

2010 Rhode Island Kids Count Factbook: Economic Well-Being Indicators

Median Family Income

- ◆ In 2008, the median family income for families with their own children was \$67,891. Rhode Island had the 10th highest median family income in the U.S. and the 4th 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.

Cost of Housing

- ◆ Between 2000 and 2009, the average cost of rent in Rhode Island increased by 56% from \$748 per month to \$1,170 per month but was down 5% from 2008 when it was \$1,232.
- ◆ In 2009, a worker would have to earn \$22.50 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 state's minimum wage of \$7.40 per hour.
- ◆ In 2008, the median cost of a single-family home in Rhode Island was \$234,900, 86% higher than in 1999 but 15% lower than in 2007.
- ◆ A cost burden exists when more than 30% of a family's monthly income is spent on housing. Although both average rental and homeownership costs have decreased over the past year, a very low-income family, one with an income below 50% of the median family income (\$33,404 for the state as a whole) would have to spend more than 30% of its income to rent or own in any community in Rhode Island.

Homeless Children

- ◆ Between July 1, 2008 and June 30, 2009, 1,676 children in homeless families used a shelter or transitional housing. Families report their last permanent residence when they enter a shelter.¹ Families using shelters during this period came from 30 of Rhode Island's 39 cities and towns.
- ◆ The McKinney-Vento Homeless Assistance Act requires that state and local educational agencies identify and support homeless students. During the 2008-2009 school year, Rhode Island public school personnel identified 1,099 children as homeless (i.e., lacking a "fixed, regular, and adequate night-time residence"). Of these children, 57% (622) were living in shelters, 38% (423) were doubled up with relatives and friends, 4% (46) were living in hotels or motels, and 1% (8) were unsheltered.

Secure Parental Employment

- ◆ Between 2006 and 2008, 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 2,768 still had a family income below the federal poverty threshold.

¹ These data include some children whose families were in permanent housing but who continued to receive supportive services.

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- ◆ 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., SNAP/food stamp benefits, EITC, child care subsidies and health insurance) would still fall \$373 short of affording basic expenses each month.

Children Receiving Child Support

- ◆ As of December 1, 2009, there were 84,746 children in the Rhode Island Office of Child Support Services system. Among these children, 10,053 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.
- ◆ For poor families that receive child support, these payments make up almost one-half (48%) of their income.

Children in Poverty

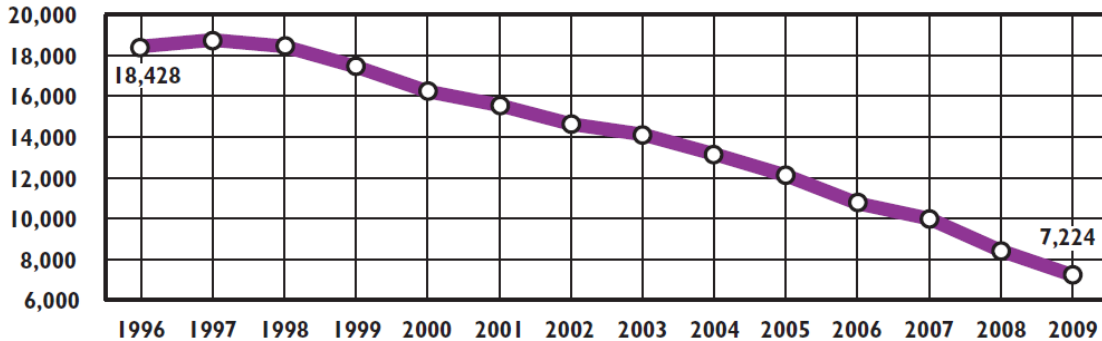
- ◆ In 2009, the federal poverty threshold was \$17,285 for a family of three with two children and \$21,756 for a family of four with two children. This poverty threshold underestimates the number of families who struggle to meet basic needs, because it has not been adjusted to address changes in family expenditure patterns, such as the rising costs of housing, child care, health care, and transportation. It also does not consider geographic variations in the cost of living from state to state for urban versus rural areas.
- ◆ Between 2006 and 2008, 16.1% (36,970) of Rhode Island 228,980 children under age 18 with known poverty status lived in household with incomes below the federal poverty threshold.
- ◆ Children under age six are at higher risk of living in poverty than any other age group. Between 2006 and 2008, almost one in five (19% or 13,686) of Rhode Island children under age six lived below the poverty threshold.
- ◆ Of the 36,970 children living below the poverty threshold in Rhode Island from 2006 to 2008, almost one-half (45%) lived in extreme poverty (i.e., had incomes below 50% of the federal poverty threshold).

Children in Families Receiving Cash Assistance

- ◆ Between 1996 and 2009 there was a 61% decline in Rhode Island's cash assistance caseload, from 18,428 cases to 7,224 cases. In just the past year, the caseload decreased by 14% or 1,200 cases.

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Cash Assistance* Caseload, Rhode Island, 1996 – 2009



Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996 – 2009. 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 implemented when the program changed from the Family Independence Program (FIP) to RI Works. These policies include a new 48-month lifetime limit for benefits, closing child-only cases when parents reach their time limit, and limiting eligibility for legal permanent residents to those who have had that status for five years.
- ◆ An additional 950 families are due to lose their cash assistance on June 30, 2010 due to the new periodic time limit which limits assistance to no more than 24 months of assistance in any 60-month period.
- ◆ Between State Fiscal Year (SFY) 1996 and SFY 2009, state general revenue spending for cash assistance decreased 94% from \$58 million in 1996 to \$3.4 million. In State Fiscal Year 2009, cash assistance represented less than 1% of Rhode Island's total federal and state budget expenditures.

