.

Suggested reading

Lauren Bauer et al, "The Effect of Pandemic EBT on Measures of Food Hardship," The Brookings Institution, July 2020, <u>https://www.brookings.edu/wp-content/uploads/2020/07/P-EBT_LO_7.30.pdf</u>

Marianne Bitler, Hilary Hoynes, and Diane Schanzenbach, "The Social Safety Net in the Wake of COVID-19," Brookings Papers on Economic Activity, June 25, 2020, https://www.brookings.edu/wp-content/uploads/2020/06/Bitler-et-al-conference-draft.pdf

Laura Reiley, "Senate GOP Won't Extend Pandemic Food Stamps But Doubles 'Three-Martini Lunch' Deduction," *The Washington Post*, July 28, 2020, <u>https://www.washingtonpost.com/business/2020/07/28/senate-gop-wont-extend-pandemic-food-stamps-doubles-three-martini-lunch-deduction/</u> ² *The New York Times*, "Coronavirus in the U.S.: Latest Map and Case Count," August 6, 2020, <u>https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html</u>.

³ Laura Reiley, "Senate GOP won't extend pandemic food stamps but doubles 'three-martini lunch' deduction," *The Washington Post*, July 28, 2020, <u>https://www.washingtonpost.com/business/2020/07/28/senate-gop-wont-extend-pandemic-food-stamps-doubles-three-martini-lunch-deduction/</u>.

⁴ U.S. Department of Agriculture Economic Research Service, "National School Lunch Program," <u>https://www.ers.usda.gov/topics/food-nutrition-assistance/child-nutrition-programs/national-school-lunch-program/;</u> U.S. Department of Agriculture Food and Nutrition Service, "School Breakfast Program," <u>https://fns-prod.azureedge.net/sites/default/files/resource-files/35sbmonthly-7.pdf</u>.

⁵ Robert Wood Johnson Foundation, "Rapid Health Impact Assessment on USDA Proposed Changes to School Nutrition Standards, March 2020), <u>https://healthyeatingresearch.org/wp-content/uploads/2020/03/her-hia-executive-summary-final.pdf</u>.

⁶ Lauren Bauer et al, "The Effect of Pandemic EBT on Measures of Food Hardship," The Brookings Institution, July 2020, <u>https://www.brookings.edu/wp-content/uploads/2020/07/P-EBT_LO_7.30.pdf.</u>

⁷ Marianne Bitler, Hilary Hoynes, and Diane Schanzenbach, "Then Social Safety Net in the Wake of COVID-19," Brookings Papers on Economic Activity, June 25, 2020, <u>https://www.brookings.edu/wp-content/uploads/2020/06/Bitler-et-al-conference-draft.pdf.</u>

⁸ Ibid.

⁹ Ibid.

¹⁰ For an examination into the relationship between food insecurity and insufficiency, see Diane Schanzenbach and Abigail Pitts, "How Much Has Food Insecurity Risen? Evidence from the Census Household Pulse Survey," Institute for Policy Research, June 2020, <u>https://www.ipr.northwestern.edu/documents/reports/ipr-rapid-research-reports-pulse-hh-data-10-june-2020.pdf</u>.

¹¹ Diana Farrell et al, "Consumption Effects of Unemployment Insurance during the COVID-19 Pandemic," J.P. Morgan Chase Institute, July 2020, <u>https://institute.jpmorganchase.com/institute/research/labor-markets/unemployment-insurance-covid19-pandemic</u>.

¹² Bauer et al, 2020.

¹³ Bauer et al, 2020.

¹⁴ Jill Cowan, "Newsom Order Would Keep Most California Schools Online," *The New York Times*, July 17, 2020, https://www.nytimes.com/2020/07/17/us/california-schools-reopening-newsom.html.

¹⁵ Dana Goldstein and Eliza Shapiro, "Most Big School Districts Aren't Ready to Reopen. Here's Why," *The New York Times*, July 16, 2020, <u>https://www.nytimes.com/2020/07/14/us/coronavirus-schools-fall.html</u>; Ashraf Khalil, "Washington, DC, will not reopen school buildings this fall," *The Associated Press*, July 30, 2020, https://abcnews.go.com/US/wireStory/washington-dc-reopen-school-buildings-fall-72082086.

¹⁶ Eliza Shapiro, "N.Y.C. Schools, Nation's Largest District, Will Not Fully Reopen in Fall," *The New York Times*, July 17, 2020, <u>https://www.nytimes.com/2020/07/08/nyregion/nyc-schools-reopening-plan.html</u>.

¹ Zachary Parolin, Megan A. Curran, and Christopher Wimer, "The CARES Act and Poverty in the COVID-19 Crisis," Columbia Center on Poverty and Social Policy, June 2020,

https://static1.squarespace.com/static/5743308460b5e922a25a6dc7/t/5eefa3463153d0544b7f08b4/1592763209062/Fore casting-Poverty-Estimates-COVID19-CARES-Act-CPSP-2020.pdf.