

# FISCAL POLICY INSTITUTE



[www.fiscalpolicy.org](http://www.fiscalpolicy.org)

**One Lear Jet Lane  
Latham, NY 12110  
518-786-3156**

**11 Park Place, Suite 701  
New York, NY 10007  
212-414-9001**

**Embargoed for release:**  
October 17, 2006, 11:15 am

**Contact:**  
James A. Parrott, 212-721-5624

## **The Fiscal Policy Institute Releases New Report Showing Role of Food Stamps in Boosting the City Economy**

**(New York City, New York)** New York City “Goes Orange” the entire week of October 16-20, embracing the bold color to fight hunger. The Fiscal Policy Institute marked the occasion by releasing a new report, *Food Stamps: Increasing Access Would Boost the New York City Economy*. The report, which contains new data on the economic benefits of the Food Stamp Program on the local economy, was released at Hanson Place Campaign Against Hunger in Brooklyn (144 St. Felix Street) at a press conference called by City Council Speaker Christine Quinn to focus attention on solutions to the problem of hunger in New York City.

The Fiscal Policy Institute’s report contains new information on the beneficial impact of the Food Stamp Program on New Yorkers and the New York City economy, including:

- More than 1.1 million New York City residents depend on food stamps each month to help feed their children and make ends meet. Their average food stamp benefit is \$110 per recipient per month.
- This food stamp spending amounts to \$1.4 billion in New York City, and triggers expansions in the grocery industry and the various industries that supply the grocery industry. Currently, food stamp spending in the city supports 9,400 jobs and an additional \$850 million in economic activity.
- If all the new Yorkers who qualify for the Food Stamp Program began receiving benefits, food stamp spending would increase by \$355 million, to over \$1.4 billion. The increased spending would create an additional \$210 million of economic activity – and 2,300 new jobs.

“Increasing the volume of food stamp dollars coming into the city will have a huge beneficial impact on our low-income neighborhoods,” said James A. Parrott, FPI’s deputy director and chief economist. “Most people don’t realize the extent to which food stamp spending stimulates the local economy – by supporting the grocery industry and

grocery suppliers as well as food producers. In fact, right now, 9,400 New York City residents are working in jobs generated by food stamps.”

Parrott highlighted the fact that many New Yorkers who are eligible for the Food Stamp Program are not enrolled. He said, “These folks – over 400,000 of them – are going hungry needlessly, and New York City is losing out on the benefits provided by new federal food stamp dollars flowing into the economy.” He said that FPI’s analysis shows that if all eligible New Yorkers participated in the program, another 2,300 jobs would be created in the city.

Parrott also noted that the Mayor’s Commission on Economic Opportunity recommended that the participation rate be increased in a number of work support programs, including the Food Stamp Program. “This is a policy direction that deserves priority,” said Parrott. “Beyond getting food to people who need it, there’s a real economic reason to support efforts by the City Council and hunger advocates to increase the number of people receiving federal food stamp benefits. And, the benefits flow to the neighborhoods that need them most.”

The Food Stamp Program serves a range of low-income people, including families with children, elderly, and people with disabilities. Nationally, almost 80 percent of food stamp recipients live in households with children. Nearly one-third of recipients are seniors or people with disabilities.

The full report can be found at [www.fiscalpolicy.org](http://www.fiscalpolicy.org).

*The Fiscal Policy Institute (FPI) is a nonpartisan research and education organization that focuses on tax, budget, and economic issues that affect the quality of life and the economic well being of New York State residents. The FPI publishes The State of Working New York, an annual compendium of analysis of the city and state economies.*

#####