

The Impact of the COVID-19 Pandemic in West Virginia in 2020

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PART I

Introduction

By Kelly Allen

The health and economic impacts of the COVID-19 pandemic have had profound consequences for West Virginia families and communities, and structural and longstanding health and poverty challenges have been magnified. Before the crisis, West Virginia had the fourth highest poverty rate in the country and among the worst health outcomes and indicators. This made our population more vulnerable to the virus itself and to economic ruin given interruptions in income, food availability, and social programs.

Fortunately, charitable organizations and nonprofits throughout the state have a long history of getting food into communities, providing social and economic supports for families and children, and addressing housing needs. Additionally, the robust state and federal government response throughout 2020 provided many families with the lifelines needed to stay in their homes and keep food on the table.

Through funding from the Robert Wood Johnson Foundation and the Benedum Foundation, 16 West Virginia organizations were able to supplement their normal operations when the pandemic spiked the level of need in communities around the state. Grantees served over 50,000 West Virginians, providing critical food resources, rental and housing assistance, child advocacy services, and case management.

While this project has concluded, the impacts of the pandemic in West Virginia are far from over. The state has seen a divergence in its jobs recovery, with high-wage earners almost fully recovered, while low-wage earners are still facing major job losses. Additionally, the virus itself is having a disparate impact, hitting communities of color and low-wage workers who are often in jobs that do not allow physical distancing the hardest. In the most optimistic scenario, West Virginia won't be back to where it was pre-pandemic until the end of 2022. And that baseline was not one that left most West Virginians economically secure. Without continued focus on the people in our state from charitable and philanthropic organizations and state and federal policy that recognizes that the impacts are ongoing, our state could see worsening economic and racial inequality.

This report reviews the scope of impacts of both the pandemic and the policy response in West Virginia, highlighting available data on food, housing, and economic security and how state and federal policy has been critical in addressing the need. Even with policy interventions, given structural challenges in West Virginia like its rural nature, lack of transportation, and limited broadband access, the work of the grantees in making West Virginians aware of policy changes and filling in where need remained was absolutely critical.

Housing Security Impacts

By Rhonda Rogombe

Overview of Federal and State Housing Policy

No state in the United States has an adequate supply of affordable housing for all their respective residents.¹ This problem has persisted for decades due to stagnant wages alongside ever-increasing costs of living.² Housing policy experts consider housing affordable when it costs less than 30 percent of gross income. When rent exceeds this rate, households become “housing cost-burdened;” at 50 percent or greater, they are “severely cost-burdened.” Before the pandemic, 25 percent of renters were severely cost-burdened, making it difficult for them to make ends meet.³

Since March, millions of workers across the country have lost their jobs, making them extremely vulnerable to housing insecurity. Homeowners who are currently paying off their mortgages are also finding housing increasingly less affordable, with home prices rising over 5 percent from September 2019 to September 2020.⁴ The COVID-19 pandemic has been particularly relevant to discussions about housing because containing the illness requires individuals to isolate themselves at home. But if you’re facing eviction or foreclosure, where do you go?

West Virginians have had difficulty in accessing affordable housing even since before the start of the pandemic. On par with the national average, about 50 percent of West Virginia renters were moderately or severely housing cost-burdened in 2018.⁵ Renters in the state are 2.5 times more likely to be housing cost-burdened than homeowners.⁶ Over the past nine months, housing insecurity has increased significantly. Despite meaningful employment recovery over 2020, gaps in income continue to impact West Virginians’ ability to pay mortgages and rent in full and on time.⁷ Thousands of residents confront the possibility of eviction or foreclosure without more meaningful government action, with renters particularly vulnerable.

Federal Housing Policy

After World War II, the federal government created several types of programs that made adequate housing attainable for millions of Americans. The Department of Housing and Urban Development (HUD) and other federal agencies created three primary responses to inadequate housing opportunities: rental assistance programs, funding for states and localities, and homeownership programs.⁸

Today, HUD assists over five million households across the country through rental assistance programs.⁹

1 Andrew Aurand et al., “The Gap: A Shortage of Affordable Homes” (Washington, DC: National Low Income Housing Coalition, March 2019).

2 Drew Desilver, “For most U.S. workers, real wages have barely budged in decades,” *Pew Research Center*, August 7, 2018.

3 PD&R Edge, “Rental Burdens: Rethinking Affordability Measures,” HUD User, https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html (accessed on December 23, 2020); Andrew Aurand et al., “Out of Reach: The High Cost of Housing” (Washington, DC: National Low Income Housing Coalition, May 2020).

4 National Association of Realtors, “Housing Affordability Index” (October 2020); Joint Center for Housing Studies of Harvard University, “The State of the Nation’s Housing 2020” (November 2020).

5 Statista, “Share of cost burdened renter households in the United States in 2018, by state,” Statista, <https://www.statista.com/statistics/1074165/housing-cost-burdened-renters-usa-by-state/> (accessed December 19, 2020).

6 West Virginia Housing Fund, “Housing Needs Assessment for the State of West Virginia” (September 2019).

7 US Bureau of Labor Statistics, “Economy at a Glance: West Virginia” (December 2020).

8 Congressional Research Service, “Overview of Federal Housing Assistance Programs and Policy” (March 2019).

9 Center on Budget and Policy Priorities, “National and State Housing Fact Sheets & Data” (December 2019).

Housing Choice Vouchers, Section 8 Project-based Rental Assistance, Public Housing programs, and more finance housing for over 66,300 people in West Virginia. These programs also granted the state nearly \$225 million in 2018 alone.¹⁰ Despite the incredible impact these programs have had—especially for seniors, children, and people with disabilities—decreased funding threatens rental assistance programs’ efficacy.¹¹

HUD has also provided states and localities with funding that incentivizes them to contract and build affordable housing.¹² These programs include the HOME Investment Partnership Program and Community Development Block Grants, among others. In fiscal year 2020, HUD provided states with \$4.8 billion between these two programs.¹³ As with funding for federal rental assistance programs, HUD has been increasingly less able to provide money to states and localities due to a significant amount of its own funding losses over time.¹⁴ For example, between 2000 and 2017, HOME Block Grants’ budget shrank by nearly 60 percent when adjusted for inflation. Community Development Block Grants experienced a 51 percent decrease over the same period.

Finally, HUD has several homeownership and federal financing programs that help individuals buy homes. Federal Housing Administration loans, the Homeownership Voucher Program, and other programs across HUD and several federal agencies sponsor about 70 percent of home mortgages today.¹⁵ This statistic translates to roughly 57 million households across the United States and over 380,000 West Virginia households with federal housing loans.¹⁶

Continuous funding cuts to HUD and other federal agencies in recent years have contributed to housing insecurity, especially in high-poverty communities. The relationship between poverty and housing insecurity is especially pervasive for Black Americans and other communities of color, who have historically faced residential segregation and other forms of housing discrimination.¹⁷ Despite anti-discrimination housing laws, people of color have lower homeownership rates than their white counterparts.¹⁸ While 76 percent of white Americans own homes, 51 percent of Hispanic Americans and 46 percent of Black Americans are homeowners. Furthermore, households in predominantly Black neighborhoods remain worth less than comparable houses in majority-white areas.¹⁹

A broad range of federal programs has made housing more accessible and affordable for millions of Americans, including hundreds of thousands of West Virginians. But future legislation must be more robust and account for racial disparities to positively impact as many people as possible.

10 Center on Budget and Policy Priorities, “West Virginia Federal Rental Assistance Fact Sheet” (December 2019).

11 Western Regional Advocacy Project, “2018 HUD Budget Fact Sheet” (June 2017).

12 Congressional Research Service, “Overview of Federal Housing.”

13 U.S. Department of Housing and Urban Development, “Fiscal Year 2021: Budget in Brief” (February 2020).

14 David Reich et al., “Block-Granting Low-Income Programs Leads to Large Funding Declines Over Time, History Shows” (Washington, DC: Center on Budget and Policy Priorities, February 2017).

15 Stephanie Zimmerman, “Can’t pay mortgage due to coronavirus? What you need to know, where to turn for help,” *Chicago Sun Times*, April 3, 2020.

16 WVCBP analysis of U.S. Census Bureau data.

17 Michela Zonta, “Racial Disparities in Home Appreciation,” (Washington, DC: Center for American Progress, July 2019).

18 U.S. Census Bureau, “Quarterly Residential Vacancies and Homeownership, Fourth Quarter 2020” (February 2021).

19 Michela Zonta, “Racial Disparities.”

State Housing Policy

West Virginia housing authorities primarily rely on federal mandates for guidance and funding. Many West Virginians must rely on religious organizations, nonprofits, and friends and family outside of these provisions when facing housing insecurity.²⁰ Although state agents play a critical role in implementing national housing policy, there are opportunities for West Virginia to introduce more robust housing legislation that could decrease statewide housing insecurity.

State housing authorities execute federal housing programs such as Section 8, and they engage with federal grants and other funding opportunities to provide low- and moderate-income housing. West Virginia also offers some eviction prevention and homeless assistance services.²¹ In partnership with HUD and several nonprofits, the state has provided grants and additional resources to help families pay rent and utilities despite extremely limited funds.

Besides affordability, a problem renters face is a limited supply of housing. Federal programs provide renters with money, while state programs distribute these funds. However, neither the federal nor West Virginia governments have laws that require landlords to accept these funds. Instead, landlords routinely deny potential tenants who have rental assistance vouchers. Only 12 states and about 50 cities across the country ban discrimination against renters who receive housing assistance.²² Ironically, landlords contribute to housing insecurity in West Virginia by limiting the pool of available housing for tenants with lower incomes.

The West Virginia Low Income Energy Assistance Program (LIEAP) is a program that helps eligible households pay for home heating.²³ Electricity and gas cost roughly \$200 per month in the state, which remains out of reach for many families with low incomes.²⁴ Although LIEAP does not cover other necessary utilities such as water or air conditioning, the program provides critical relief during the coldest months of the year. Other state-level utility assistance programs offer discounts on electricity, gas, water, and basic telephone services to limited populations.

Federal Pandemic Response

Throughout the pandemic, the federal government passed several significant measures for millions of families facing housing insecurity. Unemployment insurance has helped over 20 million people who have lost their jobs continue to make housing payments.²⁵ This figure includes more than 70,000 West Virginians during the last week of November 2020.²⁶ The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided several West Virginia communities with \$7.6 million in Community Development Block Grants in September, allowing the state to provide additional housing and economic opportunities.²⁷ Although the specifications are at the discretion of state governments, the CARES Act also allocated funds to states to help Americans pay for rent, mortgages, and utility bills.

In September, the Department of Health and Human Services (DHHS) implemented a national eviction moratorium that expired at the end of 2020.²⁸ They designed the suspension as a last resort, requiring

20 WVCBP analysis of Pulse data from the U.S. Census Bureau.

21 West Virginia Department of Health and Human Services, "Income Maintenance Manual: Emergency and Special Assistance Programs," WV DHHR, https://dhhr.wv.gov/bcf/Services/familyassistance/PolicyManual/Documents/Chapter%2019/ch19_2.pdf, accessed on December 19, 2020.

