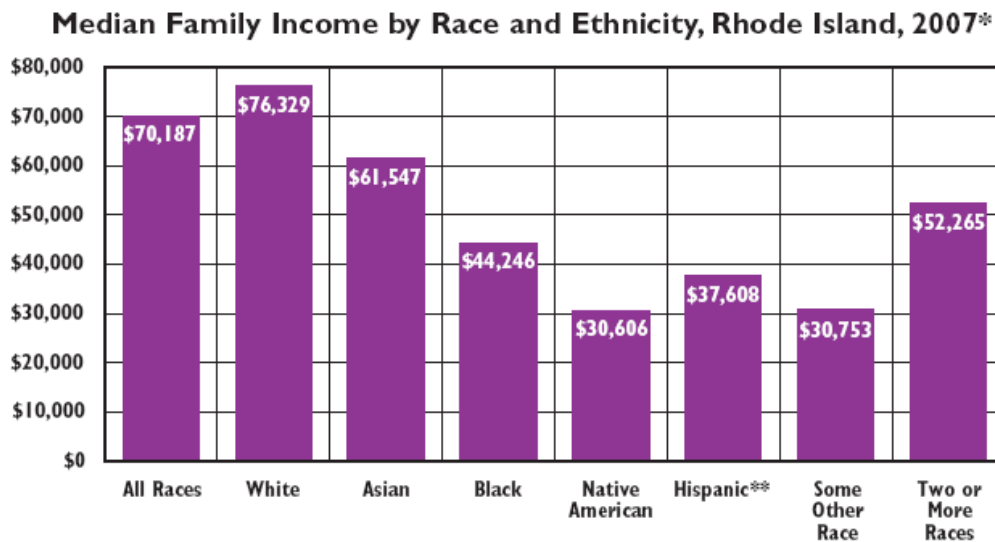


## 2009 Rhode Island Kids Count Factbook: Economic Well-Being Indicators

### Median Family Income

- ◆ In 2007, the median family income for families with their own children was \$67,629. Rhode Island had the 9<sup>th</sup> highest median family income in the U.S. and the 4<sup>th</sup> highest in New England.
- ◆ The wealthiest 20% of Rhode Island families have average incomes that are 7.5 times higher than the average incomes of the poorest 20% of families, and the gap between the incomes of the richest and poorest is growing.
- ◆ There are large differences in median family income by race and ethnicity in Rhode Island.



Source: U.S. Bureau of the Census, American Community Survey, 2007. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G & B19113I. \*Median Family Income by race and ethnicity includes all families because data for families with "own children" are not available by race and ethnicity. \*\* Hispanics may be in any race category.

### Cost of Rent

- ◆ Between 2000 and 2008, the average cost of rent in Rhode Island increased by 65% from \$748 per month to \$1,232 per month.
- ◆ In 2008, a worker would have to earn \$23.69 and work 40 hours per week year-round in order to afford the average rent in Rhode Island without a cost burden. This hourly wage is more than three times the minimum wage.
- ◆ In 2008, 6,583 properties in Rhode Island were foreclosed on, up from 1,838 in 2007. Nationally, more than 20% of foreclosures are rentals, and renters make up about 40% of families facing eviction. Rhode Island is the only New England state that does not have legislation protecting tenants after foreclosure.

## 2009 Rhode Island Kids Count Factbook: Economic Well-Being Indicators

### Secure Parental Employment

- ◆ In 2007, 91% of Rhode Island families had one or both parents in the labor force. Among Rhode Island families with at least one adult with full-time, year-round employment 2,844 still had a family income below the federal poverty threshold.
- ◆ According to the Poverty Institute's *2008 Rhode Island Standard of Need*, a single parent with two children who works full time year-round at a minimum wage job and receives all public benefits for which the family is eligible (e.g., food stamp benefits, EITC, child care subsidies and health insurance) would still fall \$373 short of affording basic expenses each month.

