







U.S. Department of Agriculture proposes to reduce hunger aid in Cleveland by \$13 million annually

John R. Corlett
President and Executive Director

December 16, 2019



U.S. Department of Agriculture proposes to reduce hunger aid in Cleveland by \$13 million annually

John R. Corlett President and Executive Director

December 16, 2019

Key Takeaways

- Next year the U.S. Department of Agriculture has proposed reducing annual hunger aid in Cleveland by \$13 million and by \$21 million in Cuyahoga County as a whole
- Approximately 4.1 million meals would be lost in the City of Cleveland and 6.7 million meals in Cuyahoga County
- The average household benefit cut would be \$45 per month, or \$540 per year
- Ten Cleveland neighborhoods with the largest losses would see hunger aid reduced by more than \$6.7 million a year and result in a loss of economic activity totaling more than \$10 million
- These reductions in hunger aid could reduce the economic viability of neighborhood grocery and other stores that redeem significant percentages of SNAP benefits; 50 percent of Cleveland residents currently live in "food deserts" 1
- Private charities like the Greater Cleveland Food Bank would need to provide more than eight million pounds of food in Cuyahoga County to make up for the reductions in federal aid

The United States Department of Agriculture (USDA) published draft rules for the Supplemental Nutrition Assistance Program (SNAP) in early October that would result in 300,000 SNAP households in Ohio losing \$144 million annually in anti-hunger aid. The comment period for these rules ended on December 2. Households including children, elderly persons, or people

¹ Cuyahoga County Supermarket Assessment 2018 Inventory Update, Cuyahoga County Planning Commission, March 8, 2019

with disabilities would experience the largest reductions in aid. The drop in SNAP assistance is due to the fact that Ohio would no longer have control over how a household's utility expenses are counted when calculating SNAP benefit levels. Instead, the state would be required to use a national standard capped deduction. States like Ohio, which can experience extreme cold and heat and resulting high utility bills, would be disadvantaged by this proposal. In Cleveland, the lost aid is estimated to be \$13 million in one year, and the loss for Cuyahoga County as a whole would be \$21 million.²

In Cleveland, 40 percent of all SNAP households with children would lose benefits under the proposal, and the average cut per household would be about \$40 a month. One-half of households with older adult members would also lose a part of their monthly benefit – an average cut per household of about \$43 a month. Sixty-one percent of households that include a person with a disability would see their benefits cut, losing an average of \$42 a month.³

These reductions would occur against a backdrop of widespread poverty. Among large U.S. cities, Cleveland has the worst rates of child poverty in the nation, second worst for workingage adults and third worst for older adults living in poverty. In fact, the poverty rate for older adults in Cleveland is getting worse - the rate climbed 2.7 percent between 2017 and 2018, from 19.3 percent to 22 percent of adults age 65 and older who now live in poverty. Data released by Feeding America in 2019 showed Cuyahoga County (Cleveland) with the second-highest rate of food insecurity in Ohio – nearly 20 percent of Cuyahoga County residents are food insecure. In a recent survey conducted by The Center for Community Solutions, 30 percent of low-income adults in Cuyahoga County who we polled said they had "too little money to buy food," and an equal share reported falling behind on their gas, electric and/or phone bills.⁴

² Proposed Rule: SNAP Standardization of State Heating and Cooling Costs, U.S. Department of Agriculture, October 3, 2019.

³ Center on Budget and Policy Priorities analysis based on the USDA Regulatory Impact Analysis for the proposed rule and FY2017 SNAP Household Characteristics (or Quality Control) data.

⁴ Poverty Speaks: Making Tough Choices, The Center for Community Solutions, Emily Campbell, August 7, 2019 https://www.communitysolutions.com/poverty-speaks-making-tough-choices/

Table 1

Cleveland Neighborhoods That Will Experience the Largest Reductions in Hunger Aid

Cleveland Neighborhoods	Households with SNAP Benefits	Households with Reduced Benefits	Estimated Annual Loss of Anti-Hunger Aid
Glenville	4,257	1,745	\$942,538
Old Brooklyn	3,946	1,618	\$873,644
Broadway-Slavic Village	3,786	1,552	\$838,290
Central	3,144	1,289	\$696,150
Union-Miles	2,755	1,130	\$610,060
North Shore Collinwood	2,689	1,103	\$595,392
West Boulevard	2,655	1,088	\$587,760
Mount Pleasant	2,641	1,083	\$584,824
Hough	2,554	1,047	\$565,428
Collinwood-Nottingham	1,906	781	\$421,941
TOTAL	30,334	12,437	\$6,716,027

Note: Not all households will not be impacted equally – i.e. one household may see a \$10 reduction in benefits, while another household sees an \$80 reduction, depending on the other SNAP deductions they receive.

