# *The Coronavirus's Impact on Food Security in Atlantic County*

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# Introduction

The coronavirus has impacted millions of people all over the United States. In New Jersey, small businesses are closing, workers are unemployed, and families are finding it difficult to provide. This is especially evident in New Jersey's Atlantic County, the home of Atlantic City and nine casinos. Thousands of people in the county are out of work as a result of casino closures related to the pandemic. Prior to a state lockdown, Stockton University's Hughes Center for Public Policy conducted a poll of Atlantic County residents in order to gauge food security in the region. What the poll found was that a significant portion of Atlantic County residents faced food insecurity. The rate was higher among those living in the county's urban areas, especially Atlantic City, and among racial and ethnic minorities. Nearly one in five residents (18%) said they have run out of food and did not have the money to buy more right away and more than one-third (35%) have eaten the same thing for several days in a row because that item costs less. Whereas 10% of white people said that in the last 12 months they have had to skip a meal because they couldn't afford to buy enough food, 21% of African American and 26% of Hispanic/Latino residents said they had to. Of those living in urban municipalities (Atlantic City, Pleasantville, Ventnor, and Egg Harbor City), 21% have gone to a soup kitchen or food pantry for free food in the past year while 5% of those in suburban or rural locales have (Hughes Center, 2020). This paper outlines the follow-up research conducted after this poll in order to see how the coronavirus pandemic might have further affected food security in Atlantic County.

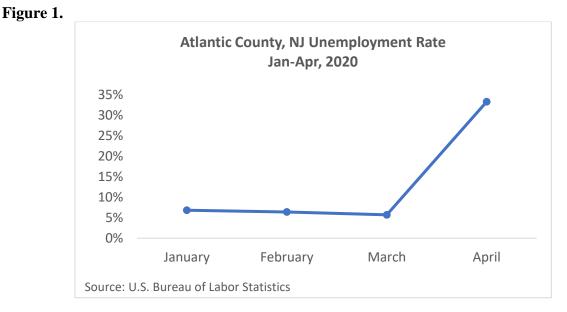
Existing literature, though limited, suggests the type of economy and workforce found in the county and Atlantic City are more food insecure as a result of Covid-19 and the subsequent economic fallout. A report by Feeding America that discussed the impact of Coronavirus on food security found "one group that has been particularly affected are workers who have service

occupations or work in the leisure and hospitality industry" (Feeding America, 2020). The report went on to say that even before the pandemic "these workers experience above-average rates of food insecurity (16-17%)" and "now, with so many public-facing services closing indefinitely, these workers are facing particularly dire circumstances" (Feeding America, 2020). According to 2018 data from the U.S. Census Bureau's American Community Survey, 37,100 Atlantic County residents or 14 percent, work in service occupations, about 6 percentage points higher than the national rate. Of those, nearly 37 percent are in food preparation and serving, specifically. Many of these residents likely work in Atlantic City, a hub for service and hospitality jobs in the county (Data USA, 2020). By the end of 2018, the nine casinos in Atlantic City employed 27,927 people (O'Connor, 2019).

According to Pew Research, workers in the service sector have lower-than-average earnings to begin with and are disproportionally impacted by pandemic-related layoffs. (Kochhar and Barroso, 2020). Many of these people are without income and now face a higher risk of food insecurity. The Community Food Bank of New Jersey also notes that while Southern New Jersey has relatively few cases of Coronavirus compared to the rest of the state, the shutdown of the casinos and related hospitality businesses will continue to have a devastating effect on the economy, highlighting "particularly Atlantic County and the surrounding area where the casino industry supports so many residents" (CFBNJ, 2020). Many different organizations fear the worst for Atlantic County with the closure of the casinos. Other sources suggest that Atlantic City has become more food insecure because of the increased demand at food pantries. Feeding America projects a shortfall of \$20 million in additional resources needed for New Jersey over six months beginning in March (CFBNJ, 2020).

