

FOODSHARE USE REMAINS HIGH POST PANDEMIC

Though the high unemployment that accompanied the pandemic has subsided, the number of people receiving FoodShare benefits in Wisconsin has not yet returned to 2019 levels. This may reflect a number of factors, from changes to eligibility requirements to reduced stigma and high food prices. In this brief, we examine FoodShare use in Wisconsin and the program’s impact on hunger and food insecurity in the state.

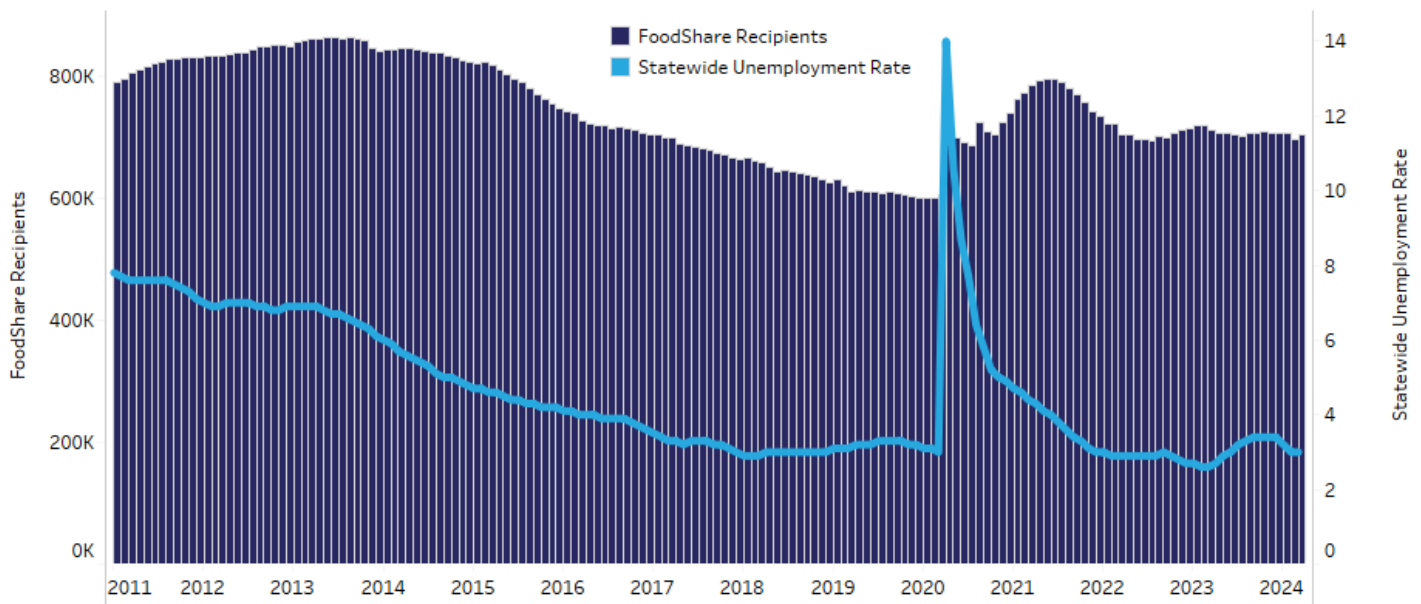
Though the COVID-19 crisis has faded and Wisconsin’s unemployment rate has fallen to pre-pandemic levels, the number of people receiving the benefits formerly known as food stamps remains elevated and currently shows little sign of dropping back to its pre-pandemic count.

As of March 2024, data from the state Department of Health Services show Wisconsin’s FoodShare program totaled 702,700 recipients. That was well below the most recent peak of 793,300 participants in May 2021 but still 99,000 (16%) more than in March 2020, which was the last month with recipient levels not impacted by the pandemic.

FoodShare is the state program that distributes federal Supplemental Nutrition Assistance Program (SNAP) benefits, formerly referred to as food stamps. FoodShare participation might have been expected to fall back toward pre-recession levels as the massive spike in unemployment subsided, but that has not been the case. This brief examines program participation and benefit data from the state Department of Health Services to explore the factors behind current trends.

As shown in Figure 1, the number of FoodShare recipients climbed for 13 months following the state’s peak unemployment rate of 14% in April 2020 and then began to drop modestly until March 2022. Since then,

Figure 1: FoodShare Rolls Stabilize at Higher than Pre-Pandemic Levels
Number of FoodShare recipients vs. seasonally adjusted unemployment rate in Wisconsin



Source: Wisconsin Department of Health Services



monthly recipient numbers have remained relatively steady, hovering between 693,000 and 719,000. This is a higher range than before the pandemic despite similar unemployment rates and a competitive labor market, suggesting the possibility that the current count represents a new normal for the state.

