



ANALYSIS OF THE AMERICAN RESCUE PLAN:

Nutrition



The Council of State Governments

The American Rescue Plan Act (ARP) of 2021 **includes approximately \$12 billion to support U.S. nutrition assistance programs and farmers.**

Supplemental Nutrition Assistance Program (SNAP) Receives \$1.175 billion for Extension of 15% Benefit Increase, Administrative Costs, and Technology Development

[SNAP](#) is the largest federal nutrition assistance program, providing benefits to low-income eligible individuals for the purchase of healthy foods. For more information on SNAP or to review eligibility requirements for SNAP benefits, [click here](#).

SNAP Benefit Increase Extension

The ARP extends through September 30, 2021 the 15% increase in SNAP benefits granted in the December 2020 COVID-19 relief package. According to the [U.S. Department of Agriculture](#) (USDA), this increase amounts to approximately \$28 more per person per month for participating households. It is [estimated](#) that this three-month extension will provide \$3.5 billion in relief to struggling households in 2021. For estimated increases in average monthly SNAP benefits by state, [click here](#).

Funds for Increased SNAP Administrative Costs

- **\$1.15 billion in funds from the ARP will be allocated over the next three fiscal years** to help states address rising administrative costs resulting from the increased demand for SNAP certification during the pandemic. Funds will remain available until September 30, 2023. Approximately **\$1.135 billion of these funds will be disbursed to states** through grants administered by the Secretary of Agriculture. States will not be required to match these funds.
- The ARP provides **\$25 million** to be used by the Secretary of Agriculture to enhance technologies used for **SNAP online purchasing and the development of mobile payment technologies.**

Supplemental Nutrition Program for Women, Infants and Children (WIC) Receives Nearly \$900 Million in ARP Funds.

WIC provides food assistance, nutritional education, and service referral to low-income pregnant and postpartum women, infants and children. [WIC operates through](#) approximately 1,900 local agencies in 10,000 clinic sites, many of which are county health departments.

Approximately **\$900 million is allocated to the WIC Program** to support modernization, innovation, and outreach to strengthen support for the over 6.2 million WIC enrollees. These funds also will be used to temporarily increase the amount of fruit and vegetables participants can obtain through Cash Value Voucher benefits. This increase raises the monthly stipend for these foods from \$9 to \$35 through September 30, 2021.





The ARP provides \$4 billion in assistance to support the food supply chain and agriculture, available until expended.

The ARP provides the Secretary of Agriculture with approximately **\$4 billion to support the food supply chain** and enhance its resiliency through:

- Purchasing food and agricultural commodities (including fresh produce, dairy, eggs, seafood, and meat) for distribution to individuals in need through non-profit organizations, restaurants, and other food-related entities.
- Purchasing Personal Protective Equipment for farmers and frontline food workers.
- Providing grants and loans to small or mid-sized food processing companies or distributors, farmers markets, producers, seafood processing facilities, and processing vessels or other organizations to respond to COVID-19, including for measures to protect the health and safety of workers.
- Making further loans, grants, and other assistance available to enhance the resiliency of the food supply chain.

The ARP also provides **debt relief and assistance to socially disadvantaged farmers¹ and ranchers** facing disproportionate impacts from the pandemic resulting from longstanding discrimination. This relief includes **payments of up to 120 percent of individual farmers' outstanding indebtedness** as of January 1, 2021.

- These measures are intended to address the historical discrimination in lending and financial assistance programs that prevent these farmers from obtaining, growing, or keeping farmland.

¹ The ARP utilizes the definition of "socially disadvantaged" in the Food, Agriculture, Conservation and Trade Act of 1990. This Act defines socially disadvantaged as a group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.



Commodity Supplemental Food Program Receives \$37 million Available Until September 30, 2022

Under the ARP, the [Commodity Supplemental Food Program](#) (CSFP) is allocated **\$37 million** in support of its activities **to improve the health of low-income individuals at least 60 years of age**. Through CSFP, qualifying individuals in participating states and Native American tribal organizations receive monthly food packages with nutritious, domestically sourced and produced goods.

Programs established under the Older Americans Act (OAA) of 1965 receive approximately \$1.4 billion in support through the ARP.

Under the OAA, critical social and nutritional services are delivered to older individuals and their caregivers. This legislation authorizes numerous service programs through a network of state, area, tribal and Native American organizations in addition to community service employment for low-income older Americans; training, research and demonstration activities in the field of aging; and vulnerable elder rights protection activities. Funding is allocated to the Area Agencies on Aging Programs as follows:

- \$750 million for nutrition programs
- \$460 million for home-and-community based support services
- \$145 million for family caregiver services
- \$45 million for disease prevention
- \$25 million for tribal organizations for nutrition services, supportive services and family caregiver services
- \$10 million for long-term care ombudsman program

Remaining funds allocated under the ARP to support food assistance:

- \$800 million to support the efforts of the U.S. Agency for International Development (USAID) Office of Food for Peace and fuel the purchase of U.S. grown commodities for distribution among individuals experiencing hunger in developing countries.
- Creation of a program to reimburse emergency shelters for meals provided to individuals who are not yet 25 years old and are receiving assistance from an emergency shelter.
- Extension of the Pandemic Electronic Benefit Transfer (P-EBT) program, providing families with the value of their children’s missed school meals for the purchase of groceries, through the summer in both Fiscal • Year 2021 and Fiscal Year 2022.
- **\$1 billion** will be made available by the Secretary of Agriculture through September 2027 to **provide grants to the Commonwealth of the Northern Mariana Islands, Puerto Rico, and American Samoa for nutrition assistance.**

Funding to Support U.S. Food Assistance Programs and Farmers

Program/Funding Area	Amount (in Millions USD)
Food Supply Chain and Agriculture	\$4,000
Area Agencies on Aging	\$1,400
Supplemental Nutrition Assistance Program (SNAP)	\$1,175
Nutrition Assistance to Northern Mariana Islands, Puerto Rico, and American Samoa	\$1,000
Supplement Nutrition Program for Women, Infants and Children (WIC)	\$900
USAID Food for Peace	\$800
Commodity Supplemental Food Program	\$37
Other***	\$2,688
Total	\$12,000

*** Includes estimated costs of benefits provided to additional programs, the extended increase in SNAP benefits and P-EBT, shelter reimbursements for meals, and other administrative costs not included in this brief.

Sources and Additional Resources:

- [The American Recovery Plan Act \(Full Bill\)](#)
- [USDA American Rescue Plan Fact Sheet](#)
- [Stimulus Relief for Farmers and Ranchers](#)
- [Senate Democrats Title-By-Title Summary of the American Rescue Plan Act](#)
- [Center on Budget and Policy Priorities](#)
- [Congressional Research Service, Older Americans Act: Overview and Funding](#)

For More Information

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