



Updated SNAP Benefit Levels Will Help 42 Million People and Add \$31.8 Billion in Local Economic Activity Every Year

The recent U.S. Department of Agriculture (USDA) review of the Thrifty Food Plan will result in increased benefits under the Supplemental Nutrition Assistance Program (SNAP), helping 42 million people afford food. This review, mandated under the bipartisan 2018 Farm Bill, will permanently increase the maximum SNAP benefit 21% above pre-pandemic levels. The increased benefit levels will result in an estimated \$31.8 billion annually in additional economic activity, helping small businesses and local farms.

Emergency food programs enacted during the coronavirus pandemic were vital to working families who lost jobs through no fault of their own, and SNAP is projected to keep almost 8 million people out of poverty in 2021. Permanently increasing benefits under SNAP will benefit the whole economy as it helps individuals, working families, seniors and disabled people, and provides long-term benefits for low-income children.

The USDA updated SNAP benefits based on a data-driven review mandated by the bipartisan 2018 Farm Bill

In August 2021 the USDA updated the Thrifty Food Plan, used as the basis for calculating SNAP's maximum benefit allotment, which increased benefits for 42 million people. SNAP helps eligible low-income people [afford](#) a basic, nutritional diet. The August update to the Thrifty Food Plan was [required](#) to take place by 2022 under the [2018 Farm Bill](#), which [passed](#) with overwhelming bipartisan votes in both houses of Congress and was signed into law by President Trump.

The USDA's [review](#) of the Thrifty Food Plan estimated the cost of a basic, nutritious diet for a family of four and will lead to a permanent 21% increase in maximum SNAP benefit levels. The review, the first since 2006, evaluated current food prices and dietary habits in a rigorous, data-driven process and marks the first time in its history that the Thrifty Food Plan has been adjusted to accurately reflect the realities of healthy eating today.

Previous updates to the Thrifty Food Plan tied benefit increases to overall increases in the cost of living and did not reflect the actual cost recipients incur to afford a healthy, practical diet. This flawed approach resulted in SNAP benefit allotments that departed from the realities of healthy eating on a budget. For example, previous calculations assumed improbably high levels of milk and orange juice consumption while assuming wildly low consumption standard diet mainstays, such as eggs and cheese, due to cost. Taking local price variation into account, [one study](#) found that by 2020, the maximum SNAP benefit no longer covered the cost of a realistic, modestly priced meal in 96% of US counties.

Updated SNAP will increase monthly individual benefits by \$36 on average for 42 million people

Consistent with the increased cost identified by the Thrifty Food Plan review, the 2021 SNAP update will be the largest in the program's history and individual benefits will increase by an average of \$36. Across the U.S., this translates to nearly \$19.7 billion in additional funding for recipients to put food on their tables and feed their families. For a family of four in the 48 contiguous states and D.C., the [maximum allotment](#) will now be \$835, with higher adjusted allotments for Alaska, Hawaii, Guam and the U.S. Virgin Islands, where the cost of food is significantly higher. While there is still work to be done to guarantee food security for all American families, updated SNAP benefits will make it possible for families to buy a modestly priced meal in [nearly 80%](#) of U.S. counties.

Updated SNAP benefits will add \$31.8 billion in local economic activity each year

The increased funds from the SNAP update will support local businesses and generate an estimated \$31.8 billion in additional economic spending. Using an [estimated](#) multiplier of 1.61 — how much additional spending each \$1 in SNAP payments will generate, as people use their funds to buy food that in turn generates income for other people and businesses — the Joint Economic Committee projects the \$19.7 billion in additional benefits for SNAP in fiscal year 2022 could generate nearly \$31.8 billion in additional economic activity. Updated SNAP benefits will bolster local economies, supporting spending to raise incomes and create jobs.

The economic benefits from SNAP benefits go well beyond the households that receive the income support directly. Over a [quarter-million food retailers](#) participated in the SNAP program as of fiscal year 2020, including farmers markets, military commissaries and nearly 9,000 small grocery stores. In addition, the household spending on food provided by SNAP helps America's farms by generating [more stable demand for crops and more agriculture jobs](#).