SNAP Reductions Would Result in Reduced Economic Activity

It is estimated that Cleveland would experience a loss in economic activity of \$19.6 million if the proposed rule changes move forward. This loss in economic activity was calculated using a formula developed by the USDA. The USDA has calculated that the economic multiplier of every dollar spent on SNAP is \$1.50. Every dollar in SNAP benefits that a household receives frees up non-SNAP funds that would have otherwise been spent on food for other non-SNAP purchases. Conversely if benefits are cut, these non-SNAP purchases would be reduced. SNAP is widely viewed as a very effective method of economic stimulus. This is because nearly 80 percent of SNAP benefits are used within two weeks of being received. That means the money

⁵ The Supplemental Nutrition Assistance Program (SNAP) and the Economy: New Estimates of the SNAP Multiplier, Patrick Canning and Brian Stacy, United States Department of Agriculture, July, 2019.

⁶ Benefit Redemption Patterns in the Supplemental Nutrition Assistance Program, United States Department of Agriculture, February, 2011

moves quickly into the local economy, supporting jobs at neighborhood retailers and other businesses. If funding were reduced, the impact would also be quickly felt. Area grocers report that in the past they quickly see the effects of benefit cuts and/or increases.

Table 2

Cleveland Neighborhoods That Will Experience the Largest Reductions Economic Activity

Cleveland Neighborhood	Loss Economic Activity		
Glenville	\$1,143,807		
Old Brooklyn	\$1,310,467		
Broadway-Slavic Village	\$1,257,435		
Central	\$915,089		
Union Miles	\$893,088		
North Shore Collinwood	\$881,639		
West Boulevard	\$881,639		
Mount Pleasant	\$877,236		
Hough	\$848,142		
Collinwood-Nottingham	\$632,912		
TOTAL	\$10,074,040		

Private Charity Unlikely Able to Close Hunger Gap

Households who experience a benefit loss of hundreds of dollars will have few places to turn for help. That's because Ohio's emergency food providers like the Greater Cleveland Food Bank aren't likely prepared or able to make up cuts of this magnitude. SNAP is the first line of defense against hunger in Ohio and the nation. SNAP provides nine meals for every one meal the food banks that are members of the Ohio Association of Foodbanks provide. We estimate that approximately 4.1 million meals would be lost in the City of Cleveland and 6.7 million meals in Cuyahoga County. The ten neighborhoods with highest losses would lose 2,152,573 meals annually. The Greater Cleveland Food Bank would need to distribute more than 2.5 million pounds of food in just the 10 neighborhoods below to fill the gap created by a federal reduction in food aid.

Table 3

Total Meals That Would be Lost in Cleveland Neighborhoods that Would See Largest Aid
Hunger Reductions

Selected Cleveland Neighborhoods	Estimated Annual Loss of Anti-Hunger Aid	Meals Lost Due to SNAP Cuts	Meals Provided by Cleveland Foodbank	% Increase in Charity Meals Needed to Fill Gap
Glenville	\$942,538	302,906	1,648,433	18%
Old Brooklyn	\$873,644	280,014	713,928	20%
Broadway-Slavic Village	\$838,290	268,683	1,039,046	25%
Central	\$696,150	223,125	902,809	25%
Union-Miles	\$610,060	195,532	751,218	32%
North Shore Collinwood	\$595,392	190,831	601,275	32%
West Boulevard	\$587,760	188,384	453,110	42%
Mount Pleasant	\$584,824	187,444	826,139	23%
Hough	\$565,428	181,227	714,704	25%
Collinwood- Nottingham	\$421,941	135,238	1,487,557	9%

Note: Meal data provided by the Greater Cleveland Food Bank which works with 1,000 local food pantries, hot meal programs, shelters, mobile pantries, programs for the elderly and other nonprofit agencies to distribute more than 50 million meals in Northeast Ohio.



Copyright 2019 by The Center for Community Solutions. All rights reserved.

Comments and questions about this edition may be sent to jcorlett@CommunitySolutions.com

1501 Euclid Ave., Ste. 310, Cleveland, OH 44115

175 S. Third St., Ste. 350, Columbus, OH 43215

P: 216-781-2944 // F: 216-781-2988 // www.CommunitySolutions.com