

The Economic Benefits of Child Nutrition

Making sure that children have enough nutritious food to eat both improves their overall well-being and represents a vital investment in the broader economy. Good nutrition is a core part of child development, meaning that it both improves kids’ health and well-being during childhood while also supporting future academic and employment outcomes. Despite the immense importance of childhood nutrition, food insecurity is still far too high in the United States today. In light of this crisis, Democrats in Congress and the Biden-Harris administration are working to expand or make permanent important programs to support childhood and student nutrition.

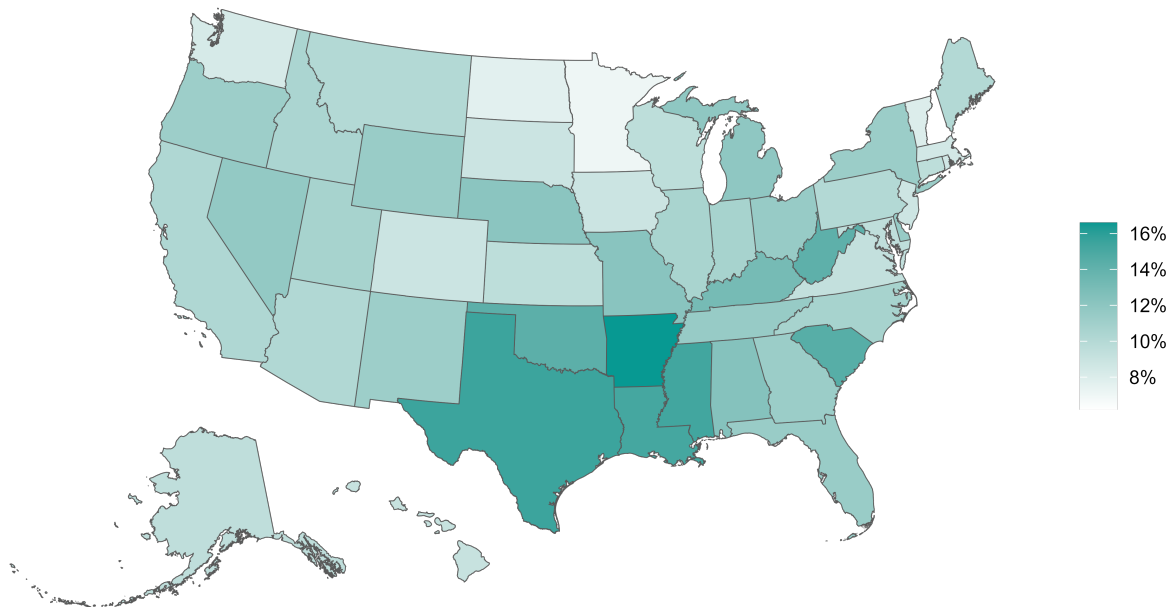
Making sure kids have enough to eat is vital for their health and well-being, but far too many children are facing food insecurity

Ensuring children have proper nutrition and enough food to eat is critical for their physical, [cognitive](#), and overall [well-being](#). Proper nutrition can support children’s growth and [development](#). It can also help protect them from dangerous and costly health conditions like [anemia](#) and [asthma](#), oral [health](#) problems, and mental health [disorders](#). Altogether, a 2016 estimate—the most recent one available—found food insecurity resulted in an [additional](#) \$52.9 billion in health care costs. This means that supporting kids’ nutrition and development can boost the economy even in the short-run by avoiding these costly and damaging health conditions.

Unfortunately, roughly 3.3 million households with children do not have enough food as of 2022, a [number](#) higher than in prior years.

Many States Face Disturbingly-High Rates of Household Food Insecurity

Share of households experiencing food insecurity by state, 2022



Source: U.S. Department of Agriculture

Investments in school meals support children's well-being, combat food insecurity, and boost the economy

School meal programs are an important tool to help alleviate food insecurity among children and reduce its associated costs for families, while [supporting](#) student's health and learning. For example, school meals programs have been proven to offer [healthier](#) and more nutritious foods compared to other [sources](#), improving dietary quality for participating children.