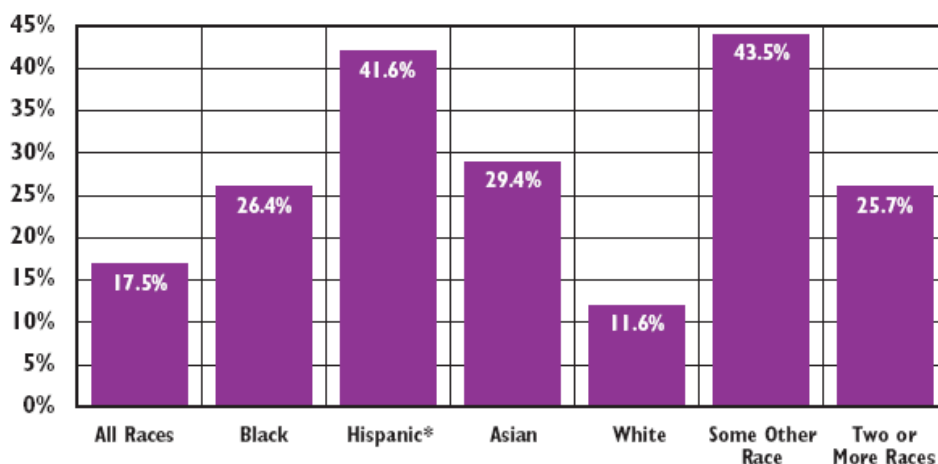
### Child Support

- ◆ As of December 1, 2008, there were 84,246 children in the Rhode Island Office of Child Support Services system. Among these children, 11,762 were enrolled in RI Works. In Rhode Island, only the first \$50 of child support paid on time and in full each month on behalf of a child receiving cash assistance goes to the custodial parent. The remainder is retained by the federal and state government as reimbursement for assistance received through RI Works.

### Children in Poverty

- ◆ According to the *2007 American Community Survey* conducted by the U.S. Census Bureau, 17.5% (40,468) of Rhode Island's 231,579 children under age 18 with known poverty status lived below the federal poverty threshold. This is a significant decrease from 2004 when 21.0% (50,390) of Rhode Island children lived in families with incomes below the poverty threshold but an increase from 2006 when 15.1% (35,456) children lived in families with incomes below the poverty threshold.
- ◆ In Rhode Island, the child poverty rate differs substantially by race and ethnicity.

**Children in Poverty, by Race and Ethnicity, Rhode Island, 2007**



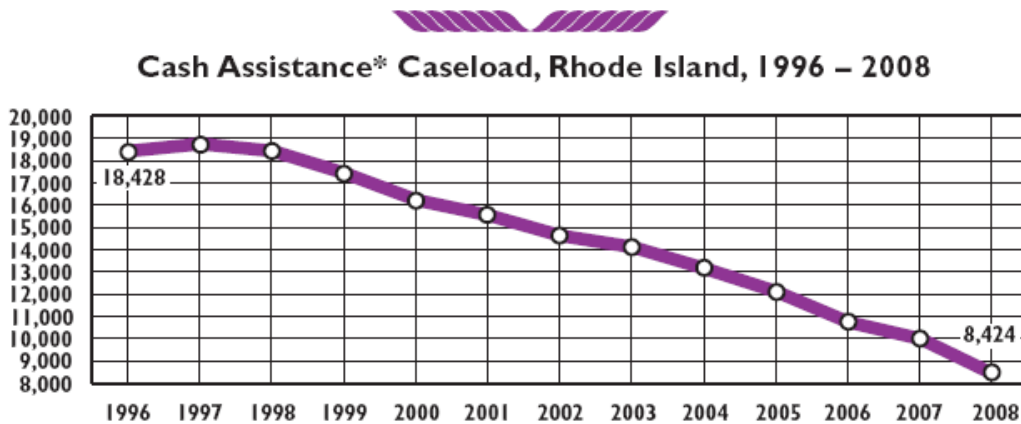
Source: U.S. Bureau of the Census, American Community Survey, 2007. Tables B17001, B17020A, B17020B, B17020D, B17020E, B17020G and B17020I.\*Hispanic children may be included in any race category.

## **2009 Rhode Island Kids Count Factbook: Economic Well-Being Indicators**

- ◆ Children under age six are at higher risk of living in poverty than any other age group. In 2007, 21% (15,339) of Rhode Island children under age six lived below the poverty level.
- ◆ Of the 40,468 children living below the poverty threshold in Rhode Island, 44% lived in extreme poverty (i.e., had incomes below 50% of the federal poverty threshold). Recent projections suggest that if the U.S. unemployment rate reaches 9%, an additional 1.5 to 2.0 million children will be in extreme poverty.

### **Children in Families Receiving Cash Assistance**

- ◆ On July 1, 2008, the Rhode Island Works Program (RI Works) replaced the Family Independence Program (FIP). Under RI Works, the lifetime limit is 48 months, rather than 60 months as it was under FIP. Families are also limited to no more than 24 months of cash assistance in a 60-month period. The move to RI Works also affected child-only eligibility, citizenship/residency requirements, work requirements, and sanctions.
- ◆ Between 1996 and 2008 there was a 54% decline in Rhode Island's cash assistance caseload, from 18,428 cases to 8,424 cases.