The enrollment totals remain elevated in counties around the state. In March 2024, FoodShare enrollment remained at least 20% higher in 43 of the state's 72 counties compared to March 2020. Twenty-three additional counties saw increases of at least 10%. Three of the eleven federally recognized tribes located in Wisconsin also experienced program participation increases of at least 20% over that same time frame.

As of March 2024, Sheboygan (30%), Milwaukee (26%), and Shawano (26%) counties had the highest FoodShare participation rates in Wisconsin (participation rates are the percentage of a county's residents who are enrolled in the program). Tribal nations with participation rates of 25% or more at that time were Menominee (51%), Sokaogon (44%), Lac du Flambeau (36%), Red Cliff (33%), and Lac Courte Oreilles (25%).

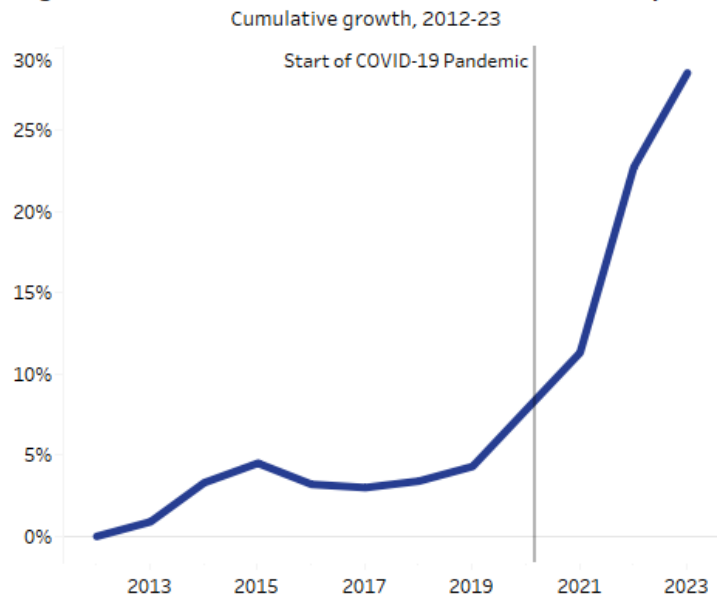
EXPLAINING THE TREND

One explanation for the lingering high enrollment levels is that the dire job losses early in the pandemic – the April 2020 unemployment rate in Wisconsin was the highest by far in at least a half century – may have led people who would have previously qualified for the benefit to apply for it for the first time. According to subject matter experts we interviewed, awareness of the program also grew significantly during the pandemic as greater resources were directed to community groups for outreach efforts and to assist people with applications and renewals. At the same time, stigma surrounding the use of this public welfare program may have lessened, reducing barriers that may have prevented some people from applying in the past.

These factors may have resulted in some new enrollees remaining in the program even as unemployment fell. Some recipients may also have applied in response to increases in federal SNAP benefits in recent years, as we will explain.

Temporary changes to FoodShare during the pandemic may also have drawn greater numbers of enrollees or

Fig 2: Rise in Cost of Food Purchased for Home Consumption



Source: U.S. Bureau of Labor Statistics

allowed beneficiaries to remain in the program longer. Significant changes included exemptions to the FoodShare requirement that nondisabled adults ages 18 to 49 without dependents work, take part in a work program, volunteer, or provide community service for at least 80 hours a month to qualify. Other changes included more streamlined application and renewal processes; student eligibility exemptions; and suspension of the drug testing requirement for certain persons convicted of a drug felony in the past five years.

Although the pandemic exemptions have ended, a [work requirement exemption](#) still applies to the cities of Milwaukee and Racine as well as [certain counties, tribal lands, and reservations](#). In 2023, exemptions were approved for veterans, the homeless, young adults exiting the foster care system, and individuals in a subsidized guardianship or court-ordered kinship arrangement. It is also important for policymakers to consider whether state and county agencies are verifying income and other eligibility requirements without unduly burdening recipients, who can lose access to the program despite being eligible.

Steep increases in the cost of living and food prices in recent years may also have motivated greater numbers of people to apply for SNAP benefits – particularly those on fixed incomes such as retirees. According to the U.S. Bureau of Labor Statistics, consumer prices rose 21% from March 2020 to March 2024. Growth in food prices



alone was remarkably high. From 2020 to 2023, the cost of food purchased for eating at home rose by 24.2% due to a variety of factors (see Figure 2).

The unemployment rate may also not be telling the full story about the health of the economy. For example, it may be that a portion of the working-age population became “underemployed” (working fewer hours or in jobs that do not match their skills). Still, total employment in the state is higher now than before the pandemic and Wisconsin’s labor force participation rate was only 0.3 percentage points lower in March 2024 (65.6%) than in March 2020 (65.9%).