By improving children's health, school meals programs yield substantial long-term economic benefits. A 2021 [report](#) from the Rockefeller Foundation and the Center for Good Food Purchasing estimates that school meal programs provide \$40 billion annually in human health and economic benefits, a benefit that greatly exceeds the cost of \$18.7 billion to run them. This is far better than facing the [long-term](#) health consequences and decline in human capital caused by childhood food insecurity, which can result in higher public costs and decreased revenue.

Additionally, multiple [studies](#) have shown short-term benefits of school meals programs, including a link between school meals and improved student behavior and academic performance. Participation in school [breakfast programs](#), for instance, has been associated with improved cognitive function, better school attendance, and higher standardized test scores. These short-term benefits are also associated with [better labor market](#) prospects and [earnings](#) in the long-term.

By providing subsidized meals, school meals programs also help schools cover the cost of providing food for students, which help families save money on groceries. One [study](#) found subsidized meals helped lower the cost of providing meals among large- and medium-sized schools, allowing them to spend the money elsewhere. Another [study](#) found subsidized meals helped decrease grocery purchases among families with children, resulting in a 10% decrease in purchases at large retail chains and groceries stores lowering their prices by 2.5%.

Outside of school, investments in child and family nutrition also improve health and economic well-being

Providing students with nutritious food when school is out similarly helps maintain the health and well-being of students, in addition to helping the broader local economy. Summer programs that provide meals to children receiving free or reduced-price meals during the school year decreases food insecurity by up to 1 million children, according to a 2015 No Kid Hungry [report](#). Access to summer meals would also help reduce health [costs](#), potentially saving \$274 million in child hospitalization costs annually, and support academic achievement, increasing the number of high school graduates by 81,600, the same report finds.

Other federal nutrition programs that help support children also help stimulate economic [activity](#). For every dollar invested into the Supplemental Nutrition Assistance Program (SNAP) for example, GDP increases by \$1.50 during a weaker economy when the program has heightened importance and participation. In addition to providing children with access to nutritious food,

SNAP also delivers long-term economic benefits. It has been shown to mitigate the impacts of [unemployment](#) and poverty during recessions and increase students' chances of [graduating](#) high school. Similarly, every \$1 [invested](#) in the Supplemental Nutrition Program for Women, Infants, and Children (WIC) is [proven](#) to save \$2.48 in medical, educational, and productivity costs.

Many families facing food insecurity do not receive school meal benefits, but program changes can help make sure more kids get the nutritious school meals they need

In 2022, nearly three out of four [children](#) in food-insecure households did not receive free or reduced-price meals. Working to fix broader issues with low enrollment, the Community Eligibility Provision ([CEP](#)) within the U.S. Department of Agriculture (USDA) helps certain schools increase free and reduced-lunch participation by drastically expanding eligibility. The [provision](#)—created through the 2011 children's nutrition reauthorization—allows all students in a school, group of schools, or a district to receive free meals automatically if a certain percentage of the students are eligible for free school meals because they are certified through other federal programs. By [participating](#) in the program, schools have most of the costs reimbursed by the federal government, and both school staff and families can avoid dealing with bureaucratic [paperwork](#) related to eligibility.

A [study](#) by USDA found the provision increased student participation while reducing families' financial burdens, stigma, and administrative burdens. The pandemic-era school meal waivers that removed eligibility thresholds and applications had a similar effect—the [expiration](#) of which posed consequences for students. When schools returned to tiered eligibility and household applications during the 2022-23 school year, 1.2 million fewer children [participated](#) in the school meals program.

Democrat-led states, Democrats in Congress, and the Biden-Harris administration are working to increase access to nutritious meals during the school year and on summer break