# **Covid-19 effects on Atlantic County unemployment**

The Bureau of Labor Statistics' data on unemployment in Atlantic County are reflected in the graphs below. Predictably, unemployment reached an all-time high when New Jersey went into lockdown. Atlantic County had the highest rate of unemployment among New Jersey's 21 counties because once the casinos were shut down, thousands of people were out of work. This is reflected in the trajectory of the unemployment rate as shown in Figure 1 below. In January 2020 the unemployment rate was hovering around 6% and even began to decrease further. When March hit and the state of emergency was declared on the 12<sup>th</sup>, the unemployment rate increased dramatically to 1/3 of the county's workers. With 33.8% of people in Atlantic County unemployed in April, the county rate doubled that of the state (16.3%) and nation (14.7%) that same month (Brunetti, 2020) (BLS, 2020).



A similar spike is reflected in the number of people that were unemployed. Whereas in January 2020, the number of people unemployed was under 10,000, it then jumped to more than 40,000

in April (BLS, 2020). Of these 30,000-plus people that were put out of work in a matter of a few days, more than 25,000 of them were casino workers (Danzis, 2020).

A year-to-year comparison of April 2019 unemployment rates to April 2020 demonstrates that Atlantic County had the third-highest jump nationwide. To contrast Atlantic County's nearly 34% unemployment rate in April with its neighboring counties, Cape May County had 26.6% unemployment and Cumberland County was just under the state average with 16.2% at the time. Kahului-Wiluku-Lahaina in Hawaii, up 32.5% from April 2019 and Las Vegas, Nevada, up 30%, were the only two regions to have a larger year-over-year increase than Atlantic County that month (Brunetti, 2020). However, in May, Atlantic County recorded the second-highest jump in the nation and by June had the highest over-year change (BLS, 2020).

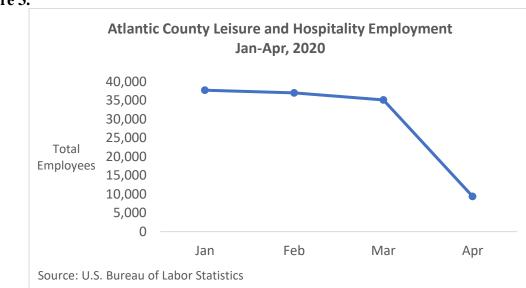
Figure	1
Figure	4.

Atlantic County Unemployment	2019	2020	Percentage	National Ranking of
Rate Year-Over-Year			Increase	YOY Increase
April	4.2%	33.8%	29.6%	3 <sup>rd</sup>
May	4.2%	32.5%	28.3%	2 <sup>nd</sup>
June	4.4%	34.3% (P)	29.9%	1 <sup>st</sup>

(P): Preliminary data

Source: U.S. Bureau of Labor Statistics

It is also useful to see how the leisure and hospitality industry in Atlantic County was affected as an explanation of why Atlantic County's unemployment was so bad. Below, Figure 3 shows the number of employees in leisure and hospitality from January 2020 to April 2020. Again, we see a sharp decline in the month of March that reflects the thousands of people who lost their jobs from the casino closings and any others who work in the leisure and hospitality industry.



#### Figure 3.

# Food assistance during Covid-19

The labor force data suggest that thousands of people within Atlantic County are not receiving income and could in turn have trouble providing their families with food, even more so than the Hughes Center poll showed earlier this year in March. According to that poll, even before Atlantic County unemployment skyrocketed, many residents were food insecure. Now that almost 30,000 more workers in the county are jobless and relying on unemployment benefits to keep a roof over their head and provide food for the family, many people are having to turn to food pantries in order to keep their families from going hungry.

Supplemental Nutrition Assistance Program (SNAP) data for Atlantic County can also be an indicator of the county's food security. SNAP replaced traditional paper food stamps in 1990. In a traditional four-person New Jersey household, if their gross monthly income is under \$3,970, that household qualifies for food stamps. While that family is in great need, they will receive up to \$646 a month that can only go toward food. When compared to April 2019, the total active SNAP recipients in April 2020 increased by 1,841 people, from 29,687 to 31,528 (a 6.2% increase). That difference only grew in May. When year-over-year change for the month of May is compared, data showed that 2,394 more people were receiving SNAP benefits in 2020 than in 2019 (an 8% increase). These numbers are reflected in Figure 4 below.

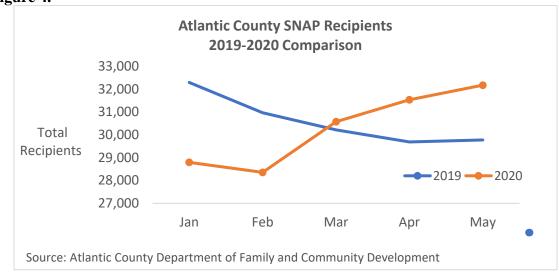
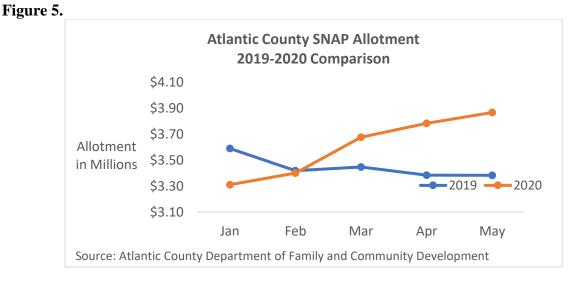


Figure 4.

Whereas in the year prior, the number of recipients steadily decreased from January to April, which is expected of a seasonal tourist economy that hires workers for the summer season, a different trend is present this year. Numbers in February were lower in 2020 than 2019 but the numbers did not decrease into March and April. Instead, they began to rise higher than the previous year. While data hasn't been provided for months past May, it is possible the numbers continued to climb as the unemployment rate increased in June. On March 29, Governor Phil Murphy signed the federal Families First Coronavirus Response Act. This act provided approximately 205,000 New Jersey residents receiving SNAP \$35 million in supplemental payments in the month of March and another \$35 million in the month of April (NJ.gov, 2020). The policy changes adopted by New Jersey include these emergency supplementary benefits to those receiving SNAP, benefits provided to households with children who are no longer receiving the free or reduced-price meals they did at school, and administrative changes such as extended deadlines and waived interview requirements ("SNAP Enhanced Benefits", 2020). This is expressed in Figure 5 below. It shows a consistent increase during pandemic months of SNAP allotment with a noticeable year-over-year increase of nearly \$500,000 in the month of May.



We can also look at welfare benefits, such as General Assistance (GA), to see how Atlantic County residents may be food insecure. The money GA provides to individuals can be used for rent, mortgage payments, utility payments, and transportation, among many other essential living expenses. Figure 6 and 7 below show the number of GA cases and the total GA expenditures in Atlantic County for 2019 and 2020. Both cases and expenditures increased during the pandemic months, unlike in 2019 when there was a slight decline over this same time period. In June 2020, there was a 30% increase in cases and a 60% increase in expenditures from June 2019. Temporary Assistance for Needy Families (TANF) is another form of cash assistance issued to families for income assistance, childcare, and transportation, among other needs. However, the total Atlantic County provided for TANF also included payments for an additional program, Home Energy Assistance, which are issued yearly and did not reflect current financial hardships to allow for an accurate comparison across years.

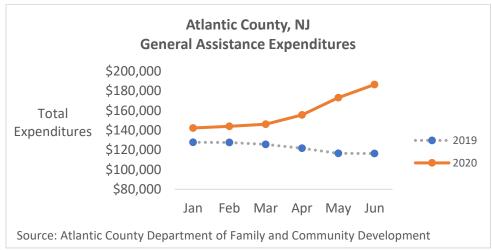








Figure 6.



The increases in SNAP and cash assistance expenditures to address the rising need among residents occurred throughout all of New Jersey. Atlantic County ranked 8<sup>th</sup> in the state in terms of highest SNAP expenditures for the period of March to July 2020. However, despite having the highest unemployment rate in the state, this increase represented the 18<sup>th</sup> highest yearover-year increase in expenditures over this period from the same period in 2019. At 65%, it ranked behind nearby Camden County which saw a 69% jump, for instance, despite Camden having less than half the unemployment. A comparison of expenditures for cash assistance across the state demonstrates similar findings with Atlantic ranking 15<sup>th</sup> in the state for year-

• 2019

over-year change from 2019. Figure 9 and Figure 10 below show the year-over-year increase in

expenditures for SNAP and cash assistance for South Jersey counties.

South Jersey Counties' Year-Over-Year Change in Total SNAP Expenditures for March-July:				
			Percent	Unemployment rate
	Mar-Jul, 2019	Mar-Jul, 2020	Change:	as of June 2020:
Statewide Total	\$388,127,081.22	\$653,092,779.72	68%	16.6%
Atlantic	\$18,331,751.54	\$30,222,664.13	65%	34.3%
Burlington	\$11,166,071.72	\$18,680,360.12	67%	13.7%
Camden	\$35,671,442.14	\$60,259,433.99	69%	16.3%
Cape May	\$3,634,546.84	\$6,509,867.44	79%	20%
Cumberland	\$13,407,168.93	\$22,607,252.26	69%	16.7%
Gloucester	\$9,097,399.11	\$15,570,512.84	71%	15.4%
Ocean	\$20,913,634.69	\$37,183,172.00	78%	16.4%
Salem	\$4,071,765.98	\$7,314,084.01	80%	14.6%

Figure 8.	
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Source: NJ Division of Family Development

# Figure 9.

South Jersey Counties' Year-Over-Year Change in Total Cash Assistance				
Expenditures for March-July:				
			Percent	Unemployment rate
	Mar-Jul, 2019	Mar-Jul, 2020	Change:	as of June 2020:
Statewide Total	\$5,477,711.82	\$8,582,652.54	57%	16.6%
Atlantic	\$398,190.49	\$579,740.53	46%	34.3%
Burlington	\$248,479.50	\$396,609.01	60%	13.7%
Camden	\$566,209.19	\$916,576.42	62%	16.3%
Cape May	\$57,461.61	\$100,666.13	75%	20%
Cumberland	\$226,633.48	\$307,015.77	35%	16.7%
Gloucester	\$193,585.66	\$306,911.39	59%	15.4%
Ocean	\$230,589.60	\$405,795.50	76%	16.4%
Salem	\$65,963.84	\$138,460.00	110%	14.6%

Source: NJ Division of Family Development

The data suggests that Atlantic County is likely experiencing outsized need that is not being met by SNAP and cash assistance alone, as the unemployment rate in the county has increased year-over-year at a drastically higher rate than recipients and expenditures for either benefit. To speak directly to the need for food assistance, I was able to get statistics on calls to NJ 211, New Jersey's information hotline. Because the hotline is used statewide, a comparison of Atlantic County to the rest of New Jersey counties is possible. Atlantic County had the highest rate of calls, relative to population, for information on food assistance from January to June with a total of 579. These numbers are much higher than usual as Melissa Acree, Director of NJ211, said when providing the data. She also informed us that food assistance calls were up throughout the entire state during the months of March, April, and June. Whereas call volumes for food assistance never rose above 300 each month during this period in 2019, in April 2020 they received almost 2,500 calls for food assistance information and just under 2,000 in the following months of May and June. As mentioned, Atlantic County had the highest rate of calls compared to other NJ counties and with the highest rate of unemployment, as well as dramatic increases in SNAP recipients and GA cases, Atlantic County looks to be significantly more food insecure than before the pandemic.

#### Food bank response to Covid-19

Food banks are first responders for those in need of food and because of this, their data would be another indicator of whether Atlantic County has become more food insecure since the onset of the pandemic. I looked at the Community Food Bank of New Jersey (CFBNJ), the state's largest anti-hunger organization that has pantries in both Newark and Egg Harbor Township, NJ with a focus on the Egg Harbor Township pantry as they distribute food on site, as well as to smaller food pantries in Atlantic County.