22 Kriston Capps, "See How Landlords Pack Section 8 Renters into Poorer Neighborhoods" (January 2019).

23 West Virginia Department of Health and Human Services, "Utility Assistance/LIEAP," WV DHHR, <https://dhhr.wv.gov/bcf/Services/familyassistance/Pages/Utility-Assistance.aspx>, accessed December 19, 2020.

24 Joe Roberts, "Utility Bills 101: Utilities Tips, Average Costs, Fees, and More" (January 2021).

25 Arloc Sherman et al., "New Data on Hardship Underscore Continued Need for Substantial COVID Relief" (Washington, DC: Center on Budget and Policy Priorities, December 2020).

26 WVCBP analysis of U.S. Department of Labor data.

27 Ashley Haycraft, "More than \$7.5 Million in CARES Act funding for low-income housing," *WOWK 13 News*, September 10, 2020.

28 Federal Register, "Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19," *Federal Register*, September 4, 2020.

homeowners and renters to meet extensive criteria to prevent eviction.²⁹ Among those eligible for the national eviction moratorium are homeowners with federally backed mortgages. This population may also forebear mortgage payments for up to a year. However, 30 percent of homeowners have loans that are not subsidized by the federal government, leaving them especially susceptible to default and foreclosure.³⁰ While it has allowed states and localities to implement broader eviction bans, the national eviction moratorium has many gaps that render it insufficient for addressing housing insecurity—including allowing evictions for reasons aside from those related to the pandemic. There are currently no nationwide payment suspension or relief programs available for renters.

State Pandemic Response

As with its overall housing policy, West Virginia has not gone beyond federal policy to protect people facing housing insecurity during the pandemic. The federal government allowed states and localities to use CARES Act funds to pay for rent, mortgages, and utilities. Governor Jim Justice has not allocated much of these funds toward housing, despite tens of thousands of West Virginians struggling to pay for housing needs. In October, the governor issued \$25 million of CARES Act funding to help West Virginians pay missed utility bills from March through July 2020.³¹ But covering just five months of utilities—with just a 3.5-week application window for a limited population—left out many struggling families amid the ongoing pandemic.

The state-level emergency eviction moratorium has long expired, lasting just under two months from March to May.³² While the DHHS moratorium may protect a few West Virginians, it lends itself to supplementation from additional state policies that reflect local experiences. However, the state has taken no action to implement such policies. There are no protections for families who have faced hardship due to pandemic, no suspensions of eviction hearings, and no restrictions on utility shutoffs. The lack of action by the West Virginia government makes residents more vulnerable to eviction and homelessness.³³

2020 Statewide Housing Insecurity Data

In response to the ongoing economic recession, mortgage interest rates have decreased to historically low levels, averaging 2.67 percent on 30-year fixed-rate loans.³⁴ This figure represents a 1.06-point decrease since December 2019. Lenders, including the federal government, hope that such low rates will encourage homeownership and subsequently bolster the economy. However, estimates from the US Census Bureau Household Pulse Survey observed that for the week ending December 7, 7 percent of West Virginia homeowners who have not finished paying off their mortgages are behind on payments.³⁵ Furthermore, about one in seven of those in this population indicated no confidence or little confidence in their ability to pay in the future.

29 U.S. Centers for Disease Control and Prevention, “HHS/CDC Temporary Halt in Residential Evictions to Prevent The Further Spread of COVID-19: Frequently Asked Questions,” US CDC, <https://www.cdc.gov/coronavirus/2019-ncov/downloads/eviction-moratoria-order-faqs.pdf>, accessed December 19, 2020.

30 Tara Siegel Bernard, “Mortgage Relief That Comes With a \$4,000 Bill,” *New York Times*, May 15, 2020.

31 West Virginia Office of the Governor, COVID-19 UPDATE: Gov. Justice providing \$25 million to help qualifying West Virginians pay utility bills,” WV Office of the Governor, [https://governor.wv.gov/News/press-releases/2020/Pages/COVID-19-UPDATE-Gov.-Justice-providing-\\$25-million-to-help-qualifying-West-Virginians-pay-utility-bills.aspx](https://governor.wv.gov/News/press-releases/2020/Pages/COVID-19-UPDATE-Gov.-Justice-providing-$25-million-to-help-qualifying-West-Virginians-pay-utility-bills.aspx), accessed December 21, 2020.

32 Ann O’Connell, “Emergency Bans on Evictions and Other Tenant Protections Related to Coronavirus,” *NOLO*, February 8, 2021.

33 Eviction Lab, “COVID-19 Housing Policy Scorecard: West Virginia” (October 2020).

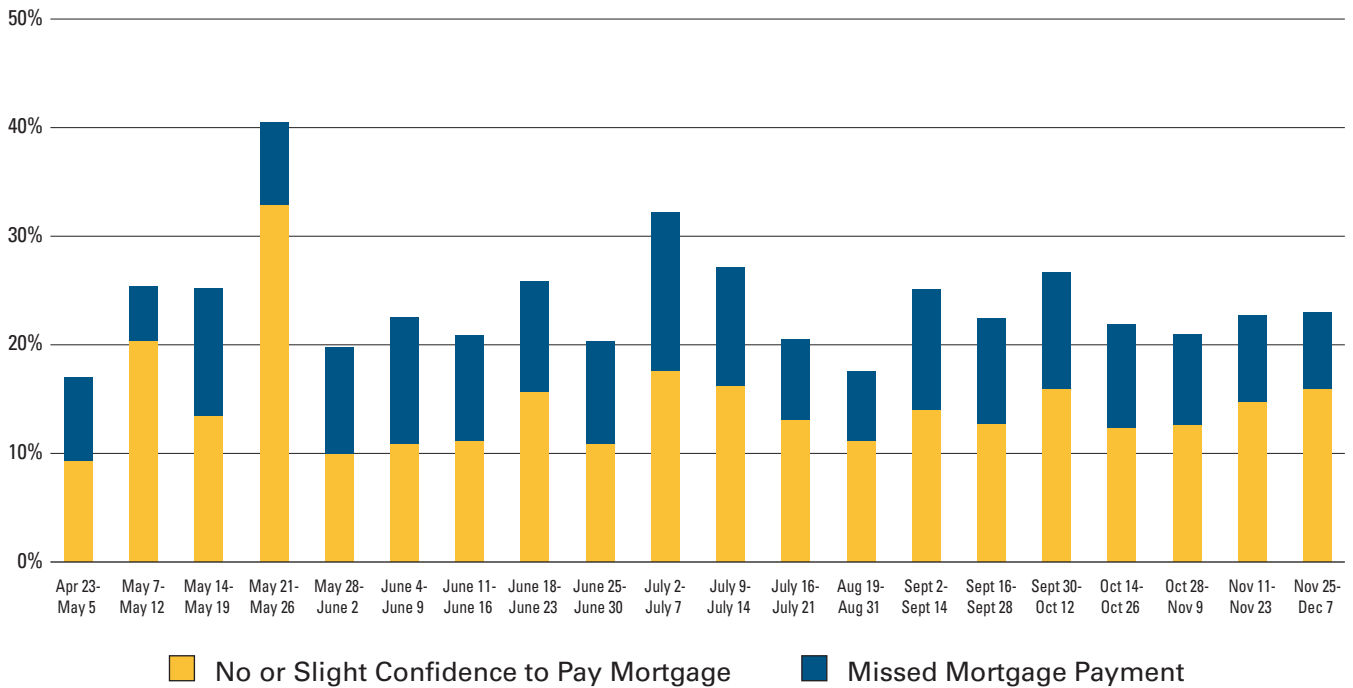
34 Freddie Mac, “Mortgage Rates,” *Freddie Mac*, <http://www.freddiemac.com/pmms/>, accessed December 22, 2020.

35 WVCBP analysis of Pulse data from the U.S. Census Bureau.

Figure 1

West Virginia Homeowners Struggling to Pay Mortgages Through Pandemic

Percentages of West Virginia homeowners with mortgage balances that reported no or slight confidence in ability to pay mortgage or a missed mortgage payment between April and December 2020



Source: WVCBP analysis of US Census Bureau Household Pulse Survey Data

Outcomes are even bleaker for renters in West Virginia. On the aggregate, renter-occupied households tend to have lower incomes than owner-occupied homes.³⁶ Already subject to higher levels of financial instability than homeowners, the pandemic has exposed West Virginia renters to elevated levels of housing insecurity. Census data found that 20 percent of renters in the state were behind on rent payments during the week ending December 7.³⁷ Furthermore, over one-third of them indicated no confidence or slight confidence in their ability to make future payments.

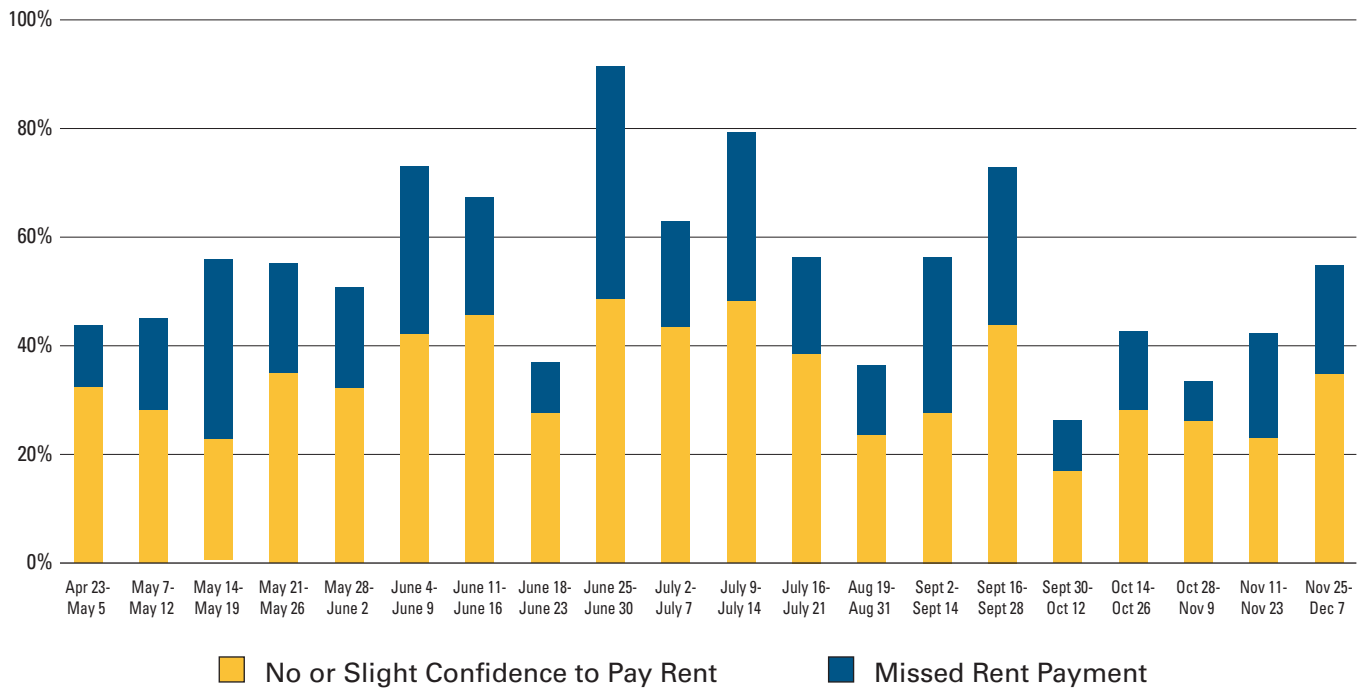
³⁶ Joint Center for Housing Studies of Harvard University, "America's Rental Housing 2020" (January 2021).