Projected Total SNAP Benefits, FY 2022, in Millions

State	Total SNAP Benefits Under Prior TFP	Total SNAP Benefits Under Re-Evaluated TFP	Difference	Immediate Fiscal Impact Under Re-Evaluated TFP
Alabama	\$1,260	\$1,603	\$343	\$2,581
Alaska	\$195	\$248	\$53	\$399
Arizona	\$1,425	\$1,813	\$388	\$2,919
Arkansas	\$533	\$678	\$145	\$1,092
California	\$7,484	\$9,523	\$2,039	\$15,332
Colorado	\$855	\$1,088	\$233	\$1,752
Connecticut	\$666	\$847	\$181	\$1,364
Delaware	\$176	\$225	\$49	\$362
District of Columbia	\$255	\$324	\$69	\$522
Florida	\$5,319	\$6,768	\$1,449	\$10,896
Georgia	\$2,857	\$3,635	\$778	\$5,852
Guam	\$103	\$130	\$27	\$209
Hawaii	\$697	\$887	\$190	\$1,428
Idaho	\$248	\$316	\$68	\$509
Illinois	\$3,530	\$4,491	\$961	\$7,231
Indiana	\$1,095	\$1,393	\$298	\$2,243
Iowa	\$425	\$541	\$116	\$871
Kansas	\$354	\$450	\$96	\$725
Kentucky	\$1,002	\$1,276	\$274	\$2,054
Louisiana	\$1,595	\$2,030	\$435	\$3,268
Maine	\$244	\$311	\$67	\$501
Maryland	\$1,282	\$1,631	\$349	\$2,626
Massachusetts	\$1,572	\$2,000	\$428	\$3,220
Michigan	\$1,979	\$2,518	\$539	\$4,054
Minnesota	\$635	\$808	\$173	\$1,301
Mississippi	\$630	\$802	\$172	\$1,291
Missouri	\$1,168	\$1,486	\$318	\$2,392
Montana	\$155	\$198	\$43	\$319
Nebraska	\$321	\$408	\$87	\$657
Nevada	\$654	\$832	\$178	\$1,340
New Hampshire	\$102	\$130	\$28	\$209
New Jersey	\$1,380	\$1,756	\$376	\$2,827
New Mexico	\$916	\$1,166	\$250	\$1,877
New York	\$5,283	\$6,723	\$1,440	\$10,824
North Carolina	\$4,329	\$5,508	\$1,179	\$8,868
North Dakota	\$85	\$108	\$23	\$174
Ohio	\$2,566	\$3,265	\$699	\$5,257
Oklahoma	\$967	\$1,230	\$263	\$1,980
Oregon	\$1,237	\$1,574	\$337	\$2,534
Pennsylvania	\$2,840	\$3,614	\$774	\$5,819
Rhode Island	\$255	\$325	\$70	\$523
South Carolina	\$993	\$1,264	\$271	\$2,035
South Dakota	\$131	\$166	\$35	\$267
Tennessee	\$2,247	\$2,859	\$612	\$4,603
Texas	\$5,515	\$7,017	\$1,502	\$11,297
Utah	\$268	\$341	\$73	\$549
Vermont	\$115	\$146	\$31	\$235
Virginia	\$1,238	\$1,575	\$337	\$2,536
Virgin Islands	\$56	\$72	\$16	\$116
Washington	\$1,508	\$1,918	\$410	\$3,088
West Virginia	\$457	\$582	\$125	\$937
Wisconsin	\$1,166	\$1,483	\$317	\$2,388
Wyoming	\$49	\$62	\$13	\$100
United States	\$72,415	\$92,146	\$19,731	\$148,355

Note: "Immediate Fiscal Impact Under Re-Evaluated TFP" is calculated using an assumed multiplier of 1.61 on federal spending on SNAP at the state level from Yaros and Zandi (2021). Figures do not include emergency allotments, which may continue in some states for portions of the year.