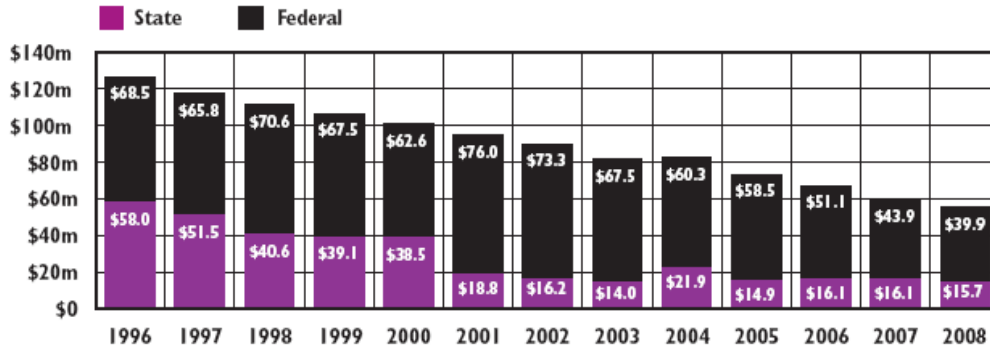
Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996 – 2008. Cases can be child-only or whole families and multiple people can be included in one case. \*The Rhode Island cash assistance program was called Aid to Families with Dependent Children (AFDC) until May 1, 1997, then called the Family Independence Program (FIP) until July 1, 2008, when it became the Rhode Island Works Program (RI Works).

- ◆ A large part of the recent decline in the caseload was the result of new policies that eliminated children's entitlement to cash assistance when their parents reach their time limit. In 2008, there were 1,301 fewer child-only cases than in 2007. In fact, 83% of the total decline in the caseload can be attributed to losses in child-only cases.
- ◆ Between 1996 and 2008, state funding for cash assistance decreased 69% from \$58.0 million in 1996 to \$15.7 million in 2008. In State Fiscal Year 2008, cash assistance represented less than 1% of Rhode Island's total federal and state budget expenditures.

## 2009 Rhode Island Kids Count Factbook: Economic Well-Being Indicators



### Rhode Island Cash Assistance Expenditures, State Fiscal Years 1996-2008



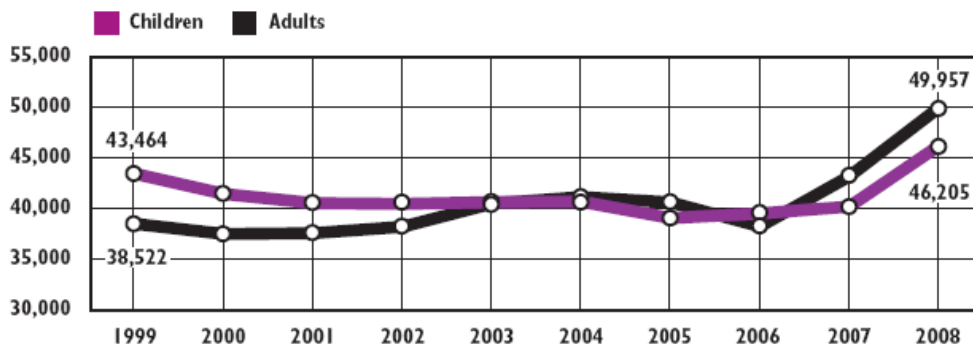
Source: Rhode Island Department of Human Services, *Family Independence Program 2007 Annual Report* (FY 1996-2001); House Fiscal Advisory Staff. (2004-2008). *Budget as enacted: Fiscal Years 2005-2009*. Providence, RI: Rhode Island House of Representatives, (FY 2002-2007). November 2008 Caseload Estimating Conference (FY 2008).

### Children Receiving Food Stamp/SNAP Benefits

- ◆ As part of the 2008 *Farm Bill*, the Supplemental Nutrition Assistance Program (SNAP) replaced the Food Stamp Program. Changes to the program included increases in the minimum benefit and the standard deduction, elimination of the cap on dependent care deductions, and exclusion of education and retirement accounts from the assets counted to determine eligibility.
- ◆ Between 2006 and 2008, the number of children receiving food stamp/SNAP benefits increased by 17% from 39,546 to 46,205, while the number of adults receiving benefits increased by 31% from 38,268 to 49,957.



### Participation in the Supplementary Nutrition Assistance Program (Formerly the Food Stamp Program), Children and Adults, Rhode Island, 1999-2008



Source: Rhode Island Department of Human Services, InRhodes Database, 1999 – 2008. Data represent children under age 18 and adults (parents and other adults) who participated in the Food Stamp Program/SNAP during the month of October.