# FACT SHEET



# Hunger and Poverty in **Puerto Rico**

# What's the Problem?

Even before Hurricanes Irma and Maria struck Puerto Rico, hunger and food insecurity were much more common among Puerto Ricans than among their fellow U.S. citizens in the 50 states.

Before the hurricanes, 1.5 million Puerto Ricans were food insecure. The child food insecurity rate was 56 percent—nearly triple the average for the rest of the United States.<sup>1</sup>

Hurricane Maria was a Category 4 hurricane that caused extensive destruction. Some reports show that 80 percent of the island's overhead power lines have been damaged in the storm<sup>2</sup> and it could take months to restore them. As of October 10, 2017, the Federal Emergency Management Agency estimated that only 15 percent of the island's electricity had been restored<sup>3</sup>—leaving 85 percent of the island without electricity.

Families have no way of earning money for their basic needs such as food, water, and shelter—let alone the additional resources needed to rebuild their homes, farms, and businesses. We believe that most, if not all, families are currently food insecure, regardless of income.

## **The Background**

In 1898, Puerto Rico became a permanent U.S. territory, and in 1917, residents became U.S. citizens. As a territory of the United States, Puerto Rico has its own constitution, governor,

#### PUERTO RICANS ARE FAR MORE LIKELY TO BE FOOD INSECURE<sup>4</sup>

	U.S. Rate	Puerto Rico Rate
Before the Hurricanes	12.3%	30-60%*
After the Hurricanes	12.3%	At least 85% * *

\*Once SNAP was block granted, 30 percent of Puerto Ricans received NAP. This made 30 percent of island residents ineligible to receive NAP although they were still food-insecure.

\*\*FEMA reports that 85 percent of the island is without electricity. While temporary, this prevents many people from preparing food, regardless of income. This estimate will decrease as power, electricity, and infrastructure are restored and jobs/schools reopen.



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and Congress, but ultimately the U.S. Congress governs Puerto Rico.

As a territory, the island has different laws and regulations than states. Several of these weaken Puerto Ricans' ability to prepare for emergencies and limit their access to Social Security, Medicare, nutrition assistance, and other supports for basic needs.

Before the hurricanes, a debt crisis had significantly slowed the island's economy. Three-fourths of all young



people were unemployed. Now, unemployment, poverty, and hunger are expected to skyrocket, and it could take many years to recover.

Hunger and food insecurity in Puerto Rico is a complex topic that requires comprehensive, balanced solutions. An effective plan must include not only distributing sufficient hurricane relief, but also strengthening existing nutrition and anti-poverty programs as well as resolving the root causes of longstanding economic problems.

### **Anti-Hunger Programs in Puerto Rico**

Both the federal government and the Puerto Rican government fund nutrition and health programs.

#### Nutrition Assistance Program (NAP)<sup>7</sup>

Puerto Rico's main anti-hunger program, the Nutrition Assistance Program (NAP), is similar to the Supplemental Assistance Nutrition Program (SNAP) in the 50 states. Unlike SNAP, which allocates federal funding to a state *based on the need* in that state, the federal government gives Puerto Rico a set block grant amount *regardless of the need*.

The block grant allocation criteria—a fixed funding amount—prevents NAP from effectively responding when hunger increases, even during emergencies such as hurricanes.

#### Some quick facts about NAP:

• Puerto Rico participated in SNAP until 1981, when a new law instituted NAP as a block grant. Block granting reduced the participation rates from 60 percent of Puerto Ricans who received SNAP benefits to only 30 percent who participate in NAP.

- The majority of NAP recipients are families with children, seniors, and people with disabilities.
- Despite the lower median income in Puerto Rico, the maximum monthly benefit for a household of three is \$200 less in NAP than the maximum SNAP benefit for that household size.

# Medicaid

Almost half of all low-income Puerto Ricans, 1.7 million people, receive Medicaid.<sup>8</sup> It is a block grant managed by the Puerto Rican government.

Congress has now approved emergency funding for Medicaid until March 2018.<sup>9</sup> But it is essential to establish a more permanent solution to the healthcare needs of low-income residents so they don't have to "choose" between health care and food.

#### **Emergency Relief**

Emergency relief for Puerto Rico as an island poses logistical challenges. Due to the Jones Act, relief is also complicated by restrictive laws. Supplies imported by sea must originate from or be shipped through the continental United States. This increases prices and lengthens the time it takes for supplies to arrive.

Both shortages and added shipping costs mean that federal assistance will simply not stretch as far. Shipping regulations have been temporarily eased due to the hurricanes, but extra shipping costs are a permanent problem. Congress should approve emergency supplemental funding, allocate adequate funding to NAP and Medicaid, and temporarily lift restrictive shipping regulations to adequately provide emergency relief.

#### **Endnotes**

<sup>1</sup> American Community Survey, Statistics for Income, Poverty and Health Insurance for States and Local Areas, CB17-157, U.S. Census Bureau, September 14, 2017

<sup>2</sup> "How Puerto Rico's power crisis ends." Engadget. September 30, 2017 https://www.engadget.com/2017/09/30/puerto-rico-power-energy-crisis-hurricane-maria-prepa-tesla/ <sup>3</sup> "Federal Emergency Management Agency: Daily Operations Briefing." Department of Homeland Security. October 11, 2017. http://www.disastercenter.com/FEMA%20 Daily%20Operation%20Brief.pdf

<sup>8</sup> Medicaid.gov. Puerto Rico. https://www.medicaid.gov/medicaid/by-state/puerto-rico.html

<sup>&</sup>lt;sup>9</sup> Medicaid and CHIP in Puerto Rico. Medicaid and CHIP Payment and Access Commission. May 2017. https://www.macpac.gov/wp-content/uploads/2016/09/Medicaid-and-CHIP-in-Puerto-Rico.pdf



<sup>&</sup>lt;sup>4</sup> Key Statistics & Graphs. United States Department of Agriculture Economic Research Service. October 2016. https://www.ers.usda.gov/topics/food-nutrition-assistance/ food-security-in-the-us/key-statistics-graphics.aspx

<sup>&</sup>lt;sup>5</sup> Income in the Past 12 Months (in 2016 inflation-adjusted dollars) 2016 American Community Survey 1-Year Estimates. Table S1901. https://factfinder. census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\_16\_1YR\_S1901&prodType=table

<sup>&</sup>lt;sup>6</sup> Income and Poverty in the United States. 2016. U.S. Census Bureau. https://www.census.gov/content/dam/Census/library/publications/2017/demo/P60-259.pdf

<sup>&</sup>lt;sup>7</sup> Examination of Cash Nutrition Assistance Program Benefits in Puerto Rico. United States Department of Agriculture. August 2015. https://fns-prod.azureedge.net/sites/ default/files/ops/PuertoRico-Cash.pdf