³⁷ WVCBP analysis of Pulse data from the U.S. Census Bureau.

Figure 2

West Virginia Renters Facing Exacerbated Levels of Housing Insecurity

Percentages of West Virginia renters that reported no or slight confidence in ability to pay rent or a missed rent payment between April and December 2020



Source: WVCBP analysis of US Census Bureau Household Pulse Survey Data

These statistics have long-term implications for the most vulnerable West Virginians. A recent Harvard University study found that West Virginia was one of five states in which the change in homelessness increased by over 10 percent between 2018 and 2019—despite being a low-cost state.³⁸ Although not everyone facing housing insecurity is at risk of homelessness, researchers expected that the increased rate of housing insecurity would contribute to more homelessness in 2020.

Five percent of West Virginia homeowners behind on mortgage payments reported that it was somewhat or highly likely that they would have to leave their home in the next two months due to foreclosure. Additionally, August 2020 data from the Aspen Institute found that up to 48 percent of West Virginia renters were susceptible to eviction.³⁹ This trend has not subsided. Instead, the most recent statistics support these findings: of those surveyed, 46 percent of renters said they were somewhat or highly likely to face eviction in the next two months—nine times the rate of homeowners behind on mortgage payments who reported fearing foreclosure. This discrepancy highlights the increased housing insecurity that renters face compared to homeowners, and why policies addressing renters are particularly critical. During the first week of December, nearly 20,000 West Virginians were at risk of foreclosure or eviction.

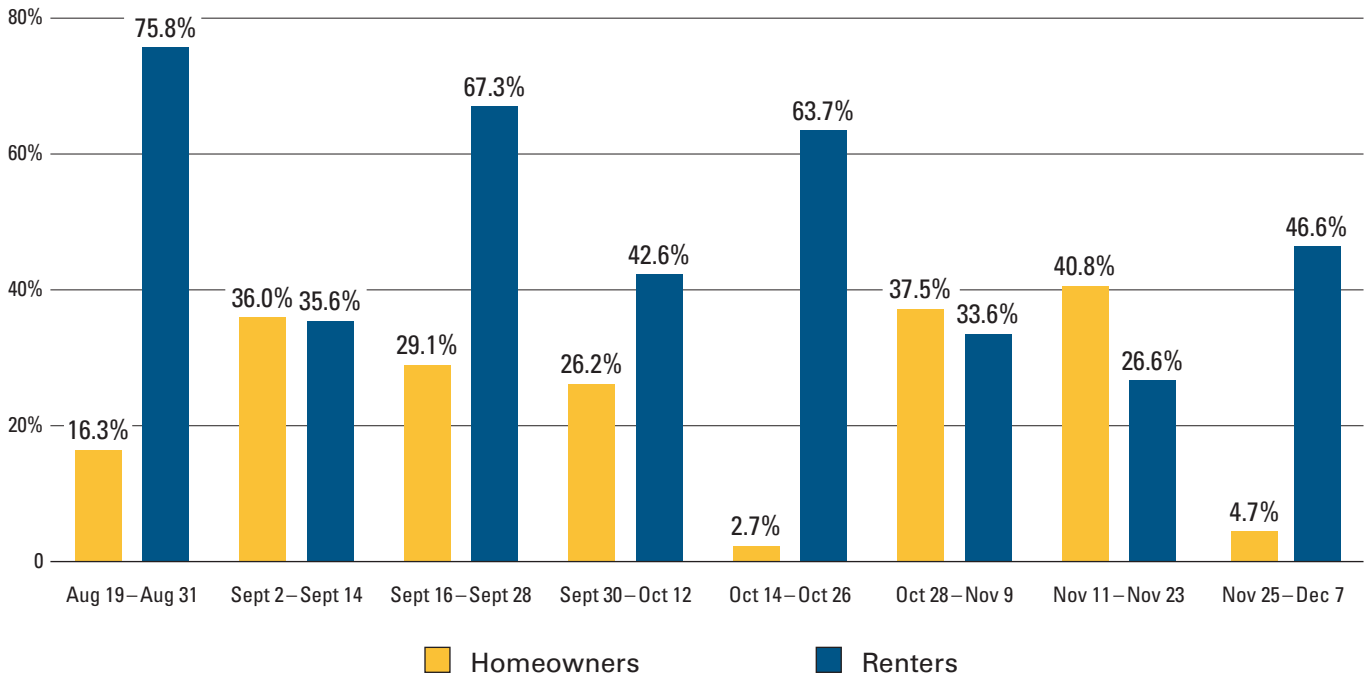
38 Joint Center for Housing Studies, “The State of the Nation’s Housing.”

39 Emily Benfer et al., “The COVID-19 Eviction Crisis: An Estimated 30-40 Million People in America Are at Risk” (Washington, DC: Aspen Institute, August 2020).

Figure 3

West Virginians Who Face Housing Insecurity Risk Homelessness, Especially Renters

Percentages of West Virginia homeowners and renters that reported being at-risk of foreclosure or eviction between August and December 2020



Source: WVCBP analysis of US Census Bureau Household Pulse Survey Data

Lessons Learned

Without increased government action, millions of Americans across the country could lose their homes—including tens of thousands of West Virginians. Although this is a persistent problem, the pandemic has highlighted the consequences of housing insecurity on a community level. Americans’ ability to minimize the spread of COVID-19 relies on their ability to access adequate housing, so potential policies have implications both now and in the long-term. According to the Center on Budget and Policy Priorities, the federal government spends more money on subsidies to promote homeownership than it does on affordable housing.⁴⁰ Given the disparities outlined in this report, housing instability requires both more attention and targeted funding.

In the short-term, legislation must focus on housing insecurity as driven by the ongoing COVID-19 pandemic. The federal government must pass a stronger eviction moratorium covering homeowners and renters in every state through the state of emergency, rather than allowing the existing patchwork of protections by states to continue. Such action can protect 25 million Americans across the country from housing insecurity and homelessness, including over 20,000 West Virginians.⁴¹

40 Center for Budget and Policy Priorities, “WV Federal Rental Assistance.”

41 Center for Budget and Policy Priorities, “Tracking the COVID-19 Recession’s Effects on Food, Housing, and Employment Hardships” (February 2021).

There are many housing policies available to West Virginia that have proven effective in other states, particularly for renters.⁴² Passing an eviction moratorium would be meaningful for the 460,000 renters in West Virginia, as would a grace period for missed payments after the state of emergency ends. Furthermore, for renters and homeowners alike, West Virginia must adopt a mandate that bans utility companies from shutting off services to ensure that people do not have to go without electricity, heat, or water. Implementing free utility reconnection for those already impacted would contribute to adequate housing and public safety.

Longer-term, HUD must update its assistance programs to increase the supply of available rental units in states without housing discrimination policies already in place. Drawing on frameworks from North Dakota, Oklahoma, and other states, the agency has an opportunity to better serve the 67 percent of voucher households nationwide that have no protections from housing discrimination.⁴³ Such action will augment the number of federal dollars circulating in West Virginia, improving the state economy while decreasing housing insecurity. West Virginia can also pass similar legislation.

Strengthening the Fair Housing Act will mitigate the pervasive housing discrimination and disparities that people of color and other minority groups continue to experience.⁴⁴ Cuts to social programs—such as those offered by HUD—particularly impact people of color, so the federal government must continue to fund these programs fully and create housing legislation that is mindful of the country’s legacy of racism and discrimination.

42 Eviction Lab, “COVID-19 Housing Policy Scorecard.”

43 Alison Bell, Barbara Sard, and Becky Koepnick, “Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results” (Washington, DC: Center for Budget and Policy Priorities, December 2020).

44 Michela Zonta, “Racial Disparities in Home Appreciation.”

PART III

Food Security Impacts

By Kelly Allen

West Virginia families experienced significant food insecurity prior to the pandemic. Between 2017 and 2019, 15.4 percent of the state's households experienced food insecurity, significantly higher than the national average of 11.1 percent of households.⁴⁵ Longstanding food insecurity challenges for West Virginia families can be attributed to high rates of poverty and challenges accessing food due to the state's rural nature and food deserts.

West Virginia's food banks, pantries, and other charitable entities provide critical infrastructure around the state in the fight against hunger, serving hundreds of thousands of West Virginians per year at over 400 food pantry and soup kitchen sites. But even in the best times, they cannot meet the need alone. The Supplemental Nutrition Assistance Program (SNAP) is the country's most effective anti-hunger program. In Fiscal Year 2019, prior to the pandemic, SNAP reached over 305,000 West Virginia residents, or 17 percent of the state's population. More than 62 percent of SNAP households have children in the home, and almost 38 percent of recipients have a household member who is elderly or has a disability.⁴⁶

Food insecurity has wide-ranging implications that are closely linked with economic security and overall health. A Centers for Disease Control (CDC) study found that food insecurity in West Virginia results in an estimated \$327 million in additional health care costs per year pre-pandemic, or \$177 per capita. Increased health care costs among the food insecure is attributed to several factors, including lower dietary quality in food-insecure individuals, tradeoffs between food and other basic needs like medications, and psychological factors like stress.⁴⁷

The COVID-19 pandemic only exacerbated these ongoing challenges. In addition to widespread job and income losses due to the pandemic impacting food security, the health and safety response to COVID-19 affected nutrition and hunger. On March 13, 2020, Governor Jim Justice announced that all Pre-K - 12 schools would be closed due to the threat of COVID-19.⁴⁸ Schools would remain closed throughout the spring semester and summer, with counties varying in offering in-person learning during the fall of 2020. While a critical decision for public health, this presented a significant challenge for families with children who rely on school for two meals per day. More than one in five children in West Virginia live in a household that is food insecure, and two-thirds of students qualify for free or reduced-price school lunches.⁴⁹ Because so many children are eligible, 43 of the state's 55 counties have adopted the community eligibility provision (CEP) of the National School Lunch Program, which allows schools to offer breakfasts and lunches at no charge to all students if more than 40 percent of their students are "Identified Students" — that is, approved for free meals without an application based on data from other programs like SNAP that serve low-income children.⁵⁰

45 Food Research and Action Center, "Household Food Insecurity Rates by State 2017-2019," accessed December 8, 2020. https://frac.org/maps/food-security/tables/tab1_foodinsecurity_2017_2019.html.

