March 13, 2020

To: Editors and Reporters

From: Joel Berg, CEO, Hunger Free America

Subject: Why the COVID-19 Crisis is Increasing Hunger and Poverty

Summary

Unless the public, private, and nonprofit sectors work closely together to take immediate, bold action on food access and unemployment, the combined health crisis and economic collapse inflicting the nation will result in a sharp increase in the amount and severity of U.S. hunger, especially among children and older Americans. This memo proposes concrete steps necessary to prevent that from occurring.

This current crisis also focuses a glaring spotlight on the nation’s long-term needs for universal health care, paid medical leave, universal child care, and unemployment programs that better react to the unique employment patterns of the gig economy.

Background on Hunger, Poverty, and Inequality Before the Current Crises

Even when the stock market was still soaring and a pandemic was not stalking the nation, in 2018, America suffered from the erosion of the middle class, high poverty, hunger, and homelessness, and the steep decline of the American dream. This profoundly impacted other critical issues like health, education, racial inequity, economic competitiveness, gender inequality, and national security.

Median household income was $63,179 in 2018, not statistically different from the 2017 median.

38.1 million Americans lived below the meager federal poverty line of $20,780 for a family of three in 2018 (U.S. Census Bureau). While the poverty rate in 2018 was slightly lower than in 2017, the number of Americans living in poverty was still higher than in 2007, before the recession, and 66 percent higher than in 1973, when — due to both broad-based economic growth and the War on Poverty — poverty reached its lowest level in modern times.
In contrast, the wealthiest 400 Americans had a combined net worth of $2.9 trillion. That $2.9 trillion figure is the equivalent of $76,115 for each of the 38.1 million Americans in poverty.

And in 2018, 93 million Americans lived at 200% of the poverty line or below. That means that nearly a third of all Americans lived in or near poverty.

37.2 million Americans – more than the combined populations of Ohio, Georgia, and the five states of New England – lived in households in 2018 defined by the federal government as “food insecure,” unable to always afford enough food. In New York State more than two million people live in food insecure homes; in New York City alone, more than one million people do.

According to Hunger Free America’s analysis of federal data, in 2016-2018, 12.2 million American children (one in six children), nearly 10 percent of employed U.S. adults (14.3 million workers), and 5.3 million (one in 13) Americans age 60 or older lived in such food insecure households.

Neither low and middle-income households nor government agencies are well-prepared to deal with a major economic downturn. One in five American families have zero or negative net assets. A nationwide poll of 1,000 likely voters commissioned by Hunger Free America and A Place at the Table asked: “How long could you live without working before you worried about facing a major crisis in terms of being able to afford basic necessities like rent/mortgage, food or health care?” In response, 62 percent of those polled said they could last less than 6 months, with 21 percent saying they would last less than a month.

Unemployment and insurance programs in most states are generally not well-suited to meet the needs of employees in the gig economy, so workers who try to survive on sporadic job assignments get very little government help.

Cash welfare as we knew it has essentially been eliminated; even among Americans in poverty, only one in 19 now receive cash welfare.

Furthermore, as the caseloads for cash assistance and SNAP (formerly called food stamps) have declined over the last decade – and as social service agencies have automated many of their operations – most states, counties, and cities have very significantly downsized their social service workforces. If those government agencies need to handle increased caseloads again, most will be unable to easily do so, despite technological improvements.

**Why Coronavirus and the Economic Downturn will Increase U.S. Hunger**

As was the case with Hurricane Katrina and Superstorm Sandy, major natural disasters not only create more problems for low-income Americans, but they also rip the bandages off the previously covered-up pre-existing wounds suffered by people in poverty, enabling America to better see the full extent of the concrete harm caused by the nation’s astonishing inequality.
To make matters worse, this is the first time in modern U.S. history that a mass public health crisis is being combined with an economic collapse.

On normal school days, 29 million U.S. kids get federally-funded free or reduced-priced breakfast, lunches, or after-school snacks. For that reason, the only kids in America who don’t celebrate snow days off from school are hungry ones.

If schools close for weeks at a time due to the coronavirus, unprecedented numbers of children will go without school meals. Given the mass numbers of schools already closed, the emergency has begun.