BENEFIT PAYMENTS STILL HIGH

FoodShare benefits are paid for by federal taxpayers, but the state and county governments in Wisconsin are responsible for administering the program. The federal government covers roughly half of the program’s administrative costs, with state and local governments paying for the remainder.

Total FoodShare benefit payments in Wisconsin have fallen since their \$193.8 million peak in December 2022, yet they remain higher than pre-pandemic levels. Figure 3 shows that the \$113.1 million in benefit payments in March 2024 exceeded the March 2020 total by \$47.8 million (73.2%). The gap is somewhat smaller when adjusted for inflation, at \$34.1 million.

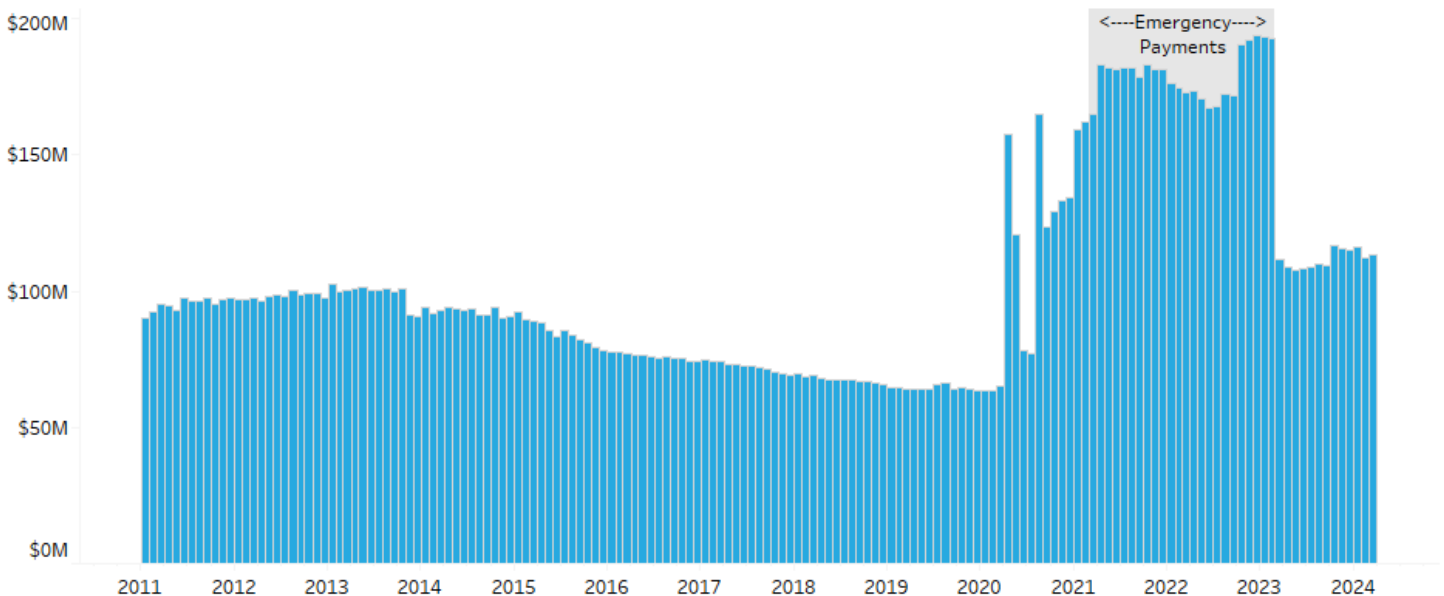
Looked at another way, the average benefit per recipient in March 2020 was \$106, and by March 2024 had grown to \$161.

Payments increased in part because SNAP benefits were adjusted in October 2021 to bring them into better alignment with the cost of nutritious food. Benefits increased by 40 cents per meal, which was an average monthly increase of \$36.24, or \$1.19 per day according to the [U.S. Department of Agriculture](#) (USDA). The USDA is now required by law to update the agency’s [Thrifty Food Plan](#), which seeks to define the cost of nutritious food every five years to help set benefit levels. However, the current Farm Bill that grants the USDA that authority expires September 30, 2024. Early versions of the [next Farm Bill](#) diverge over whether the USDA will continue to update the value of SNAP benefits based on the current criteria or whether increases will reflect cost of living adjustments only.

In addition, SNAP benefits received a major permanent cost of living adjustment of 22.5% in 2021 and 12.5% in 2022. Benefits also increased for a time because of pandemic payments that were made from March 2020 to February 2023. Those temporary emergency payments provided an additional \$95 per month to recipients or an additional amount equal to the difference between a household’s current benefit and the maximum benefit for a household of that size, whichever was greater.