46 Center on Budget and Policy Priorities, "SNAP Factsheet: West Virginia," accessed December 8, 2020. https://www.cbpp.org/sites/default/files/atoms/files/snap_factsheet_west_virginia.pdf.

47 Seth Berkowitz et al, "State-Level and County-Level Estimates of Health Care Costs Associated with Food Insecurity," Centers for Disease Control and Prevention, Volume 16.

48 Governor Justice Announces Closure of WV Schools, Press Release, accessed December 9, 2020. <https://governor.wv.gov/News/press-releases/2020/Pages/COVID19-UPDATE-Gov.-Justice-announces-closure-of-West-Virginia-schools.aspx>.

49 West Virginia Department of Education, Feed to Achieve, accessed December 8, 2020. <https://wvde.us/child-nutrition/feed-to-achieve/>.

50 West Virginia Department of Education, Office of Child Nutrition data, accessed December 8, 2020. <http://wvde.state.wv.us/child-nutrition/school-nutrition-programs/forms-reference-tools.html>.

Adults and households without children have also experienced increases in hunger due to the pandemic and related economic crisis. According to survey data, food insecurity among adults has been significantly higher than the pre-pandemic average in every surveyed week since May, with more than one in four childless adults in West Virginia reporting food insecurity on average.⁵¹

The immense need due to the pandemic required — and continues to require — a joint response from the charitable sector and state and federal government. While charitable providers like food banks and pantries are critically important in West Virginia and around the country, alone they could never meet the need.

State and Federal Response to Child Hunger

Fortunately, the West Virginia Department of Education (WVDE) was fairly well-prepared to handle the transition from feeding children in school to feeding them when schools were closed due to the pandemic. In 2013, the state legislature passed the Feed to Achieve Act, which focused on improving the nutrition and health of West Virginia students. In addition to strengthening school breakfast and lunch programs, the legislation also implemented plans for feeding children outside of school via the Afterschool Snack Program and the Child and Adult Care Food Program (CACFP).⁵²

In March upon the closing of West Virginia’s K-12 schools, the United States Department of Agriculture (USDA) and state agencies began working to ensure that school-age children could still receive the school meals that so many rely upon. The USDA approved a flurry of waivers and flexibilities, including an allowance that the state could utilize the Summer Food Service Program (SFSP) and the Seamless Summer Option (SSO) during the spring semester to get meals to students who weren’t in school.⁵³ They also approved a waiver stating that meals could be taken away from congregate settings to allow children to safely bring them home.⁵⁴

In West Virginia, each of the state’s 55 counties was tasked with forming a feeding site plan to ensure that school children would continue to be fed as schools were closed.⁵⁵ The WVDE and local school districts worked closely with the state’s National Guard and non-profits to distribute meals to students and families. The county-by-county nature of the system meant that some counties had better resources than others to get food to children with more significant needs. The same challenges that have impacted food security for years, including poverty, transportation challenges, and rural living conditions, meant that some families couldn’t get to feeding sites to acquire the food at all.

Another important program for feeding children and families is the Pandemic Electronic Transfer (P-EBT). The Families First Coronavirus Response Act (FFCRA) authorized a temporary assistance program for households with children affected by school closures due to the pandemic. In March, the US Food and Nutrition Service (FNS) announced and began accepting plans for P-EBT. In West Virginia, P-EBT cards were issued for all SNAP and non-SNAP households that had children who qualify for free and reduced-price school meals. The benefit allotment was calculated by multiplying the daily reimbursement for free breakfast and lunch (\$5.70) by the average number of days school was canceled in the month.

51 WVCBP analysis of U.S. Census Bureau Pulse Survey, accessed December 9, 2020. <https://www.census.gov/programs-surveys/household-pulse-survey/data.html>.

52 West Virginia Department of Education, Feed to Achieve, accessed December 8, 2020. <https://wvde.us/child-nutrition/feed-to-achieve/>.

53 March 12, 2020 United States Department of Agriculture letter to West Virginia Office of Child Nutrition, accessed December 8, 2020. <https://www.manchin.senate.gov/imo/media/doc/WV%20Approval%20Waiver.pdf?cb>.

54 Ibid.

55 West Virginia Department of Education, Feeding Site Plan, accessed December 9, 2020. <https://wvde.us/covid19/feeding-site-information/>.

The cards were issued to cover three months of benefits, an estimated \$313.50 per eligible child.⁵⁶The WVDE estimated that the program would reach 90,000 West Virginia households with children and provide a \$72.4 million boost to the state's economy.⁵⁷The government funding bill passed by the US Congress in October extends flexibility for P-EBT and West Virginia families may see another boost from this important program.⁵⁸

State and Federal Response to Adult Hunger

The FFCRA passed by the US Congress in March allowed states to provide most SNAP households with emergency supplementary benefits up to the maximum benefit a household can receive. All states have utilized this option, including West Virginia. USDA may approve states to provide these benefits as long as the federal government has declared a public health emergency and the state has issued an emergency or disaster declaration. West Virginia has utilized this option for all months in 2020 since March, boosting SNAP benefits for over 106,000 households in the state and bringing an estimated \$20 million per month into the state's economy.⁵⁹

The state and federal governments also recognized the public health and economic crisis' toll on individuals and families and took action to waive SNAP requirements that serve as barriers to accessing the program. The FFCRA temporarily and partially suspended the time limit for adults without children in the home, so called "able-bodied adults without dependents" (ABAWDs). The time limits are suspended through the end of the public health emergency declaration, which is currently ongoing. This was important for West Virginia, which had time limits for this population in 36 counties prior to the national emergency and four additional counties scheduled to implement these limits beginning on April 1, 2020. Amid widespread unemployment and a public health crisis that makes it dangerous to look for work, this was an important move for public safety.

Additional flexibilities in the FFCRA included extended certification periods and adjusted reporting requirements, ensuring that families wouldn't have to go to the benefits office in person; waivers of application interviews to better and more quickly get new applicants approved; the ability to utilize periodic reporting procedures rather than more extensive recertification processes; and telephonic signature requirements. West Virginia adopted all of these flexibilities with the exception of telephonic signatures.⁶⁰

In late December, the US Congress passed a bipartisan extension of COVID-19 stimulus. This package includes a 15 percent increase in the maximum SNAP allotment for six months.⁶¹ It also temporarily waives strict SNAP requirements that generally preclude college students from accessing SNAP benefits.⁶²

56 West Virginia Department of Education, Pandemic EBT information, accessed December 8, 2020. <https://wvde.us/wv-pebt/>.

57 April 30, 2020 United States Department of Agriculture letter to Mid-Atlantic Regional Office, accessed December 8, 2020. <https://fns-prod.azureedge.net/sites/default/files/resource-files/WV-SNAP-COV-PEBT-Approval.pdf>.

58 Center on Budget and Policy Priorities, "States Are Using Much Needed Flexibility in SNAP to Respond to COVID Challenges," accessed December 8, 2020. <https://www.cbpp.org/research/food-assistance/states-are-using-much-needed-temporary-flexibility-in-snap-to-respond-to>.

59 March 26, 2020 letter from Linda Watts to Mid-Atlantic Region USDA, accessed December 8, 2020. <https://fns-prod.azureedge.net/sites/default/files/media/file/WV-SNAP-COV-EmergencyAllotments-Incoming.pdf>.

60 Center on Budget and Policy Priorities, "States Are Using Much Needed Flexibility in SNAP to Respond to COVID Challenges," accessed December 8, 2020. <https://www.cbpp.org/research/food-assistance/states-are-using-much-needed-temporary-flexibility-in-snap-to-respond-to>.

61 Food Research and Action Center, COVID-19 updates, accessed December 9, 2020. <https://frac.org/covid19>.

62 Ashley Burnside, "Latest COVID Relief Bill Provides Increased Access to SNAP for College Students," The Center for Law and Social Policy, accessed December 9, 2020. <https://www.clasp.org/blog/latest-covid-relief-bill-provides-increased-access-snap-college-students>.

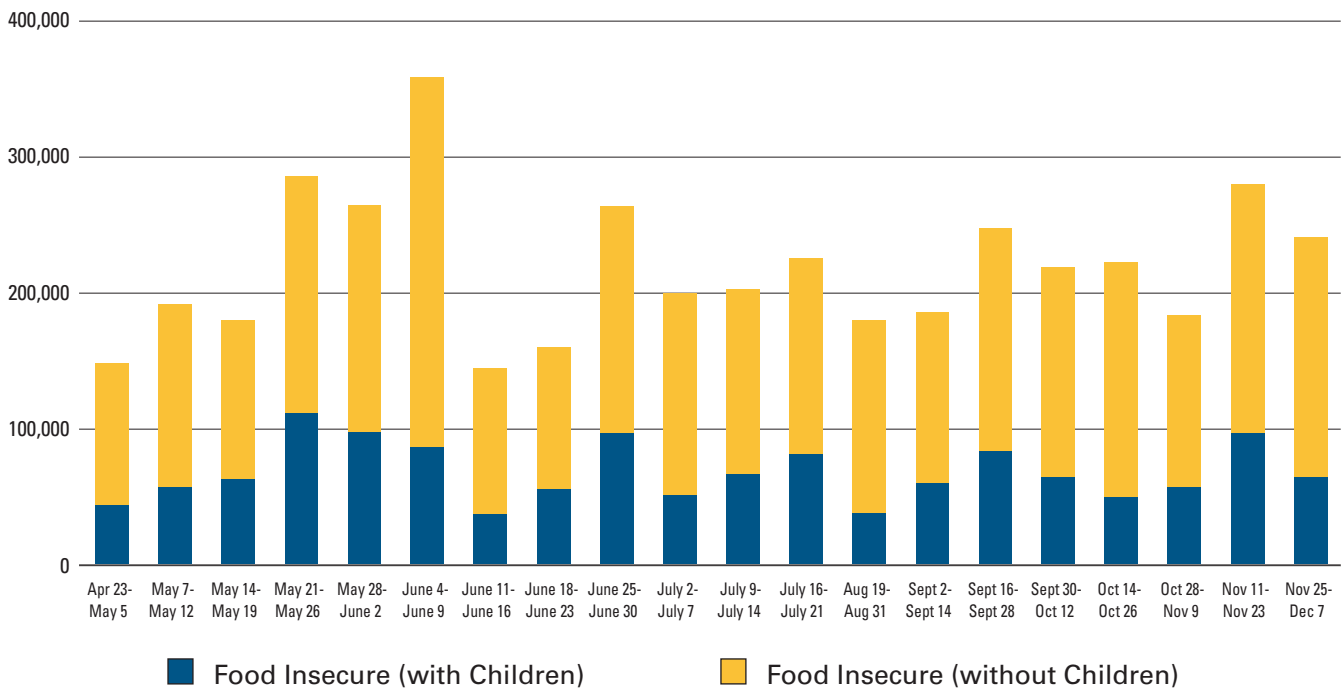
Impacts of the Pandemic on Food Insecurity

Food insecurity rose drastically throughout 2020 due to the pandemic recession. Despite state and federal response, hundreds of thousands of West Virginia households reported food insecurity between April and December when the US Census Bureau conducted household surveys.