Hunger Free America is not an expert in medicine or epidemiology, so we won’t make recommendations on whether schools should close or stay open during the coronavirus pandemic. We won’t second guess the decision of state or local officials to close schools or keep them open. That being said, it is vital to be clear that closing schools does increase child hunger, especially since, as indicated below, the alternative food delivery options for hungry children are extremely limited. While the impact upon child hunger should not be the only consideration for whether a school district closes or stays open, it should be a serious consideration.

In 2018, 14.7 million (nearly one in ten) U.S. workers, most of whom were in service jobs, were paid so little that they couldn’t afford food. Now many of those same people — especially sports arena, Broadway shows, and airline employees — will be unemployed or have their meager incomes slashed as their workplaces close or shrink. For employees dependent on tipped wages (including restaurant and hotel workers and taxi and car service drivers), even if they nominally keep their jobs, their income will be dramatically reduced. For tens of millions of Americans without paid sick leave, they will lose wages if they take sick days off work.

At a time when struggling families will need to spend more on food due to the lack of school meals, they will have even less money to buy food. Families will be forced to use more of their scarce resources to pay for child care and health care. Consequently, the new health care and economic crises will exacerbate the massive, pre-existing conditions caused by the U.S. being the only industrialized, Western nation without universal health care, paid pick leave, and widespread affordable child care.

More than 1.5 million older Americans obtain more than 75 million meals a year at senior centers, religious institutions, schools, and other community spaces serving meals through the congregate meals program established by the federal Older Americans Act. If many of these centers close due to the pandemic, hunger among older Americans will also skyrocket.

If soup kitchen and food pantry volunteers become ill, those vital agencies may also be forced to close or limit their services, further deepening the hunger crisis. The number of volunteers at some agencies we contacted has plummeted in the last week.

Even though there is no evidence that people who are homeless are any more likely to be infected with coronavirus than anyone else, many people will wrongly believe otherwise, and be even less likely to help this especially vulnerable population.
The Limits of the Charitable and School System Response to Date

It’s heart-warming that American charities and volunteers are stepping up to help. But it’s vital to remember that, even in the best of times, the charitable sector can only put a small dent in the nation’s massive poverty and hunger problem; after all, even though the federal nutrition assistance safety net is underfunded and often too difficult to access for many people, it provides at least ten times the dollar amount of food than all the nation’s more than 40,000 charitable food banks, soup kitchens, and food pantries — combined.

To truly address this crisis, government at all levels (but especially the federal government) must step up to the plate and take the lead. When the private or philanthropic sectors donate to anti-hunger charities, the most effective investment, by far, is to support efforts that increase enrollment in federally-funded nutrition assistance programs, most of which are entitlements and thus will automatically increase their funding to allow increased enrollment.

In natural disasters, one of the most commons way for the government to distribute food is to open sites for the mass distribution of commodities or hot meals.

Thus, in one sense, it makes sense that some schools that have closed due to the coronavirus have allowed children to show up at school to obtain food to take home. We are grateful that USDA has given school districts quick waivers to do so. But this approach is problematic for a number of reasons:

- If schools and workplaces are closed specifically to prevent people from congregating, then giving out food to large numbers of children congregating together could be counter-productive.
- If their parents are still working during the day, it may be more difficult/dangerous for the kids to get meals.
- Some schools have limited such pick-ups to families with cars; many of the lowest-income families don’t own cars or the parents in such families must use their car to get to work.
- Many children live long distances from their schools, and travelling to food pick-up locations could expose them to more disease risks, as well as cost them for travel.
- USDA has only given waiver approval to this alternative meal delivery method to schools in which 50% or more of their students are eligible for free or reduced-price school meals. Yet there are still many low-income children in schools – particularly in suburban and rural areas – that do not qualify for this waiver. If such schools are closed, the low-income students in these schools would miss out on school meals entirely.

While we have not seen data yet on the effectiveness of such alternative food distribution efforts by schools, it is highly likely that they will serve far fewer children than normal school meals programs on regular school days.

What Government Officials and Philanthropic Leaders Can Do to Best Reduce the Hunger Epidemic
Given the limits of both the charitable response and the limits to kids going to schools to pick up food – as well as the reality that many families will lose food purchasing power due to job losses or income reductions of parents – the single most effective government response would be to enable low-income families to obtain more food they can purchase at stores and markets and eat at home through programs such as SNAP (formerly called Food Stamps) and WIC, which provides nutritional supplements to pregnant women and children under five. That needs to happen fast.