Figure 3: FoodShare Benefits Remain High Despite Expiration of Federal Emergency Allotments

FoodShare benefit payments, January 2011-March 2024



Source: Wisconsin Department of Health Services



FoodShare in Milwaukee County

We also took a closer look at FoodShare participant data for Milwaukee County in 2022 using the most recent U.S. Census Bureau estimates available.

Of the 87,700 households receiving FoodShare benefits that year, the incomes of 38,400 (43.7%) were below the federal poverty level and those of the remaining 49,300 (56.3%) were between 100% and 130% of that level. For context, 130% of the federal poverty level equated to a monthly income of \$2,871 for a household of four in 2022 and was the maximum income allowable for such a household to qualify for FoodShare benefits that year.

Nearly 45% of recipient households in Milwaukee County had children under the age of 18, while 31.2% included at least one person over the age of 60 and 41.4% had at least one person with a disability.

The FoodShare participation rate among Black households was 48.8% and among white households it was 28.7%. Nearly 18% of Hispanic or Latino households (of any race) were on FoodShare that year.

Nationwide, the emergency allotments were estimated by the [Urban Institute](#) to have reduced poverty by 10% and child poverty by 14% by the end of 2021. The nation's Black and Latino populations experienced the highest reductions in poverty rates. The [Center on Budget and Policy Priorities](#) estimates that SNAP benefits in Wisconsin were reduced by \$206 per household per month when the emergency allotments expired, or about \$105 per recipient.

Despite these reductions, total payments across the state remain higher than before the pandemic, both because of the permanent benefit increases and the increased number of recipients. A February 2024 [Congressional Budget Office projection](#) estimates that federal SNAP spending will be fairly stable from 2024 to 2034, rising 10% over that period. By extension, Wisconsin may not see a decline in FoodShare payments in the near future unless economic, program rules, or other forces cause enrollment numbers to fall.

FOOD SECURITY IN WISCONSIN

How does Wisconsin fare overall in ensuring that its residents have enough to eat? According to the [April 2024 Household Pulse Survey](#) from the U.S. Census Bureau, 9.9% of adults in Wisconsin households (nearly 400,000 people) sometimes or often did not have enough to eat over the prior seven days. This is slightly

better than the 10.8% of adults facing food insecurity nationwide.

The survey also explored the effectiveness of the SNAP program in ensuring food security. Of the 442,400 households that reported receiving SNAP benefits, 31.4% (138,800) reported sometimes or often not having enough to eat. A separate measure found a larger share of households with children had this problem. Of the 229,000 households with children that reported receiving SNAP benefits, 46.3% (106,000) reported not having enough food over the prior seven days.

A new support for families with children may help to address this problem. Starting in June of this year, Wisconsin became the first state in the nation to receive federal approval for a [Summer Electronic Benefit Transfer \(EBT\)](#) program, which is helping parents and other caretakers feed their children during the summer months when meals typically provided at school are not available. The families of eligible children received a one-time summer benefit of \$120 per child on a pre-loaded card that can be used to purchase food.

Certain households with children also can access meals at [locations across Wisconsin](#) over the summer months. For example, those living within the Milwaukee Public Schools (MPS) area can access three meals a day for children age 18 and under at numerous [MPS and community](#) locations.

Seniors and college students also faced challenges when emergency pandemic payments for FoodShare ended, according to leaders of Milwaukee's Hunger Task Force. As a result, many have turned – not always successfully – to other federal and local programs designed to stave off hunger.

For example, demand for food pantries has also been rising. One year after the federal pandemic payments ended in February 2023, food pantry use in the Greater Milwaukee area was up by 64%, according to Hunger Task Force.

CONCLUSION

While it is difficult to explain the still relatively high FoodShare enrollment levels, the changes to eligibility requirements may have had an impact. Our research also suggests that the program may now include more



individuals who may have qualified in the past but not enrolled for one reason or another.

The wave of people joining the program during the pandemic helped lessen stigma around its use, and the significant outreach by governments and community organizations to bring aid to people created more widespread awareness of FoodShare and other resources available for people living near or below the poverty level. Beyond that, a mix of inflation, increased benefit levels, and the lingering effects of the economic crisis brought on by COVID-19 may be contributing to the greater use of the program.

As the economy grows and inflation slows, enrollment may well resume its descent. Yet for now at least, greater reliance on FoodShare for many Wisconsin residents appears to be the new normal. The main cost of this lingering need is borne by federal taxpayers. Yet to a lesser extent this increased demand may be taxing both county and state staff resources for administering the program as well as private food pantries – an issue to watch for policymakers over the next year.