Their numbers for distribution, expenditures, and emergency meal kits all rose considerably from the month of March and on. To try to cope with these increasing numbers, the CFBNJ partnered with the Casino Reinvestment Development Authority (CRDA) and UNITE

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HERE Local 54 to hold biweekly food drives on the weekend for the thousands of people in Atlantic City (specifically out-of-work casino employees) who need food. During the months of lockdown, the CFBNJ reported that state-wide demand at their partner pantries was up more than 50% and the number of food boxes distributed on an average day had tripled since the beginning of the crisis (CFBNJ, 2020). At the end of June, the CFBNJ had distributed nearly 70,000 emergency meal kits statewide. One of the main areas targeted for help was Atlantic County, with Atlantic City casino workers receiving the most at more than 3,000 meal kits (CFBNJ, 2020). The food bank also noted that "nearly 42,500 grab-and-go meals were delivered to child nutrition sites in both our Hillside and Egg Harbor Township service areas in April and May." (CNJGM, 2020). As far as expenditures go, data specific to Atlantic County were not available, but statewide the CFBNJ (Newark and Egg Harbor Township pantries) has seen spending go up \$1 million to \$1.3 million more per month on food purchases than usual (CNJGM, 2020). This is compared to pre-pandemic when more than 50% of the food that the CFBNJ distributed was donated and less than 50% came by way of purchases made with government funds (40%) and a purchase program (CNJGM, 2020). Because donations went down and need went up when the pandemic began, a sharp increase in spending and government commodities became the main source of food that the CFBNJ would distribute.

#### The toll on South Jersey workers: Union leaders weigh in

I had the opportunity to speak with two people who represent two different Atlantic County unions, the first being the International Union of Operating Engineers, Local 68, whose members consist of stationary engineers, licensed boiler operators, and mechanics. Many of these people maintain the casinos and hundreds of other buildings in Atlantic City. I also spoke with Donna DeCaprio at UNITE HERE, Local 54, a casino workers union in Atlantic City with more than 10,000 members. I spoke with them about whether their members were able to put food on the table and whether they had to sign up for SNAP benefits or go to a food pantry. Their answers were drastically different, reflecting how certain types of employees have been hit harder by the pandemic.

My first interview was with Edward Boylan at the International Union of Operating Engineers, Local 68. He holds the position of President and spoke to me in July about the impact of the coronavirus on his union members. During our conversation, I asked him if any members had faced unemployment and had trouble putting food on the table, since many of them work to maintain the hotels and casinos in Atlantic City which were shut down due to the pandemic. He quickly replied, "Our members are pretty resilient, and we haven't seen any of that. Most of our members are already back to work because they maintain the buildings. Even though there aren't as many customers, the building still has to operate." He also added, "I can't think of one member who called me up and said, 'Hey Ed I need food."" He stated that during the weekly food drives in Atlantic City's Bader Field he "couldn't recall seeing one of his members in line to get food." His members were the ones that would volunteer to help in distributing the food.

I also interviewed Donna DeCaprio, UNITE HERE, Local 54's Financial Treasurer in August and our conversation turned out to be opposite of the previous. I began by asking her if her members have had to apply for SNAP benefits as a result of being unemployed. She said that "there has been no federal expansion to [who qualifies for] SNAP benefits, so for members who qualified for unemployment, they were not entitled to receive SNAP because the income thresholds are so high. As a result of this they have been relying on food banks heavily to supplement their food sources." She also added that because they are unemployed, Local 54's members are "in jeopardy of losing their health insurance so the money they receive from

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unemployment goes to the cost of healthcare in addition to paying their bills which is not something they normally have to do. This has further compounded their struggle that they have to put food on the table." I followed up by asking her what the emotional state of her members is like and she told me that her members have "fought for everything that they have. They are fighters, so they remain optimistic and hopeful." I let her know about my call with Edward Boylan and how the experiences of the two unions during the pandemic are opposite and she informed me that the members most affected are "those that are employed in food and beverage because of the restriction on indoor dining. Many of those jobs have not come back."