Figure 4

Hundreds of Thousands of West Virginia Households Facing Extended Food Insecurity

West Virginia households, with and without children, reporting food insecurity between April and December 2020



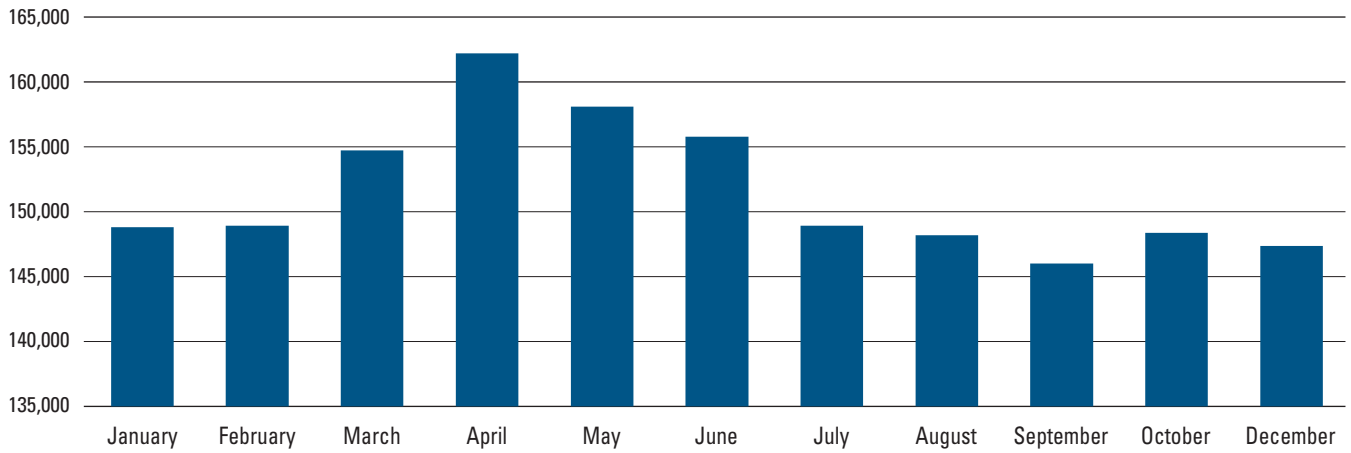
Source: US Census Bureau, Pulse Survey

While hunger spiked for months, the increase in SNAP enrollment was largely concentrated during the early months of the pandemic, in April and May, and is now back to pre-pandemic levels despite ongoing economic hardship. This could be due to the economic impacts of the federal stimulus, including unemployment provisions and economic impact payments, though there is also likely policy factors at play, including outreach to new populations who are eligible due to job loss and ease of enrollment.

Figure 5

Household SNAP Enrollment Spiked During Early Stages of Pandemic

Total households enrolled in SNAP in West Virginia by month, 2020



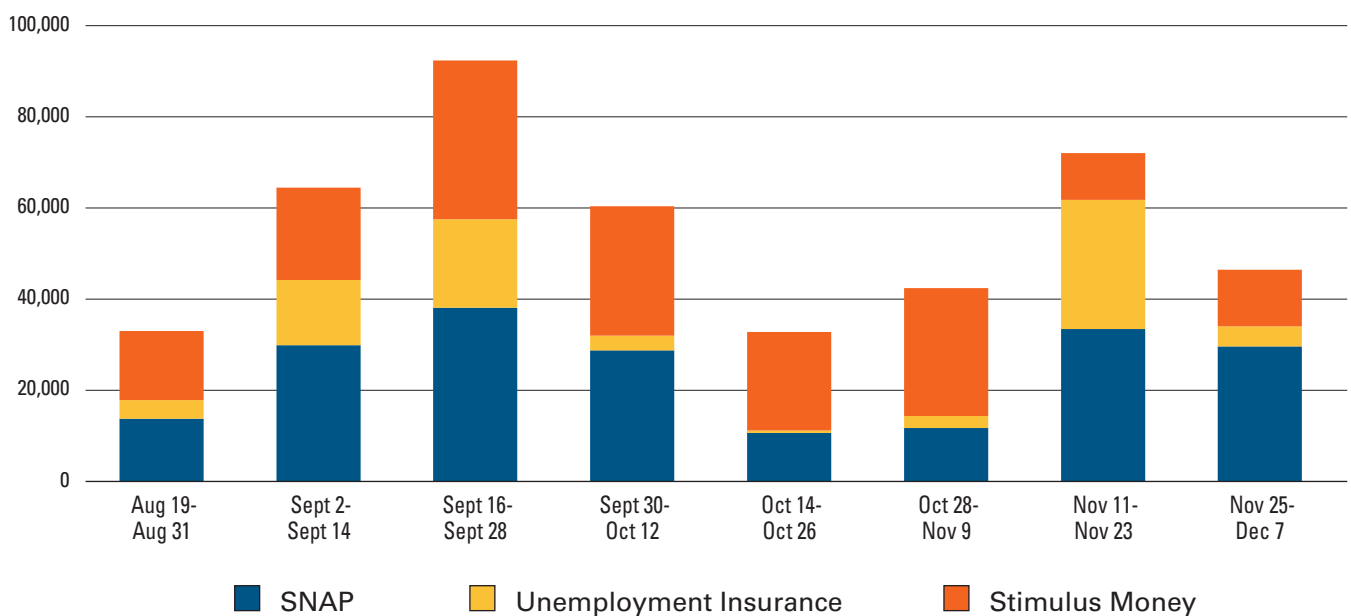
Source: US Census Bureau, Pulse Survey

Survey data makes clear that federal programs, including SNAP, unemployment insurance benefits, and economic impact payments were supporting household basics. Tens of thousands of West Virginians reported utilizing these programs to put food on the table.

Figure 6

Federal Stimulus Critical to Families' Food Budgets

West Virginia survey respondents citing use of SNAP, unemployment insurance, and stimulus money to meet food budgets between August and December 2020



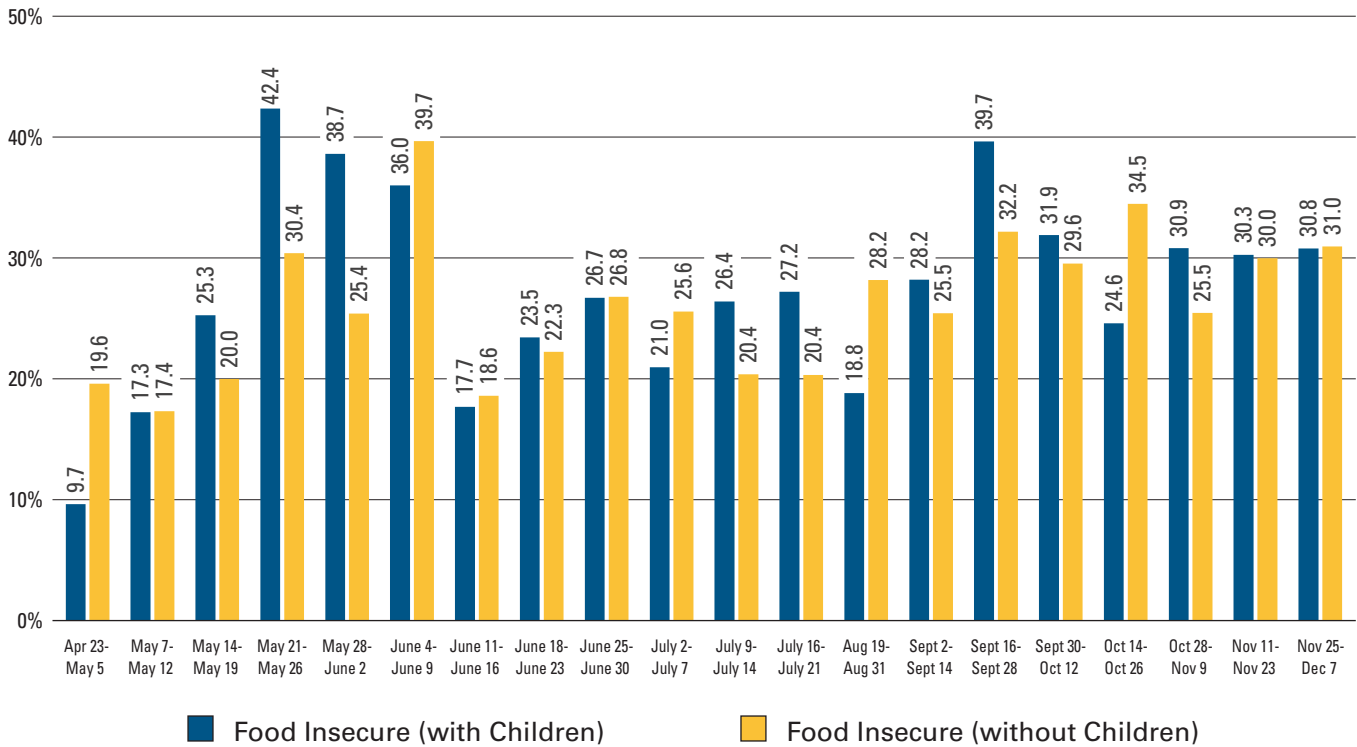
Source: US Census Bureau, Pulse Survey

Throughout the pandemic, food insecurity has consistently been higher among households with children, despite policy interventions.

Figure 7

West Virginians Reporting Higher Food Insecurity Among Households with Children

Percentage comparisons of West Virginia households, with and without children, reporting food insecurity between April and December 2020



Source: US Census Bureau, Pulse Survey

Lessons Learned

The COVID-19 health and economic crisis reaffirmed the importance of philanthropy, charity, and government working together to address significant food insecurity in West Virginia and around the country. Coordination of resources across non-profits, government agencies, and philanthropic organizations ensured that families throughout the state could access the services that they needed and that charitable organizations could fill in the gaps.

In advance of the next recession or health crisis—and while we are still seeing immense need spurred by the pandemic in West Virginia—measures can be taken to ensure that we are better equipped to respond when families are in need.

