To: Pandemic Response Accountability Committee
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RE: Use the Number of SNAP Enrollees to Inform Distribution of Rental Assistance Funding

SUMMARY & RECOMMENDATION

The national eviction moratorium during the COVID-19 pandemic has eliminated eviction data as a source of information for government programs. Specifically, such eviction data was the founding metric for determining how the federal government allocated funding to states and local governments in the Emergency Rental Assistance Program (ERAP). There is therefore a need for proxy data that can be used by the government to distribute relief funding, conscience of the efficiency and equity of the proxy metric. Given the strong correlation between food insecurity and evictions, we advise the government to distribute ERAP relief funding based on food insecurity prevalence in states as measured by the number of enrollees in the Supplemental Nutrition Assistance Program (SNAP).

PROBLEM

The American housing market has shifted to favor rental units over ownership, as homeownership rates have been declining while the demand for rental units has been increasing. Using California as an example, from 2004 to 2016, homeownership rates declined by a sharp 5.2% to reach 53.6%, the lowest rate in 24 years. Meanwhile, rental unit occupancy increased by more than 877,000 people statewide.[1] More than 17 million Californians now depend upon rental units for housing, making this market a key consideration in the housing affordability crisis. The Public Policy Institute of California analyzed the rental market affordability and found that "nearly half of renters (46 percent) spend more than 35 percent of their total household income on housing," meeting the federal government's 30% threshold definition of "rent-burdened."[1] Given these heavy cost burdens, tenants scarcely have the income budget for food, transportation, and other necessary financial expenditures.[1]

The strain of rental unit costs upon citizens informed the deployment of the Emergency Rental Assistance Program, by which the federal government provided direct financial assistance to renters, "including back and forward rent and utility payments and other housing expenses."[2] The federal budget for the program was apportioned to states using national eviction data as a metric of state need. However, the Center for Disease Control's moratorium on evictions eliminates this data source as an informant for funding allocations.

According to the Center on Budget and Policy Priorities, as the moratorium was about to expire in August 2021, about 11 million Americans were behind on their rent. Moreover, in some states, over 25% of renters are behind on their payments, particularly in the southeast. This demonstrates the current widespread demand for housing relief. Left unaddressed, the inability of renters to reach ends meet will exacerbate the already prominent economic inequality across america; CBS news noted after the Center for Disease Control eviction moratorium was lifted, a surge of eviction notice issuance "unevenly" hit the nation as landlords had pre-prepared eviction notices during the pandemic to target the low-income renters who struggled with meeting rent.[3] Leaving low-income citizens unhoused in a mass wave will further the disparity present in America. Thus an exigence exists with this surge in evictions for well-organized relief programs which properly target and provide relief to needed communities, assessing community need in the absence of eviction data.

SOLUTION

About

Given the strong relationship between facing food insecurity and eviction, we urge the government to use SNAP enrollee data to inform the distribution of rental assistance funding.

Food insecurity is defined as a lack of access to enough food for a short or long period of time. According to the USDA, over 34 million people, including 9 million children, are food insecure. One of the largest cited contributors to food insecurity is a lack of affordable housing, as the absence of living stability generates the absence of food storage and the means by which to cook

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[1] https://www.ppic.org/wp-content/uploads/r-118hjr.pdf
[2] https://nlihc.org/sites/default/files/FAQs_Emergency-Rental-Assistance.pdf
[3] https://www.cbsnews.com/news/eviction-moratorium-2021-expiration-renters-risk-states/

meals.[4] This causal logic speculates a possible correlation between food insecurity data and eviction data, making food insecurity a plausible proxy for eviction data.

Food stamps distributed through SNAP, the federally-regulated system, should be considered as a way to measure the percent of food insecure individuals. SNAP is used to supplement grocery budgets and invest in healthier food options; SNAP money can not be used towards non-food items, alcohol, or cigarettes. In June 2020, participation in the program drastically increased, peaking to 43 million people. Even one year later in June 2021, 42 million people were still enrolled in SNAP.[5] As the rent affordability crisis continues to grow, so too does the food insecurity crisis.

Data from March to August 2020 demonstrates a strong correlation between food security and eviction rates, which was more clarified during the pandemic. According to a National Low Income Housing Coalition published study, "each additional week of eviction moratoriums was associated with a 2% decline in the number of Black households reporting food insecurity."[6] Thus, with housing being secured under the ban on evictions, a statistically significant drop occurred in the number of Americans who needed food assistance. This strengthens the demonstrated positive correlation between food insecurity and eviction rates, as the moratorium helped households use their spending towards more "immediate needs" such as groceries.[7] Furthermore, food insecurity proves a predictor of possible homelessness and/or rent-burdened living. Analysis conducted by the Social Policy Institute at Washington University in St. Louis showed that among renters in a representative sample, 1.5% of tenants evicted were SNAP recipients compared to the 16% of evicted tenants who were receiving SNAP.[8] This confirms the strong correlation between facing food insecurity and facing eviction.

