



MB&TPI FACT SHEET

THE ARRA BRINGS AN INCREASE IN FOOD STAMP BENEFITS STARTING APRIL 1ST

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An Increase in Food Stamps Benefits Beginning April 1st, Means Tens of Millions of Dollars for Maryland's Economy.

- Due to the American Recovery and Reinvestment Act of 2009 (ARRA), starting April 1st struggling households receiving food stamps will see an increase in benefits totaling \$51 million statewide (from April to Sept 2009), which provides an economic stimulus of \$90 million (during this same time frame).
- The U.S. Department of Agriculture (USDA) finds that \$1 in food stamps generates \$1.84 in economic activity nationally. What this means in the real world: When a family uses its food stamp benefits to shop at a local grocery, this helps the grocer pay his employees and purchase more from his suppliers. That, in turn, helps the suppliers pay their employees (as well as the truckers who deliver their products), and so on.

Over 400,000 Marylanders will benefit from an increase (of roughly \$20-24 per week) in food stamps beginning on April 1st.

- When the recession began December 2007, Maryland's food stamp caseload totaled 346,240 beneficiaries. One year later, Maryland's food stamp caseload increased by 22% (422,373). Nationally, more than 75 percent of all food stamp participants are in families with children; nearly one-third of participants are elderly people with disabilities.
- Spread across state fiscal years 2009-2013, Maryland, could be eligible for \$219 million for food stamp benefit increases and \$4.2 million in food stamp administration to manage the rise in caseloads (based on a caseload of 412,000).

Sources

Center on Budget & Policy Priorities. AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009: State-by-State Estimates of Key Provisions Affecting Low and Moderate Income Individuals. Feb 25, 2009.

CBO Cost Estimates. 2006 Food Stamp quality control data, and Food Stamp administrative data.

USDA. Economic Research Service. Effects of Changes in Food Stamp Expenditures Across the U.S. Economy. Aug 2002

USDA. Program data. The most recent can be found at:

<http://www.fns.usda.gov/pd/29SNAPcurrPP.htm> DHR food stamp data can be found at:

<http://www.dhr.state.md.us/fia/statistics.htm>

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