Source: U.S. Department of Agriculture, JEC Democratic staff calculations, Bernard Yaros, Jr. and Mark Zandi ("The Biden Fiscal Rescue Package: Light on the Horizon," 2021)

SNAP helped alleviate increased food insecurity and is keeping 8 million people out of poverty during the coronavirus pandemic

Research by the Urban Institute [estimated](#) that SNAP benefits, which were increased 15% by the bipartisan emergency relief measures and the American Rescue plan, are keeping almost 8 million people out of poverty during the coronavirus pandemic. The bipartisan relief [package](#) enacted in December 2020 included a 15% increase in SNAP's maximum benefit through June 2021, and the American Rescue Plan, enacted in March 2021, extended it through September. This increase applied to all states and territories participating in SNAP, and, by the time of the March extension, it amounted to nearly \$28 more in SNAP benefits per person per month, or just over \$100 per month in additional food assistance for a family of four.

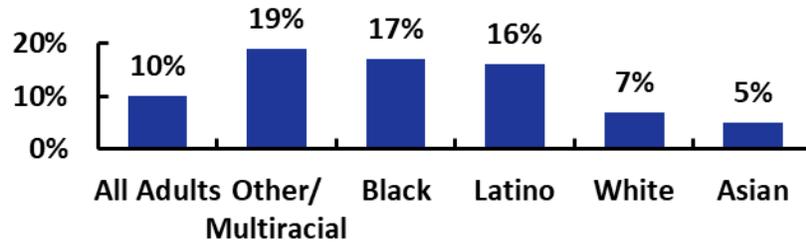
In addition, in April of this year the USDA, under the Biden administration, announced a new [policy](#) to provide \$1 billion a month in additional SNAP benefits to 25 million of the lowest-income SNAP participants who had been partly or entirely excluded from previous emergency benefits. Under this measure, all SNAP households received at least \$95 a month in emergency allotments. These measures built on previous bipartisan efforts to expand SNAP during the coronavirus pandemic.

Food insecurity increased during the economic crisis caused by the pandemic. The number of families who reported difficulty affording food [increased](#) during the coronavirus pandemic and peaked in early 2021. Under the Biden administration, the incidence of families reporting such difficulties has fallen but the increased benefits are needed to address persistent economic insecurity: about 20 million adults, or 10 percent of all adults nationwide, [reported](#) between June and July 2021 that their household sometimes or often did not have enough to eat in the last seven days.

Communities of color were hit particularly hard by the economic impact of the coronavirus pandemic. [Data](#) collected between the end of June and early July shows that multiracial, Black and Latino adults were more than twice as likely as white adults to report that their household did not have enough to eat in the last seven days, reflecting long-standing racial disparities. SNAP has been instrumental in helping historically marginalized families keep food on the table through the crisis.

Families of Color Are More Likely to Face Food Insecurity During the Pandemic

Share of households reporting food insecurity in the last 7 days, July 2021



Note: Food insecurity is defined as sometimes or often not having enough to eat. Data reflect period from June 23 to July 5, 2021.

Source: Center on Budget and Policy Priorities, Census Bureau Household Pulse Survey

Increased SNAP benefits reflect the realities of today's dietary needs and will provide big benefits for families and communities

The USDA's review of the Thrifty Food Program will result in SNAP benefit levels that reflect the realities of current household dietary needs and budgets. The individuals, working families, seniors and people with disabilities who use SNAP to afford food will get a permanent 21% increase to their maximum potential benefits. Updated SNAP benefits will generate approximately \$31.8 billion in additional economic activity that will help small business and local farms.

The economic impact of the coronavirus pandemic showed that SNAP continues to be a vital program for American families and is keeping an estimated 8 million people out of poverty in 2021. Updated benefits will help households afford a basic, nutritious diet while providing economic benefits to communities across the U.S.