Programs like SNAP and Pandemic EBT could be automatically increased or triggered when economic indicators, like the unemployment rate, reach certain thresholds that signal a recession. These programs were critical as household incomes decreased due to job loss and students lost access to school breakfasts and lunches. These provisions would require federal action.

At the state level, stronger coordination could ensure that services reach all families, particularly rural ones. One provision that advocates have been trying to secure for years is a summer feeding program requiring all counties to have robust plans for getting food to children when they are out of school. West Virginia's rural nature and lack of public transportation makes this an especially important priority for children and parents who often cannot get to a central meal site. Offering meal delivery along established bus routes, which already go to the most rural parts of the county, is a great option.

Finally, rolling back restrictions that make it difficult to access safety net programs would provide a significant benefit for struggling individuals and families. Families cite paperwork barriers, work reporting requirements, other confusing requirements, and additional red tape that make it difficult to enroll in programs like TANF, SNAP, and Medicaid. Although those barriers are often reduced during recessions, without robust outreach to families who've gotten caught in the red tape previously, these families likely do not know that they can qualify more easily. The simplest response would be to remove those barriers altogether, as they are not needed to ensure program integrity.

PART IV

Economic Security Impacts

By Sean O'Leary

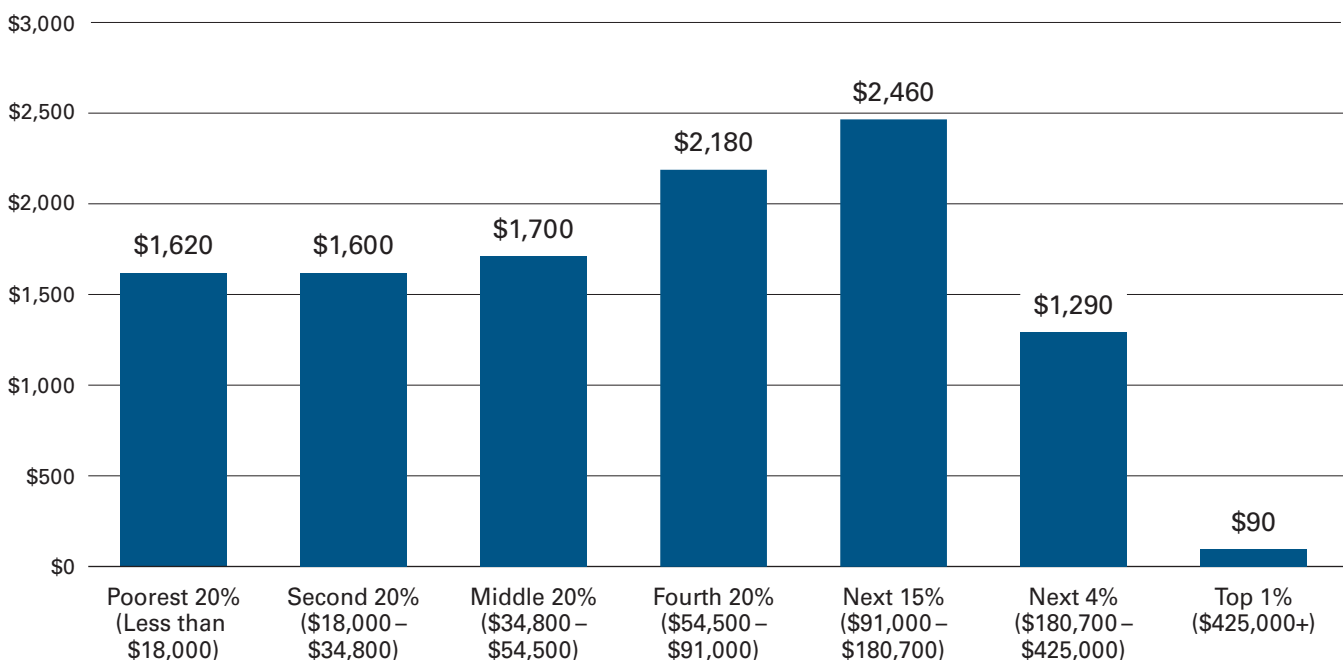
The three most impactful economic support programs enacted in response to the COVID-19 pandemic were the \$1,200 economic impact payments, the expansion of unemployment insurance, and the \$150 billion Coronavirus Relief Fund for state, tribal, and local governments. Each program directed billions in funding to West Virginia, boosting incomes even as jobs were being lost, and keeping the economy afloat throughout 2020.

Economic Impact Payments

One of the key provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act was the direct economic impact payments. These payments came in the form of a tax “rebate.” The amount of payment was \$1,200 for individuals, \$2,400 for married couples with incomes up to \$75,000 a year, plus \$500 per child. Benefits start to phase out for singles with income greater than \$75,000 and married couples with incomes greater than \$150,000. In West Virginia, the average rebate for households was \$1,830 (Figure 8).

Figure 8

Average CARES ACT Economic Impact Payment by Income Group in West Virginia, 2020



Source: Institute on Taxation and Economic Policy

Overall, the economic impact payments totaled an estimated \$1.687 billion for West Virginia.⁶³

63 Steve Wamhoff, “How the Tax Rebate in the Senate’s Bill Compares to Other Proposals,” Institute on Taxation and Economic Policy, March 2020.

Unemployment Insurance Expansion

In addition to the economic impact payments, the CARES Act also included a significant expansion of and increase to unemployment benefits. First the CARES Act increased unemployment benefits by \$600 per week, fully paid for by the federal government (formally known as the Federal Pandemic Unemployment Compensation program, or FPUC). The FPUC program increased the average weekly unemployment benefit in West Virginia from \$345 to \$945.⁶⁴ The \$600 increase in benefits was in effect for only 13 weeks in 2020, expiring on July 31. While in effect, FPUC benefits totaled \$1,028,459,003 in West Virginia.⁶⁵

The CARES Act also created the Pandemic Unemployment Assistance (PUA) program to expand eligibility for unemployment insurance to workers not normally eligible for regular unemployment benefits. The PUA program covered unemployed workers who were self-employed, furloughed, didn't have a sufficient work history, or were seeking part-time employment. This included independent contractors and "gig" economy workers. PUA also covered workers who had quit their job because of COVID-19, including due to care responsibilities for a sick member of their household or because of closed schools and childcare centers.

PUA benefits were set at no less than half the average state benefit (or approximately \$162 a week in West Virginia) through December 26, 2020, and were paid for by the federal government. Through December 5, \$136,041,694 in PUA benefits had been paid out in West Virginia.⁶⁶ PUA recipients were also eligible for the temporary additional \$600 per week benefit through July 31.

Finally, the CARES Act lengthened the time an unemployed worker could receive regular benefits. Under the Pandemic Emergency Unemployment Compensation (PEUC), the federal government paid for an additional 13 weeks of unemployment benefits beyond the 26-week maximum allowed in West Virginia. Like PUA, the PEUC program expired December 26, 2020. Through December 5, \$65,517,849 in PEUC benefits had been paid out in West Virginia.⁶⁷

The expansion of unemployment insurance benefits and eligibility reached tens of thousands of West Virginians throughout the pandemic. At its peak in April, more than 146,500 West Virginians were claiming regular weekly unemployment benefits, and as of November 28, more than 22,000 were still claiming regular weekly benefits – more than twice the number for the same week the previous year (Figure 9).⁶⁸

West Virginia was late to report the number of PUA claims in the state, but when the number of claims was reported, the data showed nearly 70,000 PUA claims for the first week of October, and as of November 22, there were still more than 34,500 PUA claims in West Virginia.⁶⁹

As the pandemic was prolonged and the economy recovered slowly, thousands of West Virginians exhausted their regular unemployment benefits, and moved into the PEUC program. PEUC claims have grown steadily throughout the crisis, rising from 5,500 claims in May to over 17,000 by the end of November.⁷⁰

64 WVCBP analysis of U.S. Department of Labor data.

65 U.S. Department of Labor, "Families First Coronavirus Response Act and Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding to States through December 5, 2020," accessed December 10, 2020 https://oui.doleta.gov/unemploy/docs/cares_act_funding_state.html.

66 Ibid.

67 Ibid.

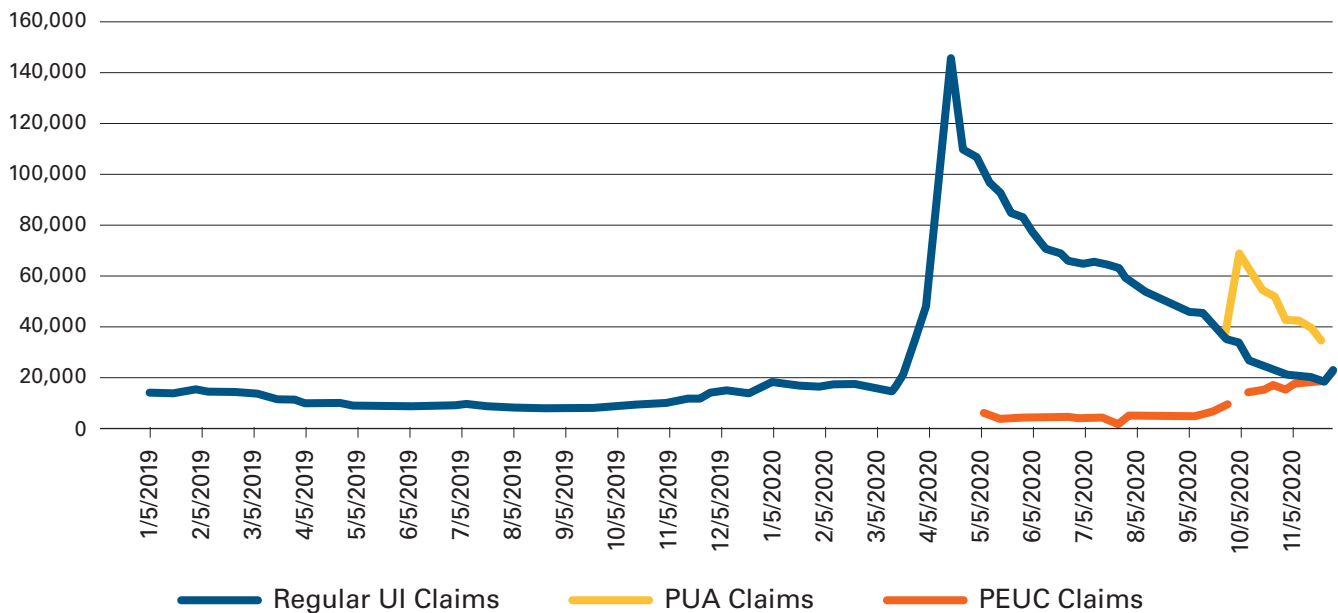
68 WVCBP analysis of U.S. Department of Labor data.

69 Ibid.

70 Ibid.

Figure 9

Weekly Continued Unemployment Benefits Claims, West Virginia

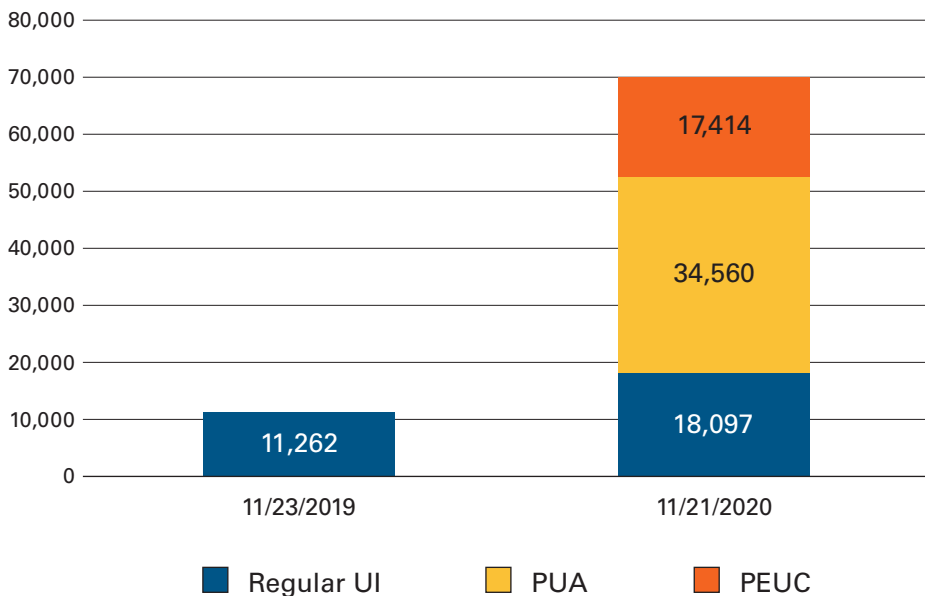


Source: WVCBP analysis of U.S. Department of Labor data

As of the week of November 21, there were 70,071 West Virginians claiming some form of unemployment benefits, including 34,560 PUA claims and 17,414 PEUC claims, which expired on December 26. In comparison, for the same week in 2019, there were only 11,262 West Virginians claiming unemployment benefits (Figure 10).

Figure 10

Total Unemployment Claims for the Last Week of November, 2019 and 2020, West Virginia



Source: WVCBP analysis of U.S. Department of Labor data

Coronavirus Relief Fund

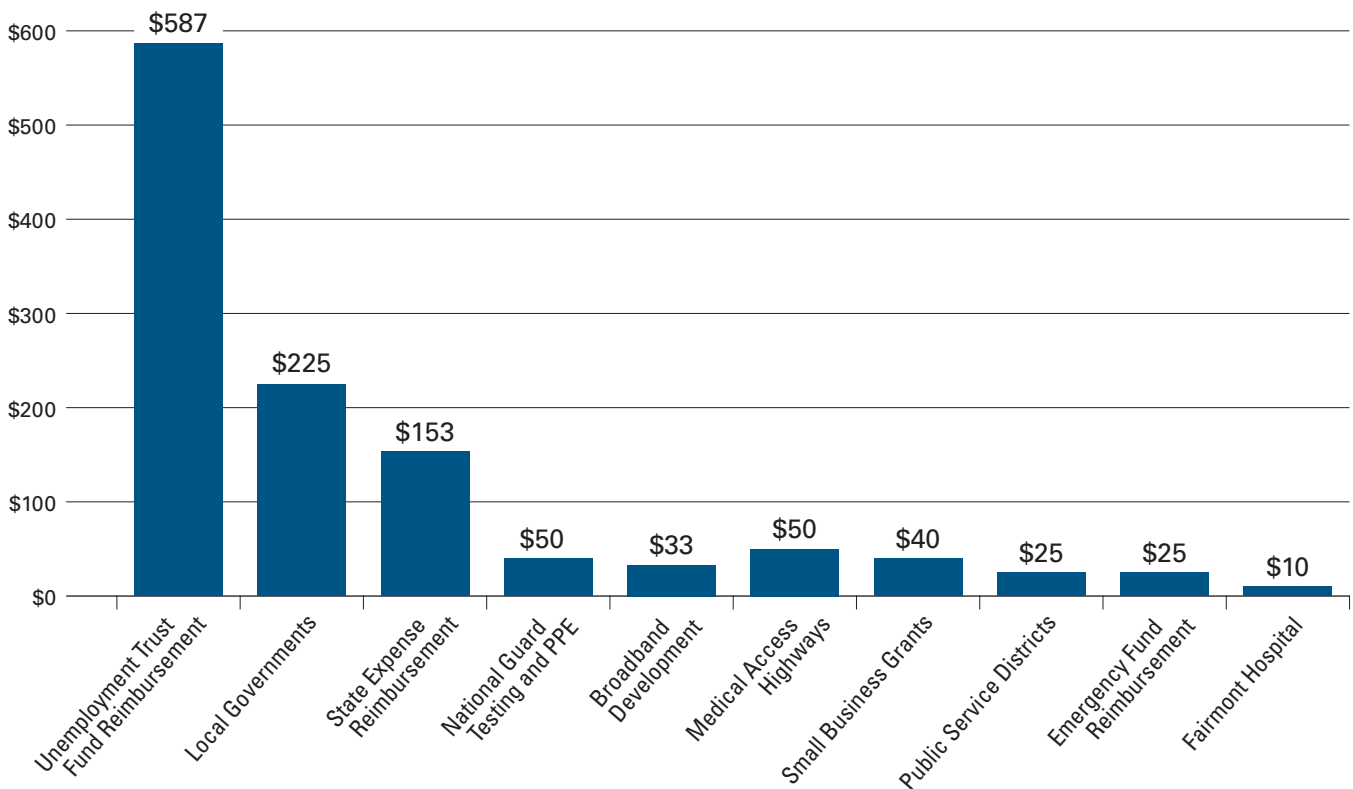
As part of the CARES Act, West Virginia’s state government received \$1.25 billion in Coronavirus Relief Funds (CRF) to help pay for the state’s pandemic-related costs. Guidance issued by the United States Treasury requires that payments from the CRF may only be used to cover costs that:

- Are necessary expenditures due to the COVID-19 public health emergency;
- Were not accounted for in state budgets (e.g. the funds cannot be used to cover budget shortfalls); and
- Were incurred during a period between March 1, 2020 and December 30, 2020.⁷¹

Governor Justice announced his plan for the distribution of the \$1.25 billion. Over half of the CRF dollars (\$587 million) has been set aside to reimburse the state’s unemployment trust fund. According to Governor Justice, this is being done to keep the trust fund solvent, and prevent a potential unemployment tax increase on businesses.⁷² In addition, \$200 million has been allocated for local governments, \$50 million for broadband development, \$50 million for medical access roads, \$50 million for the National Guard for testing and personal protection equipment, \$25 million to public service districts to provide utility relief, and other various state reimbursements (Figure 11).

Figure 11

West Virginia Coronavirus Relief Fund Planned Distribution (millions)



Source: West Virginia Auditor’s Office

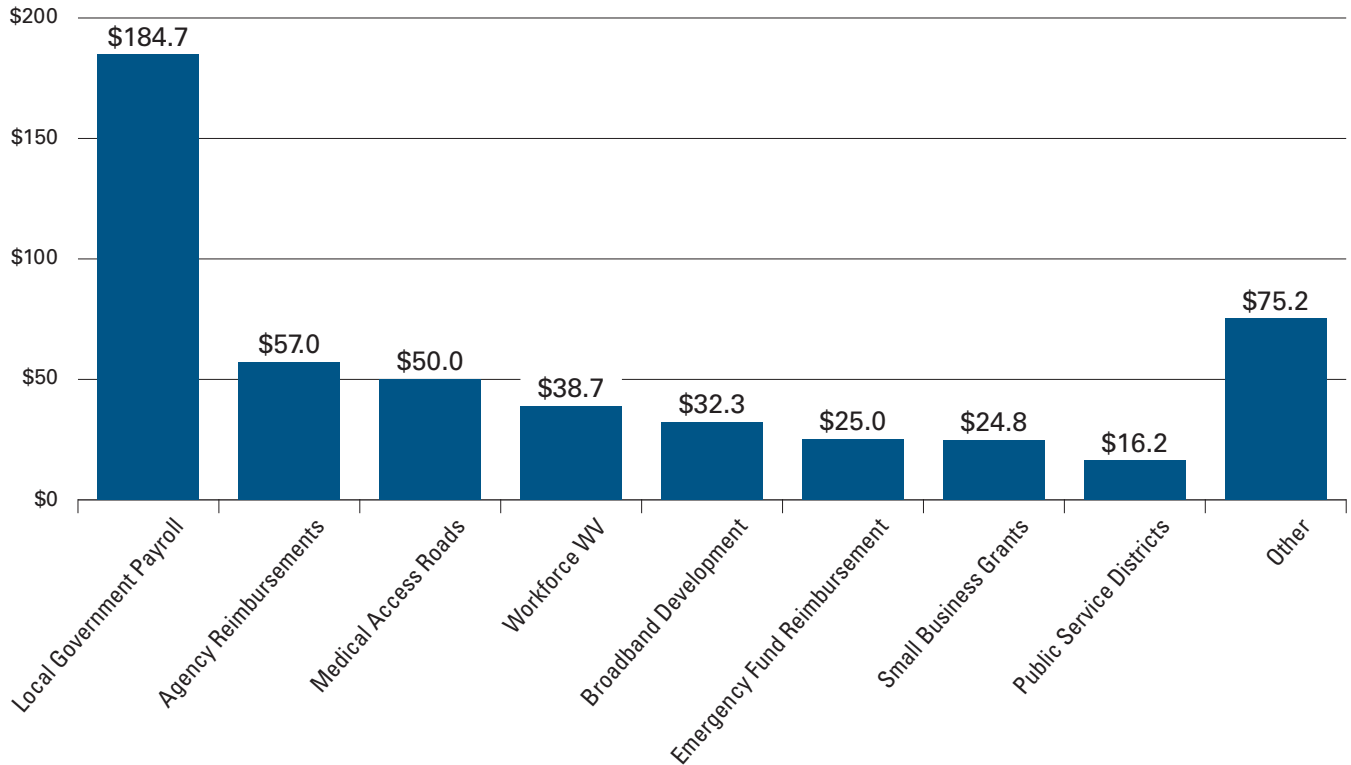
71 U.S. Treasury Department, “Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments,” Updated September 2, 2020, <https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf>.

72 Jeff Jenkins, “Justice says only \$60 million “un-pledged” in CARES Act funding,” WVMetronews, October 17, 2020.

As of December 18, only \$503.9 million of the \$1.25 billion had been spent, with the rest allocated, but not yet distributed. Of that \$503.9 million, \$184.7 million had been local government payroll. Only \$16.2 million of the \$25 million allocated to public service districts for utility relief had been spent, only \$24.8 million of the \$40 million for small business relief had been spent, and only \$38.7 million of the \$587 million set aside for Workforce WV, the state’s unemployment insurance agency, had been spent (Figure 12).

Figure 12

West Virginia Actual Coronavirus Relief Fund Spending as of December 18, 2020 (millions)



Source: West Virginia Auditor’s Office

Impacts of the Pandemic on the Economy

West Virginia’s economy was severely damaged by the pandemic, with staggering losses in jobs and income. West Virginia lost 93,900 jobs in March and April, and the state’s unemployment rate more than tripled, from 4.9 percent in February to nearly 16 percent in April.⁷³

The influx of federal aid into West Virginia from the CARES Act provided a much-needed boost to the economy, particularly the \$1,200 stimulus payments and the \$600 in additional weekly unemployment benefits. Jobs bounced back strongly in the late spring and early summer, right as the stimulus payments were distributed and as unemployment payments were at their peak. West Virginia added 49,600 jobs in May and June.⁷⁴

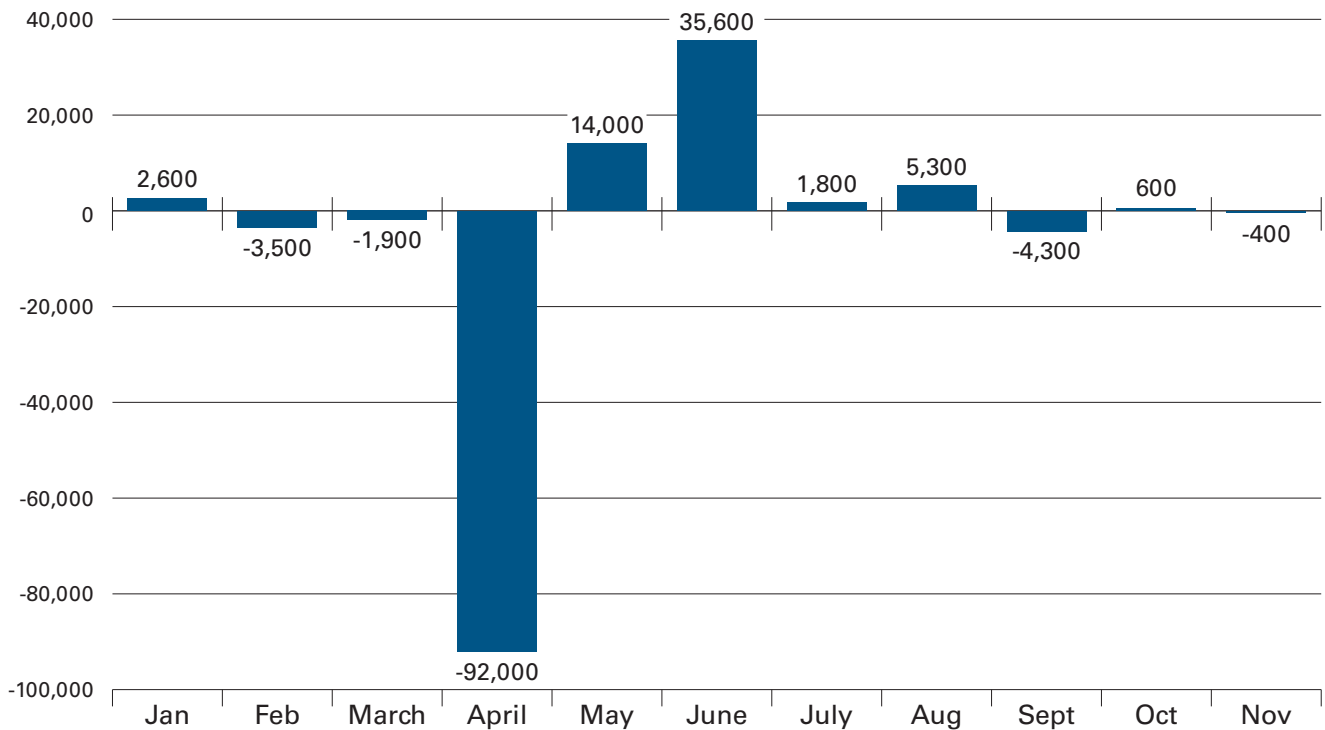
⁷³ U.S. Bureau of Labor Statistics, Current Employment Statistics.

⁷⁴ Ibid.

However, as time passed since the stimulus payments were distributed, and as enhanced unemployment benefits expired in July, West Virginia’s economy began to slow. After adding 49,600 jobs in May and June, West Virginia added only 3,000 jobs collectively between July and November, and actually lost jobs in September and November (Figure 13).

Figure 13

Monthly Change in Nonfarm Employment, West Virginia, 2020
(seasonally adjusted)

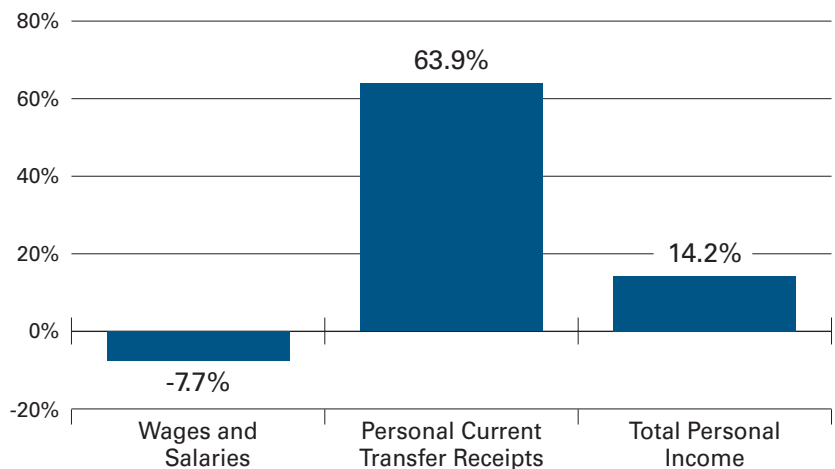


Source: WVCBP analysis of Bureau of Labor Statistics data

The same pattern is evident in West Virginia’s personal income data. Wages and salaries in West Virginia fell by 7.7 percent in the second quarter of 2020. That loss in wages and salaries, however, was offset by an influx of income from federal transfers as part of the CARES Act. Transfer receipts increased by 63.9 percent in the second quarter of 2020, which more than offset the losses in wages and salaries. As a result, total personal income in West Virginia increased by 14.2 percent, despite widespread job and income losses (Figure 14).

Figure 14

Percent Change in Personal Income by Component, 2020Q1–2020Q2, West Virginia



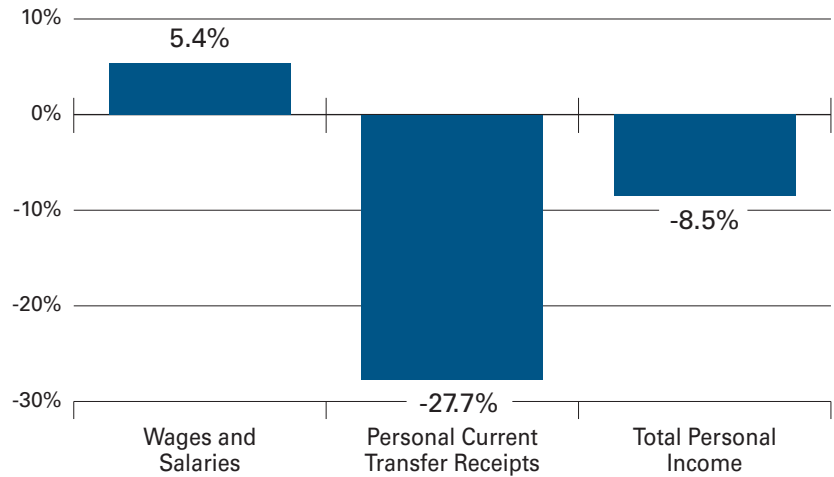
Source: WVCBP analysis of Bureau of Economic Analysis data

However, as the impact from the stimulus payments faded and the \$600 enhancement to unemployment benefits expired, modest gains in wages and salaries were not enough to offset the loss of relief funds. In the third quarter of 2020, wages and salaries increased by 5.4 percent, but transfer receipts fell by 27.7 percent, leading to an overall decline in personal income of 8.5 percent (Figure 15).

The remaining provisions of the CARES Act were enough to boost overall income in the state, despite a decline in wages and salaries since the beginning of the year. Overall in 2020, from 2020Q1 to 2020Q3, total personal income in West Virginia is up 4.5 percent, despite a 2.7 percent decrease in wages and salaries.⁷⁵

Figure 15

Percent Change in Personal Income by Component, 2020Q2 – 2020Q3, West Virginia



Source: WVBCBP analysis of Bureau of Economic Analysis data

Lessons Learned

The federal and state governments’ responses to the COVID-19 pandemic and ongoing economic recession have both demonstrated the power and effectiveness of direct economic assistance, as well as highlighted shortcomings in our unemployment benefits systems and the sometimes arbitrary time limits on assistance.

The economic impact payments and the enhancements to unemployment benefits were effective in large part because they directly sent money to West Virginians, both the unemployed and in the broader economy. This allowed people to spend money immediately, paying rent, buying groceries, and supporting the local economy, even as tens of thousands lost jobs. Without that direct support, what was already a severe crisis could have been even more devastating.

The expansion of eligibility and enhancement of benefits to the unemployment system also played an important role. Without the PUA program, thousands of unemployed West Virginians who lost work during the pandemic would have been ineligible for unemployment insurance benefits and would thus have had no income during the crisis. Without the PEUC program, thousands of West Virginians would have exhausted their benefits, even as the pandemic surged and the economy weakened. And without the \$600 per week in enhanced unemployment benefits, unemployed West Virginians would have seen a major reduction in their incomes, with some receiving as little as \$24 per week in benefits. The traditional unemployment system would have been far inadequate to appropriately respond to the severity of the pandemic.

The ongoing nature of the pandemic and recession highlights the need for assistance programs to be tied to economic conditions, not arbitrary dates. The first economic impact payments occurred in March and April, during the earliest days of the pandemic. The \$600 per week in enhanced unemployment benefits expired in August, even as the state was beginning to lose jobs again. And the PUA and PEUC programs were set to expire in December, when the spread of COVID-19 was at its highest in West Virginia. These arbitrary end

⁷⁵ U.S. Bureau of Economic Analysis, regional data.

dates for assistance did not reflect the economic realities in West Virginia and across the country. Gaps between when the assistance ended and when it was renewed hurt the economy, increased hardship, and introduced political calculations into what forms of assistance should and shouldn't be extended, rather than relying on the actual conditions of the economy and pandemic. This could all be avoided by setting up future assistance to begin automatically when certain economic indicators are met, and to stay in effect until conditions return to appropriate levels, as opposed to ending on an arbitrary date.