There also holds a strong correlation between food insecure individuals and low-income individuals. Brookings Institute, supportively, reported that "30% of low-wage workers in 2019…are earning below 150% of the poverty line…[so] it makes sense that the three states with the highest percentages of their populations…were also among the top five states by SNAP participation as a percentage of the total population in 2021."[9] This data suggests that "if a state is experiencing a high rate of poverty, its residents are more likely to require SNAP benefits," which helps correlate food insecurity with eviction rates, since the correlation between eviction rates and poverty is well documented.[10] Utilizing food stamp enrollment to inform renter aid would ensure the more impoverished states received a greater portion of government funding, mindful of the greater presence of executive order defining underserved communities in states with high poverty rates.[11]

Why SNAP?
Investigating SNAP enrollees is a more targeted approach to estimate the number of people facing evictions compared to referring to the federal poverty line. In order to be eligible for the SNAP program, the household must meet certain net and gross income limits depending on the size of their household. But more importantly, these income limits vary by state since these values consider the cost of living by state unlike the federal poverty level, which is a single value based on the number of people in the household for all states.[12]

Additionally, the system of SNAP qualifications includes local SNAP offices and benefits are calculated based on different economic circumstances by state. The amount of benefit an individual receives depends on their income, size, and other expenses. Specifically, the household gross monthly income must be at or below 130% of the poverty line. This ensures that what drives someone to food insecurity differs for each person and would be considered when calculating possible future evictions.

It is imperative that the metric for need-based function allocation account for cost of living and be cognizant of individual variation. There should not be one nationwide cut-off for SNAP qualification just as there should not be one for ERAP needs, as

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[4] https://www.feedingamerica.org/hunger-in-america/food-insecurity
[5] https://money.usnews.com/money/personal-finance/family-finance/articles/what-are-food-stamps-and-how-do-i-access-them
[6] https://nlihc.org/resource/eviction-moratoriums-improved-food-security-and-decreased-mental-stress-during-pandemic
[7] https://nlihc.org/resource/eviction-moratoriums-improved-food-security-and-decreased-mental-stress-during-pandemic
[8] https://socialpolicyinstitute.wustl.edu/snap-recipients-forced-out-by-landlords-during-pandemic/
[9] https://www.investopedia.com/snap-benefits-by-state-5203591
[10] https://www.investopedia.com/snap-benefits-by-state-5203591
[11] https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-und erserved-communities-through-the-federal-government/
[12] https://money.usnews.com/money/personal-finance/family-finance/articles/what-are-food-stamps-and-how-do-i-access-them

one lump of money to a rent burdened citizen in a state of high living costs will not go as far to alleviate their rent struggles in a state of cheap living costs. Thus, concern of geographical and individual variation in SNAP qualifications helps better inform the funding and generalize it to discern nationwide need.

A large part of the issue with how funding was first distributed post-moratorium was that the rental assistance was based on the population rather than people who demonstrated need. This means that some states were overfunded and others ran out of funding. This indicates that the relief programs need to better understand who needs rental assistance and that it should focus on underserved communities. In fact, according to research conducted in Wisconsin, "women from black neighborhoods accounted for 30% of evictions even though they only made up 9.6% of the population."[13] Similarly, "'Black and Latino families have two and three times the rates of food insecurity as white households.'"[14] Both rental need and SNAP enrollment are higher among marginalized communities, so using SNAP enrollment as a metric for rental need will ensure these communities are well-represented.

METHOD & FEASIBILITY
The Method
To form an accurate model of housing need, a proxy regression analysis should be employed. Previously, eviction rates regressed upon rental need created a model by which state's eviction rates predicted the need amounts for ERAP fundings. With the established correlation between eviction rates and SNAP enrollment, the same can be done when regressing SNAP enrollment on funding needs. To create such a model, a classification of training data must be established - that is, a sample of data from a locality detailing SNAP enrollment and the proper ERAP funding allocation which did not result in under or overfunding - to create a regression model. This model can then be tested upon other sample data points, training and tuning the data to minimize mean squared error and produce an accurate prediction. The federal government would then use this model, inputting local or state data, to discern the best funding appropriation across the nation.

Feasibility
This method would be feasible since all of the data on SNAP enrollees are publicly available and well documented. On the USDA website, one can find the national level annual summary, national and/or state level monthly and/or annual data, and the latest available month participation. These data sets include costs, the number of persons, households, and the average monthly benefit per person and household.[15]

Similarly, there is publicly available data on the number of SNAP participants in each state, what percent of the total state population this equates to, and how these percentages compare to how many people from the state are at the federal poverty line. As the largest food assistance program in the US, SNAP is a reliable source for informing how the government should distribute funds across states and households. Similarly, since the program is well established since the 1980s, this will relieve the government from additional and unnecessary administrative work associated with allocating funds. Citizens are already familiar with this long-standing process - the filling methods, the qualification thresholds - so they don't need to learn the workings of a novel need qualification program to earn rental assistance for their state.

CONCLUSION
Because of the country's urgent eviction rates, largely due to unaffordable housing that was exacerbated by the pandemic, the government needs a better tool for the distribution of rental assistance funding in order for the funding to be allocated appropriately to those who need it most. As a result, we urge the government to consider SNAP enrollees as a proxy value and percentage for the number of individuals facing evictions.

[13] https://www.aspeninstitute.org/blog-posts/a-glimpse-into-the-eviction-crisis-why-housing-stability-deserves-greater-attention/
[14] https://money.usnews.com/money/personal-finance/family-finance/articles/what-are-food-stamps-and-how-do-i-access-them
[15] https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap