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Rhode Island KIDS COUNT to release new Issue Brief: Child Poverty in Rhode Island

Report highlights far-reaching negative impacts of poverty on children and families

Increase in child poverty and widening racial and ethnic disparities as a result of COVID-19 a serious concern

Rhode Island KIDS COUNT will release its newest publication, *Child Poverty in Rhode Island*, at a virtual roundtable on Thursday, June 11, 2020 from 2:30 p.m. - 4:00 p.m. The release will take place via Zoom.

Rhode Island KIDS COUNT Senior Policy Analyst Paige Clausius-Parks will provide an overview of the *Issue Brief* and its recommendations. Following this presentation, Sharon Conard-Wells (Board Member, Housing Network of Rhode Island), Courtney Hawkins (Director, Rhode Island Department of Human Services), Linda Katz (Co-Founder and Policy Director, The Economic Progress Institute), and Nirva LaFortune (Councilwoman, Providence City Council) will provide reflections.

Child Poverty: An Urgent Indicator of Well-Being

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. 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.

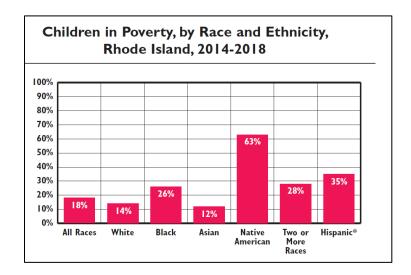
Structural and institutional racism, low educational attainment, single parenthood, part-time or no employment, and low wages of parents place children at risk of growing up and remaining in poverty.

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



A Snapshot of Child Poverty in Rhode Island

- 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.
 - o In 2018, 18% (36,135) of Rhode Island's 200,202 children under age 18 lived in households with incomes below the federal poverty threshold.
- 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.
 - o In 2018, 8.2% (16,505) of Rhode Island's children lived in extreme poverty.



- 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.
- 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.

Child Poverty Concentrated in Four Core Cities, Rhode Island, 2014-20	18
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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%
Rhode Island	37,402	18.2%	15,529	7.5%

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.

"Rhode Island KIDS COUNT is focused on the impact that COVID-19 is having and will have on Rhode Islanders, particularly our most vulnerable children and families," said Elizabeth Burke Bryant, Executive Director of Rhode Island

KIDS COUNT. "Since the onset of the pandemic, Rhode Island's unemployment rate has skyrocketed to 17%. Black and Latino households are projected to face the greatest increases in poverty, and this is on top of already intolerable racial inequities we see across Rhode Island. Prioritizing child-centered services with a focus on equity will help minimize the impact of the pandemic on our most vulnerable children and families."

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.

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.

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%

"Poverty is a race issue, and we must act on this with urgency," said Paige Clausius-Parks, Senior Policy Analyst at Rhode Island KIDS COUNT. "Purposefully constructed systems created -- and continue to uphold -- economic inequity. We must decrease disparities by creating racially aware policies that address structural and institutional racism, eliminate discriminatory policies in housing, banking, and education and prioritize equity."

"Addressing child poverty in Rhode Island requires a multi-faceted approach," said Elizabeth Burke Bryant. "This approach must include strategies that attract high-wage jobs, improve the education levels of our current and future workforce, provide equitable access to high-quality schools, job training, literacy programs and English language acquisition resources, and prioritize race equity. Access to affordable, quality child care and health care can also help meet families' immediate needs and help to mitigate the long-term negative effects of poverty on children."

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.

- 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.
- 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.
- 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.
- 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.

- 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.
- 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.
- 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.
- 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.

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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Rhode Island KIDS COUNT is a statewide children's policy organization that works to improve the health, economic well-being, safety, education, and development of Rhode Island children.