

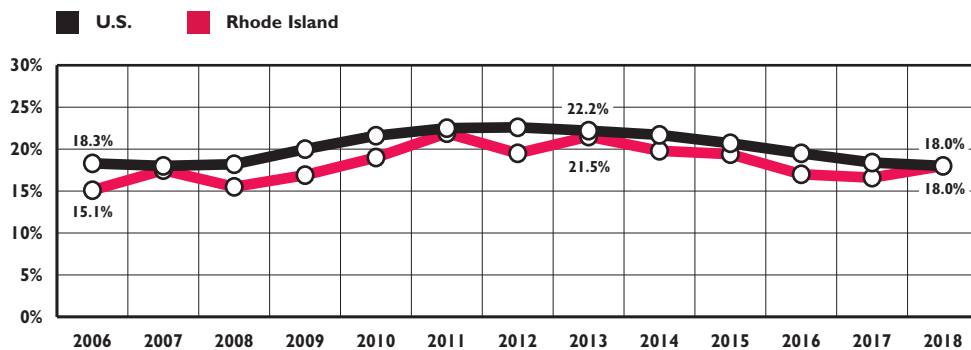
Issue Brief

Child Poverty in Rhode Island

Children most at risk of not achieving their full potential are children who live in poverty. Children in poverty, especially those in poverty in early childhood or for extended periods of time, are more likely to have physical and behavioral health problems, live in food insecure households, experience difficulty in school, become teen parents, earn less as adults, be unemployed more frequently, and fall below the poverty line at least once later in their lives.^{1,2,3,4} In Rhode Island, children of color and children of immigrants are more likely to grow up in poverty and live in neighborhoods of concentrated poverty.^{5,6} Structural and institutional racism, low educational attainment, single parenthood, part-time or no employment and low wages of parents place children at risk of growing up and remaining in poverty.

Addressing child poverty in Rhode Island requires a multi-faceted approach, including strategies that attract high-wage jobs, improve the education levels of our current and future workforce, provide access to job training, literacy programs and English language acquisition, and prioritize race equity. Access to affordable, quality child care and health care can help to mitigate the negative effects of poverty on children.

Children in Poverty, U.S. and Rhode Island, 2006-2018



Source: U.S. Census Bureau, American Community Survey, 2006-2018. Tables R1704, C17024.

- ◆ In 2018, 18% (36,135) of Rhode Island’s 200,202 children under age 18 with known poverty status lived in households with incomes below the federal poverty threshold. Rhode Island’s child poverty rates declined from 21.5% in 2013 to 18.0% in 2018, while the U.S. rates declined from 22.2% to 18.0% during that same time period.
- ◆ Rhode Island’s child poverty rate remains significantly higher than it was prior to the 2008 recession. The effects of the recession persisted well past its official end and was the longest on record since World War II. The COVID-19 pandemic has become the world’s greatest challenge since World War II, and poverty rates are projected to increase dramatically.^{7,8}

Source: U.S. Census Bureau, American Community Survey, 2006-2018. Tables R1704 and C17024.

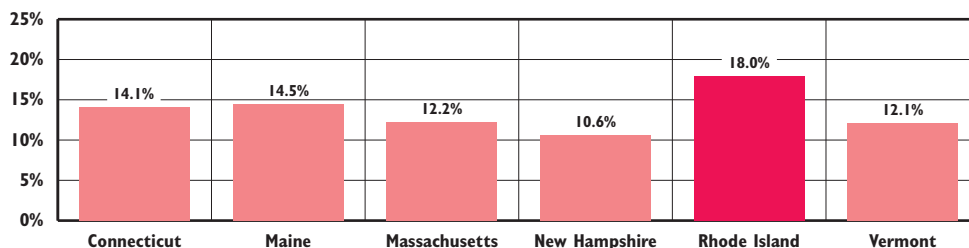
Children Living Below the Federal Poverty Threshold, Rhode Island, 2014-2018

CHILDREN UNDER AGE 18 LIVING BELOW POVERTY 2014-2018

CITY/TOWN	ESTIMATES WITH HIGH MARGINS OF ERROR*		ESTIMATES WITH LOWER, ACCEPTABLE MARGINS OF ERROR	
	N	%	N	%
Barrington			86	2.0%
Bristol			238	7.6%
Burrillville	429	12.9%		
Central Falls	2,452	44.9%		
Charlestown	124	9.9%		
Coventry			868	13.2%
Cranston			1,963	12.5%
Cumberland			747	10.7%
East Greenwich			200	5.6%
East Providence			853	10.0%
Exeter	47	4.4%		
Foster	44	5.1%		
Glocester	227	11.7%		
Hopkinton	148	9.7%		
Jamestown	47	4.4%		
Johnston			412	8.1%
Lincoln			662	13.9%
Little Compton	8	1.6%		
Middletown			246	7.8%
Narragansett			29	1.5%
New Shoreham	15	10.5%		
Newport	790	23.3%		
North Kingstown			738	13.5%
North Providence			598	10.6%
North Smithfield			111	4.6%
Pawtucket			4,610	30.0%
Portsmouth			168	4.7%
Providence			13,706	34.3%
Richmond	70	4.5%		
Scituate			12	0.6%
Smithfield			43	1.3%
South Kingstown			443	9.9%
Tiverton			244	9.2%
Warren	332	19.0%		
Warwick			767	5.5%
West Greenwich			1	0.1%
West Warwick	1,019	18.9%		
Westerly	600	15.3%		
Woonsocket	3,305	37.1%		
<i>Four Core Cities</i>			<i>24,073</i>	<i>34.5%</i>
<i>Remainder of State</i>			<i>13,329</i>	<i>9.8%</i>
<i>Rhode Island</i>			<i>37,402</i>	<i>18.2%</i>

Source: Data are from a Population Reference Bureau analysis of the U.S. Census Bureau, American Community Survey, 2014-2018. Table S17001. Four core cities are Central Falls, Pawtucket, Providence and Woonsocket. *The Margin of Error around the estimate is greater than or equal to five percentage points. For more information, see the Methodology section of the annual *Rhode Island Kids Count Factbook*.

Children in Poverty, New England, 2018



Source: U.S. Census Bureau, American Community Survey, 2018. Table C17024.

The Impact of COVID-19 on Child Poverty

- ◆ Since the onset of the COVID-19 pandemic, Rhode Island's unemployment rate has surged higher than the worst levels in the Great Recession, and revenue is expected to decline dramatically in FY 2020 and FY 2021. Loss of employment in low-income households is expected to impact economic mobility and have devastating long-lasting effects on children in poverty. Black and Hispanic households are projected to face the greatest increase in poverty, and racial and ethnic disparities may be exacerbated if people of color face greater employment disadvantages.^{9,10,11,12,13}
- ◆ Collecting data on the scale and nature of the impact on children, expanding public assistance programs that meet the immediate needs of families, and prioritizing child-centered services with a focus on equity will help inform policymakers and minimize the impact of the pandemic on our most vulnerable children and families.^{14,15}

National Academies of Sciences, Engineering, and Medicine Report: A Roadmap to Reducing Child Poverty

- ◆ In April 2019, the National Academies of Sciences, Engineering, and Medicine's Board on Children, Youth, and Families released a consensus study report entitled *A Roadmap to Reducing Child Poverty*. This report includes several policy and program recommendations to address its goal of reducing the number of children living in poverty by half in ten years.
- ◆ The report highlighted two plans that would have the highest potential benefit for Rhode Island. The first plan would expand the Child Care Tax Credit and the Earned Income Tax Credit, while increasing access to Supplemental Nutrition Assistance Program (SNAP) benefits and housing vouchers for low-income families. The second approach expands on the two previously mentioned tax credits, increases the minimum wage, restores eligibility for legal immigrants to obtain means-tested federal program benefits, adds a \$225 per month per child allowance to the families of all children under age 17, and sets a minimum guaranteed child support of \$100 per month per child. These plans would reduce child poverty in Rhode Island by 39% to 44%.¹⁶

Children Living in Extreme Poverty

- ◆ Families with incomes below 50% of the federal poverty threshold are considered to be living in extreme poverty. In 2019, the extreme poverty level was \$10,299 for a family of three with two children and \$12,963 for a family of four with two children. In 2018, 8.2% (16,505) of Rhode Island's children lived in extreme poverty.^{17,18}

Child Poverty Concentrated in Four Core Cities, Rhode Island, 2014-2018

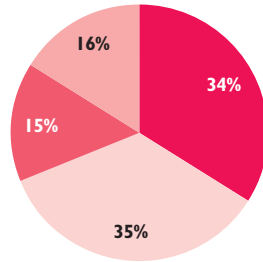
CITY/TOWN	NUMBER IN POVERTY	PERCENTAGE IN POVERTY	NUMBER IN EXTREME POVERTY	PERCENTAGE IN EXTREME POVERTY
Central Falls	2,452	44.9%	807	14.8%
Pawtucket	4,610	30.0%	1,678	10.9%
Providence	13,706	34.3%	5,786	14.5%
Woonsocket	3,305	37.1%	1,429	16.0%
<i>Rhode Island</i>	<i>37,402</i>	<i>18.2%</i>	<i>15,529</i>	<i>7.5%</i>

Source: Population Reference Bureau analysis of 2014-2018 American Community Survey data.

Rhode Island's Children Living In Poverty, 2014-2018

By Age

- 34% ■ Ages 5 and Younger
- 35% ■ Ages 6 to 11
- 15% ■ Ages 12 to 14
- 16% ■ Ages 15 to 17



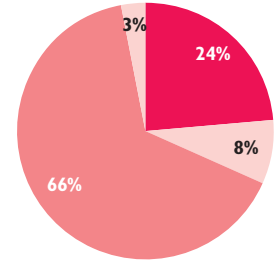
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- ◆ Between 2014 and 2018, 19.7% (12,806) of Rhode Island children under age six lived in poverty. Both nationally, and in Rhode Island, young children from birth through age five are more likely to be poor than any other age group.
- ◆ Between 2014 and 2018, 18% (37,402) of Rhode Island's 205,899 children under age 18 with known poverty status lived in households with incomes below the federal poverty threshold.

Sources: Data are from the U.S. Census Bureau, American Community Survey, 2014-2018. Table S1701. Population Reference Bureau analysis of 2014-2018 American Community Survey data.

By Family Structure*

- 24% ■ Married-Couple Family
- 8% ■ Unmarried Male Householder
- 66% ■ Unmarried Female Householder
- 3% ■ Not in Related-Family Household



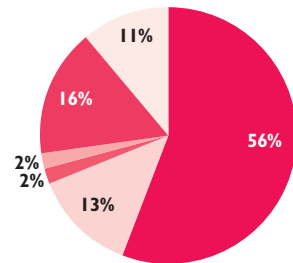
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- ◆ Children living in single-parent families are more likely to live in poverty than children living in two-parent families. Single-parent families have only one potential wage earner, compared with the two potential wage earners in two-parent families.^{19,20}
- ◆ Between 2014 and 2018 in Rhode Island, 37% of children in single-parent families lived in poverty, compared to 7% of children in married-couple families.

Source: U.S. Census Bureau, American Community Survey, 2014-2018. Table B17006.

By Race Percentage of All Children Living In Poverty

- 56% ■ White
- 13% ■ Black
- 2% ■ Asian
- 2% ■ Native American
- 16% ■ Some Other Race
- 11% ■ Two or More Races

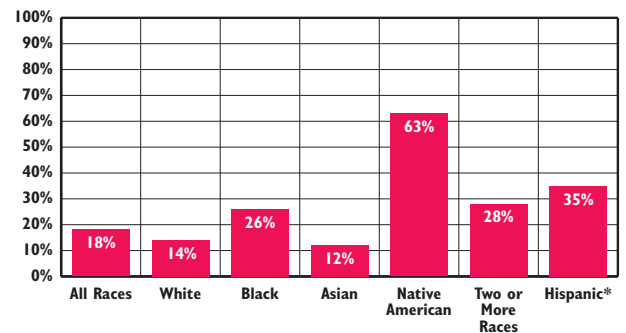


n = 37,402

- ◆ Of all children living in poverty in Rhode Island between 2014 and 2018, over half (56%) were White, 13% were Black, 2% were Asian, 2% were Native American, 16% were Some Other Race, and 11% were Two or More Races.
- ◆ Using Census definitions, Hispanic children may be included in any race category. Between 2014 and 2018, 17,896 (48%) of Rhode Island's 37,402 children living in poverty were Hispanic.

Source: U.S. Census Bureau, American Community Survey, 2014-2018. Tables S1701, B17001, B17006, B17020A, B17020B, B17020C, B17020D, B17020E, B17020F, B17020G, & B17020I. Population includes children for whom poverty status was determined. Percentages may not sum to 100% due to rounding.

Children in Poverty, by Race and Ethnicity, Rhode Island, 2014-2018



- ◆ In Rhode Island, Native American, Hispanic, and Black children are more likely than White and Asian children to live in families with incomes below the federal poverty threshold.
- ◆ Between 2014 and 2018 in Rhode Island, 63% of Native American, 35% of Hispanic, and 26% of Black children in Rhode Island lived in poverty, compared to 12% of Asian children and 14% of White children.

*Hispanic children may be included in any race category.

Source: U.S. Census Bureau, American Community Survey, 2014-2018. Tables S1701, B17020A, B17020B, B17020C, B17020D, B17020G and B17020I. *Hispanic children may be included in any race category.

The Impact of Historical Racism in Policies on Child Poverty

- ◆ Assets and wealth are financial safety nets that enable families to deal with unexpected expenses and disruptions of income without accumulating large amounts of debt. Historic government policies, such as the *Homestead Act*, *Federal Housing Act*, and the *GI Bill*, built the foundations of the American middle class by facilitating homeownership, business development, and college attainment, however, people of color were excluded from many of these wealth-building opportunities due to discriminatory policies in housing, banking, and education.^{21,22,23}
- ◆ The wealth-building opportunities denied to people of color in past generations continue to reverberate in the lives of their children. In the U.S., in 2011, the median White household had \$111,146 in wealth holdings, compared to just \$7,113 for the median Black household and \$8,348 for the median Latino household.^{24,25}

Economic Well-Being Outcomes, by Race and Ethnicity, Rhode Island

	WHITE	HISPANIC	BLACK	ASIAN	NATIVE AMERICAN	ALL RACES
Children in Poverty	14%	35%	26%	12%	63%	18%
Births to Mothers with <12 Years Education	6%	25%	13%	7%	23%	11%
Unemployment Rate	3.3%	6.1%	4.6%	NA	NA	3.5%
Median Family Income	\$88,569	\$40,624	\$49,980	\$82,051	\$35,796	\$81,822
Homeownership	65%	28%	32%	49%	20%	60%

- ◆ Between 2014 and 2018 in Rhode Island, White households were the most likely to own their homes while Native American, Hispanic, and Black households were the most likely to live in rental units.
- ◆ In 2019 in Rhode Island, the unemployment rate among White workers was 3.3%, compared to 4.6% for Black workers and 6.1% for Hispanic workers. Nationally, the unemployment rate for White workers in 2019 was 3.3%, compared to 6.1% for Black workers and 4.3% for Hispanic workers.²⁸

Sources: *Children in Poverty* data are from the U.S. Census Bureau, American Community Survey, 2014-2018, Tables S1701, B17020A, B17020B, B17020C, B17020D & B17020I. *Maternal Education* data are from the Rhode Island Department of Health, Center for Health Data and Analysis, Maternal and Child Health Database, 2014-2018 (race data is non-Hispanic). *Unemployment Rate* data are from the Bureau of Labor Statistics, Local Area Unemployment Statistics, 2019. *Median Family Income* data are from the U.S. Census Bureau, American Community Survey, 2014-2018, Tables B19113, B19113A, B19113B, B19113C, B19113D & B19113I. *Homeownership* data are from the U.S. Census Bureau, American Community Survey, 2014-2018, Tables B25003, B25003A, B25003B, B25003C, B25003D & B25003I. For U.S. Census Bureau data, Hispanics may be included in any of the race categories. All Census data refer only to those individuals who selected one race. NA indicates that the rate was suppressed because the number was too small to calculate a reliable rate.

Concentrated Poverty and Toxic Stress

- ◆ In the U.S., Black and Native American children are seven times more likely and Latino children are nearly five times more likely to live in neighborhoods with a high concentration of poverty than White children and have limited access to healthy food, quality public schools and medical care and have increased exposure to environmental hazards, violence and negative interactions with law enforcement.^{26,27}
- ◆ The negative effects of poverty on children last well beyond childhood into adolescence and adulthood. Poverty, as well as child maltreatment and exposure to violence, is linked to toxic stress, which adversely alters early brain development that serves as the basis for learning, behavior, and health later in life.²⁸

Four Measures of Family Finances

The Federal Poverty Threshold

◆ In 2019, the *federal poverty threshold* was \$20,598 for a family of three with two children and \$25,926 for a family of four with two children.²⁹ The official poverty threshold was set by the federal government in 1963, and was based on the cost of a minimum diet for a family of four. The cost of food was multiplied by three, since at that time about one-third of after-tax expenditures of families were spent on food. The poverty threshold is adjusted annually according to the increase in the Consumer Price Index. The method of calculating the poverty threshold has not been adjusted to address the changes in family expenditures since its development in the 1960s, particularly the rising costs of housing, transportation, child care, and medical care. It also does not consider geographic variations in the cost of living.^{30,31}

Supplemental Poverty Measure

◆ In 2010, the federal Interagency Technical Working Group began developing a *Supplemental Poverty Measure (SPM)* that is more complex and comprehensive than the federal poverty threshold in terms of how it estimates economic need. Tax payments and work expenses are included in family resource estimates and expenditures on basic necessities (food, shelter, clothing and utilities) and are adjusted for geographic differences. The SPM does not replace the official poverty measure, but serves as an additional indicator of economic well-being and provides a deeper understanding of economic conditions and the impact of policy decisions and shows the effects of taxes and in-kind transfers on the poor.^{32,33}

The Federal Poverty Guidelines

◆ The federal poverty threshold, previously described, is used by the Census Bureau to calculate all official poverty population statistics. The U.S. Department of Health and Human Services (HHS) uses a simplified version of the federal poverty threshold, called the *federal poverty guidelines (or federal poverty levels)*, for administrative purposes, such as determining financial eligibility for certain federal programs. In 2020, the Federal Poverty Level (100% FPL) for a family of three was \$21,720. Many government assistance programs for low-income people now use income eligibility limits that are higher than the federal poverty level in order to help families meet their basic needs.³⁴

Family Income Levels Based on the 2020 Federal Poverty Guidelines

FEDERAL POVERTY GUIDELINES	ANNUAL INCOME FAMILY OF THREE	ANNUAL INCOME FAMILY OF FOUR
50% FPL	\$10,860	\$13,100
100% FPL	\$21,720	\$26,200
130% FPL	\$28,236	\$34,060
150% FPL	\$32,580	\$39,300
180% FPL	\$39,096	\$47,160
185% FPL	\$40,182	\$48,470
200% FPL	\$43,440	\$52,400
225% FPL	\$48,870	\$58,950
250% FPL	\$54,300	\$65,500

Source: U.S. Department of Health and Human Services. (2020). 2020 Federal Poverty Guidelines. *Federal Register*, 85(12), 3060-3061.

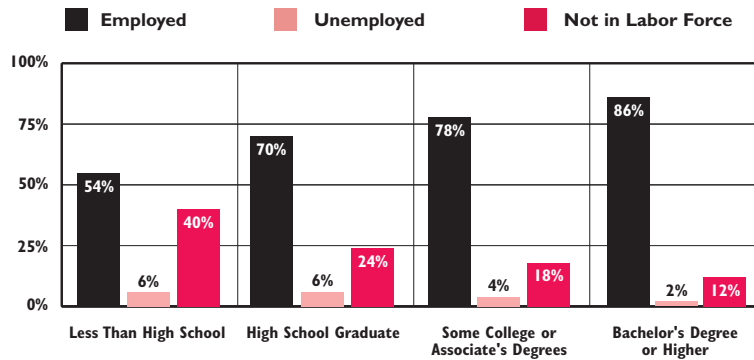
The Rhode Island Standard of Need

◆ *The Rhode Island Standard of Need*, a measure calculated by the Economic Progress Institute, considers multiple factors, including the costs of housing, food, transportation, child care and health care as well as the cash value of tax credits and income support programs (e.g., SNAP, child care assistance, RIte Care) to show what it costs for families to make ends meet. In 2018, a single parent raising a preschooler and a school-aged child would need \$55,115 a year to pay basic living expenses, more than two and half times the federal poverty level for a family of three (\$21,720). Work supports can help families with low incomes meet their basic needs.³⁵

Improving Parental Education and Employment

- ◆ Conditions affecting both parents and children are interrelated. A two-generation approach can positively impact children's development and economic stability including increasing the education, skills and training of low-income and unemployed (or underemployed) parents.³⁶ The need for workers with postsecondary training and education is increasing and will intensify in the near future. Between 2018 and 2028, jobs requiring a postsecondary degree or certificate are projected to grow faster than jobs requiring a high school diploma or less.³⁷
- ◆ More than one in ten (11%) Rhode Island adults over age 25 had less than a high school education in 2018. Of these adults, 29% (22,526) had incomes below the poverty threshold.³⁸

Employment Status by Education Attainment, Rhode Island Adults, 2014-2018



- ◆ Adults with higher levels of education were more likely to be in the labor force and to be employed in Rhode Island between 2014 and 2018.

Source: U.S. Census Bureau, American Community Survey, 2014-2018. Table B23006. Note: Data refer to population ages 25 to 64. Individuals in the Armed Forces are considered employed.

Improving Educational Outcomes for Children in Poverty

- ◆ In Rhode Island, students in the core cities consistently have lower reading and math proficiency rates, have lower graduation rates, and are less likely to enroll in college than their peers in the remainder of the state.

Education Indicators of Success, Core Cities and Rhode Island, 2018-2019

CORE CITY	PERCENTAGE OF 3RD GRADERS WITH READING PROFICIENCY	PERCENTAGE OF 3RD GRADERS WITH MATH PROFICIENCY	HIGH SCHOOL GRADUATION RATES	PERCENTAGE OF 2018 HS GRADUATES WHO ENROLLED IN COLLEGE WITHIN 6 MONTHS
Central Falls	26%	14%	71%	44%
Pawtucket	37%	29%	81%	52%
Providence	26%	17%	74%	55%
Woonsocket	18%	15%	74%	50%
<i>Four Core Cities</i>	<i>27%</i>	<i>19%</i>	<i>75%</i>	<i>53%</i>
<i>Remainder of State</i>	<i>57%</i>	<i>44%</i>	<i>89%</i>	<i>73%</i>
<i>Rhode Island</i>	<i>48%</i>	<i>36%</i>	<i>84%</i>	<i>67%</i>

Sources: Rhode Island Department of Education, *Rhode Island Comprehensive Assessment System (RICAS)*, 2019. Rhode Island Department of Education, Class of 2019. Rhode Island Department of Education, 2018-2019 school year.

- ◆ High-poverty schools that are successful at raising student achievement have strong leaders, regularly communicate high expectations for students and staff, nurture positive relationships among adults and students, have a strong focus on academics, use student data to individualize instruction, make decisions collaboratively, employ enthusiastic and diligent teachers, and effectively select, cultivate and use personnel.^{39,40}

State and Federal Programs for Low-Income Children and Families in Rhode Island

RI Works

- ◆ The goal of the Rhode Island Works Program (RI Works) is to help parents make successful transitions to work by providing cash assistance and work supports, including employment services, Supplemental Nutrition Assistance Program (SNAP) benefits, health insurance, and subsidized child care.⁴¹ In December 2019, there were 2,579 adults and 6,884 children under age 18 enrolled in RI Works. Almost three-quarters (73%) of RI Works beneficiaries were children, and 42% of the children enrolled were under the age of six.⁴² The maximum monthly RI Works benefit for a family of three is \$554 per month and has not been increased in almost 30 years. The lifetime limit for RI Works is 48 months. As of January 1, 2020, the periodic time limit of no more than 24 months of cash assistance in a 60-month period was repealed.^{43,44}

RItE Care/RItE Share Health Coverage

- ◆ RItE Care, Rhode Island's Medicaid managed care health insurance program for low-income children and families, provides comprehensive quality health care for children under age 19 with family incomes less than 261% FPL, for pregnant women with family incomes less than 253% FPL, for parents of eligible children under age 18 with family incomes less than 133% FPL, and for children who qualify based on a disability or because they are in foster care or receiving an adoption subsidy. As of December 31, 2019, 107,546 children under age 19 were enrolled in RItE Care.^{45,46,47} Families who meet RItE Care income eligibility guidelines are enrolled in the RItE Share premium assistance program if a parent works for an employer who offers a qualifying health plan. The family is enrolled in the employer's plan and the state pays the employee's share of the premium. As of December 31, 2019, 2,945 children and 1,033 adults (3,978 total) were enrolled in RItE Share.^{48,49}

Child Care Assistance Program (CCAP)

- ◆ In 2018 in Rhode Island, 70% (44,761) of children under age six had all available parents in the labor force.⁵⁰ The quality and stability of a child care setting is crucial to a parent's ability to work and to the child's development.⁵¹ Child care costs represent a significant part of a low-income family's budget. Using the federal affordability guideline that families should spend no more than 7% of their income on child care, a Rhode Island family would need to earn at least \$155,757 annually to afford the average yearly cost for a three-year-old at a licensed center (\$10,903).^{52,53} In Rhode Island, families with children under age 13, who work 20 or more hours per week and earn less than 180% FPL are eligible for child care assistance, as well as families that participate in RI Works or the Governor's Workforce Board training programs.⁵⁴ In December 2019, there were 10,580 child care subsidies in Rhode Island, up 2% from December 2018, but down 26% from the 2003 peak.⁵⁵

Early Head Start

- ◆ Early Head Start is an important two-generation program that provides comprehensive early education and support services to infants and toddlers and their families with incomes below the federal poverty level. As of October 2019, there were 678 pregnant women, infants, and toddlers enrolled in Early Head Start.⁵⁶ Early Head Start has been shown to produce significant cognitive, language, and social-emotional gains in participating children and more positive interactions with their parents.^{57,58}

Head Start and RI Pre-K

- ◆ High-quality preschool programs help children gain skills and knowledge prior to kindergarten entry and produce positive outcomes that last well into the school years.⁵⁹ Rhode Island began offering RI Pre-K for four-year-olds in the 2009-2010 school year and it is offered through public schools, Head Start agencies, and child care programs.⁶⁰ As of the 2019-2020 school year, there were 78 RI Pre-K classrooms in Rhode Island with a total of 1,420 children enrolled. Approximately 26% of all children and 45% of low-income children were enrolled in either Head Start or RI Pre-K during the year before kindergarten.^{61,62,63}

Nutrition Assistance Programs

- ◆ Several federal nutrition programs provide nutrition assistance to children and families, including the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), the National School Lunch Program, the School Breakfast Program, the Summer Food Service Program, and the Child and Adult Care Food Program. In October 2019 in Rhode Island, there were 99,403 adults and 50,827 children enrolled in SNAP.⁶⁴ In September 2019, there were 20,549 women, infants, and children enrolled in WIC.⁶⁵ In October 2019, there were 68,907 low-income students enrolled in the Free- and Reduced-Price Lunch Program and, on average, 30,952 participated in the School Breakfast Program on a daily basis.^{66,67}

Child Support

- ◆ Child support provides a mechanism for non-custodial parents to contribute to the financial support of their children. The receipt of regular child support payments can significantly improve the economic well-being of a child in a family with a non-resident parent. Custodial parents who receive steady child support payments are less likely to receive cash assistance and more likely to find work faster and stay employed longer than those who do not.⁶⁸ In December 2019, just over half (51%) of non-custodial parents under court order in Rhode Island were making child support payments on time and in full.⁶⁹

Low-Income Home Energy Assistance Program

- ◆ The Low-Income Home Energy Assistance Program (LIHEAP) provides assistance to low-income households that may have difficulty paying their energy bills. In Rhode Island, LIHEAP is administered by the Department of Human Services and delivered locally by Rhode Island's network of Community Action Programs (CAPs). In FY 2019, Rhode Island was allocated nearly \$24 million in LIHEAP funding, which was used to provide nearly 11,000 low-income Rhode Island households with heating assistance.^{70,71}

Housing Choice Voucher Program (Section 8)

- ◆ Families that spend more than 30% of their monthly income on housing face a cost burden and may have difficulty affording other basic needs, such as food, clothing, and health care. In 2019, the average rent for a two-bedroom apartment in Rhode Island was \$1,651. A family of three living at the federal poverty level would have to spend 91% of its income to pay this rent.^{72,73} Rental vouchers can help low-income families afford the high cost of housing; however, there are not enough federally-funded Housing Choice vouchers to meet the need and even when families receive a voucher they may have difficulty finding a landlord who is willing to accept their voucher.⁷⁴

The Earned Income Tax Credit Makes a Difference for Working Families

- ◆ The Earned Income Tax Credit (EITC) is a refundable federal income tax credit for low-income working individuals and families. In 2019, 79,000 Rhode Island working families and individuals received a total of \$183 million in tax credits from EITC for tax year 2018.⁷⁵
- ◆ The federal EITC program is the nation's most effective antipoverty program for working families. In 2018, the EITC lifted 5.6 million people, over half of them children, out of poverty. EITC recipients are more likely to work and earn higher wages, and their children are more likely to do better in school, attend college, and earn more as adults.⁷⁶
- ◆ Rhode Island is among 29 states and the District of Columbia that offer state EITCs that build on the success of the federal EITC by reducing poverty and helping low-income working families make ends meet. In 2014, the Rhode Island General Assembly passed legislation that decreased the state's EITC from 25% to 10% of the federal EITC but made the credit fully refundable. Since then, the Rhode Island General Assembly has passed legislation to increase the state's EITC from 10% to 12.5% for tax year 2016 and increase from 12.5% to 15% for tax year 2017.⁷⁷

Recommendations

Equity:

- ◆ Decrease racial and ethnic disparities by creating racially aware policies that address structural and institutional racism, eliminate discriminatory policies in housing, banking, and education and prioritize equity.
- ◆ Grant driver's licenses to qualified undocumented Rhode Island workers.

Work Supports, Income, and Financial Asset Building

- ◆ Improve access to work support programs, including RIte Care, the Supplemental Nutrition Assistance Program, the Child Care Assistance Program, and RI Works, by helping families access all programs for which they are eligible, facilitating cross-program enrollment, reducing documentation requirements, simplifying renewal processes, and improving communications. These programs can help families meet their basic needs and move out of poverty and have a proven impact on long-term job retention and asset accumulation.⁷⁸
- ◆ Increase the RI Works benefit from 31% of the federal poverty level (\$554 for a family of 3) to 50% (\$905) and help parents enrolled in RI Works successfully transition to work by addressing barriers to employment, connecting parents to education and training opportunities, and identifying career pathways to family-sustaining wages.
- ◆ Help working families build financial assets by eliminating the asset test for RI Works, protecting families from predatory mortgage lending and payday lending, and expanding access to convenient, cost-effective, and safe financial services that would allow families to keep more of their earnings, save, and invest.
- ◆ Increase Rhode Island's Earned Income Tax Credit (EITC) from 15% of the federal EITC to 20% of the federal EITC while keeping it fully refundable.

Health Coverage

- ◆ Ensure access for all children to affordable, comprehensive health and dental coverage, including RIte Care and RIte Smiles.
- ◆ Expand RIte Care eligibility for pregnant women to 12 months post-partum, ensure access to community-based doula services, and provide RIte Care coverage to children who are undocumented.
- ◆ Maximize all options available through the federal *Affordable Care Act* to create opportunities for children and families to get and keep affordable health coverage.

Housing

- ◆ Provide a sustainable annual revenue source to support affordable housing construction and housing subsidies.⁷⁹
- ◆ Prohibit discrimination in housing based on a person's lawful source of income, such as Social Security, child support, or a Section 8 voucher or other type of rental assistance.
- ◆ Prevent homelessness by allocating resources for shelter diversion programs, rapid re-housing, and housing stabilization.⁸⁰
- ◆ Invest adequate funding in the Low-Income Home Energy Assistance Program (LIHEAP) to ensure that all those who are eligible can receive assistance and protect families with young children from utility shut-offs.

Child Care and Early Education

- ◆ Increase state investments in the Child Care Assistance Program by increasing tiered quality rates for all age groups so Rhode Island meets federal standards and to ensure equal access.

- ◆ Take steps to close the compensation gaps for early educators who work with children from birth through age 5, many of whom are women of color, who are an essential part of the education system.
- ◆ Continue expansion of RI Pre-K, one of four Pre-K programs in the nation that meets all quality benchmarks.

Teen Pregnancy Prevention and Support for Teen Parents

- ◆ Improve access to health care services (including family planning) and comprehensive sex education for teens. Unplanned teen pregnancy and parenting can negatively impact the development of teen parents as well as their children. Teen parents are less likely to have the financial resources, social supports and parenting skills needed for healthy child development. Children born to teens are more likely to live in poverty, and become teen parents themselves.^{81,82}
- ◆ Expand educational and economic opportunities for vulnerable teens, especially pregnant and parenting teens. Provide pathways to a high school diploma that work for parenting teens, school-to-career options, and realistic, affordable post-secondary educational opportunities that give young people a vision for their future and provide real economic opportunity.
- ◆ Invest in evidence-based home visiting programs that support young parents and their children and improve child development outcomes.

Education

- ◆ Focus on the importance of reading proficiently by the end of third grade. Children who are not proficient in reading by the end of third grade are four times less likely to graduate from high school than proficient readers, profoundly affecting their future earnings.⁸³
- ◆ Expand access to high-quality dual language bilingual programs and increase capacity of the educators who serve multilingual students. Dual language bilingual programs can significantly improve English reading proficiency, decrease high school dropout rates, increase the likelihood of going to college, and improve economic outcomes for students who are multilingual learners.⁸⁴
- ◆ Increase percentage of educators of color.
- ◆ Increase access to high-quality afterschool and summer learning opportunities.
- ◆ Improve high school graduation rates by using data to identify students at-risk of dropping out and providing individualized academic and social supports, improving school climate, creating eighth to ninth grade transition programs, supporting equitable access to personalized learning and meaningful student connections with adults in school, and implementing rigorous, engaging, and relevant curricula.⁸⁵
- ◆ Ensure students from low-income households have access to advanced coursework, take college entrance exams; complete the Free Application for Federal Student Aid (FAFSA), get adequate counseling to enroll in college and access financial aid, and target financial aid strategically to increase college enrollment rates.⁸⁶
- ◆ Provide academic, financial and social supports for students of color, students from low-income households, and first-generation college students to help increase college completion rates.^{87,88}

Adult Education and Jobs

- ◆ Improve Rhode Island's paid family leave program by increasing the wage replacement and extending the number of weeks to 12 weeks to match neighboring states so it is a strong support for low-wage workers.
- ◆ Increase the state's minimum wage to \$15/hour and eliminate the tipped minimum wage.
- ◆ Increase investments in GED attainment programs, literacy and English-language programs, and workforce training, key strategies for improving the economic security of low-income parents.

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