When asked about her own feelings as to what her members are going through, DeCaprio said, "It is heartbreaking, and we are making every effort to feed their families and qualify for unemployment." These efforts have come in the form of the food drives in Bader Field every other week which DeCaprio said "help 2,250 households. The union has 10,000 members and of the people served [at the food drives in Bader Field], 60-70% of them are our people." We then began to speak about the right way to re-open the Atlantic City casinos and how because Las Vegas opened prematurely, it was not safe for the workers or guests. She believes that the right way for her members to go back to work is in a safe way. In her view, this would include precautions like "having thermal temperature scans for all guests coming in the building, the enforcement of mandatory masks and social distancing, as well as rooms being cleaned every day. Outdoor dining can't really go much beyond October 31 because of the climate and weather restrictions." Her concluding comment raises the following questions regarding what happens when summer is over and the temperature outside is too cold to have outdoor dining: What is going to happen when people must go indoors? What will be done to ensure the safety of

Atlantic County and New Jersey residents? Will even more small businesses be forced to go out of business because people are not allowed inside?

#### Conclusion

Atlantic County has been deeply impacted by the statewide lockdown caused by the coronavirus pandemic. Since the middle of March, Atlantic County residents have been unemployed and, for those who worked in the casinos, having trouble providing food for their families. This paper has expressed how much more food insecure Atlantic County became in the time after the Hughes Center conducted its poll in March. In year-over-year increases in measures such as SNAP recipients and GA cases, the numbers speak for themselves. Regarding unemployment, while the county has begun to recover since April, casino workers are still unemployed and outdoor dining is not viable as a solution for the long-term. There are thousands of people out of work and relying on unemployment to keep a roof over their head and food on the table but finding it difficult to do both. Food pantries have been the go-to resource for those who cannot buy groceries. The CFBNJ is seeing the effects of the pandemic and high rates of unemployment every day. In Atlantic County they are distributing more food and more emergency meal kits than before the pandemic and statewide they are spending exponentially more money to acquire this food. It even became appropriate to coordinate a mass biweekly food drive to try to accommodate the greatest amount of people possible when the pantries alone could not keep up with demand.

When speaking to union heads, the food system shows bright spots, but the reality of the pandemic still looms large. Edward Boylan's members have fared better in the face of adversity. Working in higher-paying trades and unemployed for less time than other workers, they were able to provide for their families by relying on unemployment for the couple months they didn't

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receive an income. This is juxtaposed with Donna DeCaprio's casino worker members, of whom very few have been able to resume work and are still struggling to pay for their own food. These service industry workers were earning lower-than-average wages under normal circumstances and are now at-risk for food insecurity during an economic fallout without a financial safety net (Kochhar and Barosso). Because they live paycheck-to-paycheck, it is harder for them to purchase enough food at one time that will feed their family for more than a couple days. As a result, casino workers and residents of Atlantic City are struggling to get food when none is available at the grocery store or they don't have the money.

Any solution to these problems needs to look at the long-term implications. What will happen when the weather is too cold and outdoor dining is no longer an option? How can we be better prepared if the state must shut down again due to coronavirus or another nationwide pandemic? These solutions must put people's safety first while considering the most at-risk communities' needs when no money is coming in. More preparation can be done to ensure the health and safety of every person in the state and country amid another global tragedy.

My hope is that organizations will use the information in this paper to assess the weak points and strengths in Atlantic County's food system, build upon the research, and make strides to improve our food system for the better. Carlos Rodriguez, the CFBNJ's CEO said in May that "We don't want to go back to normal. We want to make a new normal. Before the pandemic with a booming economy, still 10% of the population was food insecure. We have to define a recovery that strives to be better than the last normal we had."

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