Here are the steps I propose:

- The full Congress and President Trump should immediately enact the proposal of House Speaker Pelosi and Senate Democratic Leader Schumer to increase funding for SNAP for family with children, WIC, and boost food and funding for food banks, soup kitchens, and food pantries. They should also agree to stop the Trump Administration’s plans, scheduled to take effect April 1, to make it more difficult for unemployed people to receive SNAP. They should also increase unemployment compensation, and make it more flexible to meet the needs of gig economy workers. Some leading Congressional conservatives now fiercely oppose such efforts, claiming they are too costly; I note that the same people supported massive tax cuts that went mostly to the rich and ballooned the deficit by $2.289 trillion. This national crisis is no time for vital relief to be sidetracked by hypocritical objections that represent an extreme ideology and/or reflexive partisanship. A broad, well-funded relief package should be passed and signed into law immediately.

- If SNAP and WIC funding are increased, the federal, state, and local governments – as well as the private sector and philanthropies – should rapidly fund organizations (such as Hunger Free America) that already effectively facilitate applications to such programs, to significantly ramp up such efforts. For instance, if extra funding were provided to Hunger Free America, we would conduct special benefits access work aimed at the employees of sports arenas and airports, where large-scale lay-offs are likely to happen first. Such funding should include special training and equipment to minimize the risk of the outreach workers getting sick.

- Federal, state, county, city, and tribal officials should work together with nonprofit service providers and advocates to publicize how newly-unemployed people and parents of children in closed schools can get SNAP, WIC, and unemployment benefits.

- As it did during the last federal shutdown, the federal government should allow states to provide the next month’s SNAP and WIC benefits to participants in advance. The White House, OMB, and USDA would need to work with states to make this happen.

- Home delivery of food to vulnerable populations should be significantly ramped up. Federal, state, city, county, and tribal government agencies, private sector companies, and philanthropies should work together and with non-profit groups to fund creative ways to deliver more meals directly to the homes of people in need, taking care to ensure that
those staff and volunteers delivering the food have the proper clothing, equipment, and training to make sure they don’t get sick while doing so. Funders should offer local Meals on Wheels programs nationwide – which mostly now serve older Americans – as well as regional food banks, the option of receiving more food and transportation funds to deliver food directly to shut-in Americans of all ages, but particularly to older Americans.

- Some states have already starting using National Guard units for food delivery; those efforts should be ramped up.

- The federal Corporation for National and Community Service and state national service commissions should work together with nonprofit partners to use participants in the federally-funded AmeriCorps national service program to deliver meals and/or help sign people up for benefits. To do so rapidly, the federal government should give extra funds and/or AmeriCorps slots to existing AmeriCorps sponsor organizations with a proven track record of implementing high-quality projects quickly.

- Nonprofits with solid track records of coordinating non-compensated community volunteers for such activities should also be granted extra funds by government agencies, corporations, and philanthropies to pay for staff to oversee volunteer recruitment, training, and implementation, as well as transportation and equipment for such efforts.

- Staff, AmeriCorps members, and volunteers who conduct food delivery and/or benefits outreach workers should all have access to free, rapid coronavirus testing.

- The federal, state, and local governments should create and run public service announcements – and hold media events – to highlight how people can best get help. Any members of the public with questions on how to do so could be directed to contact the USDA National Hunger Clearinghouse and Hotline, which Hunger Free America runs on behalf of USDA.

- States, cities, and counties should set up special social services tasks forces – including all key public, private, and nonprofit stakeholders – to address these crises.

- All key stakeholders should work together to implement long-term public policies to create more living wage jobs and ensure universal, mandated paid family and medical leave, and ensure high-quality, universal health care and child care. Policy makers should also ensure long-term fixes to make unemployment compensation more flexible to meet the needs of gig economy workers.

If you and/or any members of your team would like to discuss any or all of these points with Joel Berg, please contact Hunger Free America’s Director of Communications, Nicole Aber, at nabera@hungerfreeamerica.org or 646-627-7741.