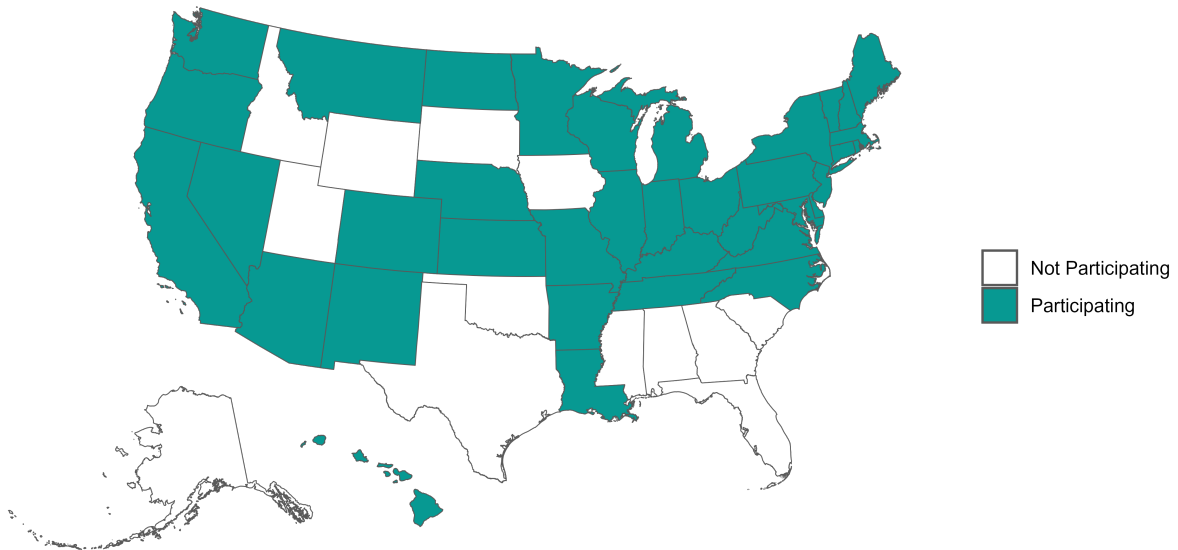
At the state level, [eight](#) states currently provide universal school meals on their own. New Mexico is among these eight states, having implemented its program after federal pandemic-related waivers [expired](#). Other states are using federal programs to fuel nutritious meals.

The Summer Electronic Benefits Transfer (EBT) program, which [began](#) as a pilot in 2010 and has shown strong [evidence](#) for reducing food insecurity and improving nutrition was recently permanently [authorized](#) by Congress. 37 states, Washington D.C., 5 U.S. territories, two Tribal nations, and additional tribes within states are already [participating](#) or plan to participate in the Summer EBT program this summer.

To participate, states must cover half of the administrative [costs](#) associated with administering the funds. Currently, 13 Republican-led states—including many experiencing high rates of household food insecurity—opted out. The decision strips access to nutritious meals for millions of [kids](#), meaning they are paying the price for Republican governors' rejection of federal assistance more broadly.

Some of the States With the Highest Rates of Household Food Insecurity Opt Out of the New Summer EBT Program

States that did and did not opt in to the Summer EBT program for summer 2024



Source: U.S. Department of Agriculture

The Biden-Harris administration is also working to help combat childhood hunger. Along with the Summer EBT program (also called SUN Bucks), the Biden administration launched other [SUN Programs](#) to help provide children with nutritious meals over the summer. SUN Meals are programs that provide on-site meals at schools, parks, community centers, and other neighborhood locations over the summer. SUN Meals To-Go launched in 2023 and offers pick-up and delivery options in certain rural areas.

In September 2023, USDA also finalized a new CEP [rule](#). The rule decreased the threshold for the percentage of automatically-eligible-students from 40% of students to 25%, ensuring more schools qualify for free meals for all of their students. In recent years, the USDA has also been running a [pilot program](#) in 43 states to pull Medicaid enrollment information and automatically enroll qualifying students in free or reduced-price school meals.

Other bills, including JEC Chairman Heinrich's [Healthy Meals Help Kids Learn Act](#), would permanently increase reimbursement levels for schools. Additionally, bills like the [Universal School Meals Program Act](#) and the [Child Care Nutrition Enhancement Act](#) would save families from having to navigate the burdensome application process and increase the reimbursement rates that child care providers receive for meals through the Child and Adult Care Food Program, respectively. Democrats in Congress are also working to expand funding for important programs like [SNAP](#) and to provide other sources of money to help families cover the cost of food, such as through the expansion of the [Child Tax Credit \(CTC\)](#).