Rhode Island Cash Assistance Expenditures, State Fiscal Years 1996-2009



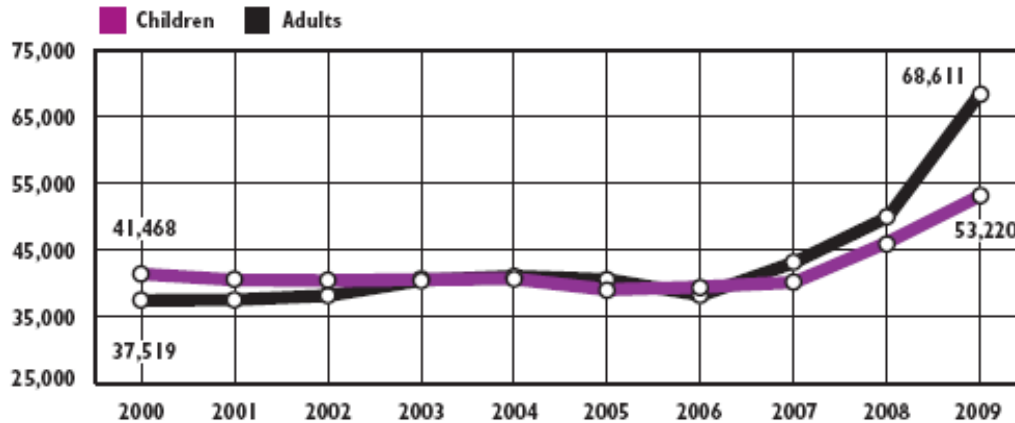
Source: Rhode Island Department of Human Services, *Family Independence Program 2007 Annual Report*. (FY 1996-2001); House Fiscal Advisory Staff. (2004-2009). *Budget as enacted: Fiscal Years 2005-2010*. (FY 2002-2007). House Fiscal Advisory Staff. (2010). *Governor's FY 2010 revised budget*. (FY 2008-2009).

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Children Receiving SNAP Benefits

- ◆ Since 2007, the number of Rhode Island children receiving SNAP benefits increased by 32%, from 40,224 in 2007 to 53,220 in 2009, while the number of participating adults increased by 59% from 43,207 in 2007 to 68,611 in 2009.

Participation in the Supplementary Nutrition Assistance Program,
Children and Adults, Rhode Island, 2000-2009



Source: Rhode Island Department of Human Services, InRhodes Database, 2000 – 2009. Data represent children under age 18 and adults who participated in SNAP during the month of October.

- ◆ In 2009, Rhode Island implemented a number of strategies to improve access to SNAP benefits, including implementing “expanded categorical eligibility” so more families qualify, conducting telephone interviews so families do not need to apply in person, and requiring less frequent recertification.

Children Participating in WIC

- ◆ On September 30, 2009, infants and children ages one through four comprised more than three-quarters (77%) of Rhode Island population being served by the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Women accounted for 22% of the population being served (11% pregnant and 11% postpartum.)
- ◆ The statewide WIC participation rate has increased from 67% in 2006 to 77% in 2009.

Children Participating in School Breakfast

- ◆ During the 2008-2009 school year, 39 low-income students participated in the School Breakfast Program for every 100 low-income students that participated in the School Lunch Program.
- ◆ In 2009, 27% of low-income students in Rhode Island participated in the School Breakfast Program. In schools offering universal school breakfast, 31% of low-income students participated, compared to 19% in schools without universal breakfast programs.

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- ◆ Rhode Island ranks 41st in the U.S. for participation in the School Breakfast Program when participation is analyzed as the ratio of low-income students in the School Breakfast Program to low-income students in the School Lunch Program, down from 37th last year.

Racial and Ethnic Disparities

- ◆ In Rhode Island, a number of measures show that the economic well-being of children and families differs substantially by race and ethnicity.

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

	WHITE	HISPANIC	BLACK	ASIAN	NATIVE AMERICAN	ALL RACES
Children in Poverty	10%	34%	30%	16%	37%	16%
Births to Mothers with <12 Years Education	15%	35%	22%	15%	31%	16%
% of Children With All Resident Parents in the Workforce	71%	48%	65%	54%	47%	68%
Median Family Income	\$76,910	\$35,798	\$46,535	\$62,091	\$42,847	\$71,081
Homeownership	67%	30%	37%	51%	42%	63%

- ◆ Minority children are much more likely to live in families with incomes below the poverty level when compared to White families. Between 2006 and 2008 in Rhode Island, 16% of all children, 37% of Native American children, 34% of Hispanic children, 30% of Black children, 16% of Asian children and 10% of White children lived in families with incomes below the federal poverty level.
- ◆ Education is essential for economic success. Adults with less than a high school diploma are at particular risk of living in poverty and other negative outcomes. Hispanic, Black and Native American children in Rhode Island are all more likely than White and Asian children to be born to mothers with less than a high school diploma.
- ◆ In 2000, 71% of White children in Rhode Island had one or both of their resident parents in the workforce, compared to 65% of Black children, 54% of Asian children, 48% of Hispanic children, and 47% of Native American children.
- ◆ The median income for White families in Rhode Island is higher than that of Asian families and much higher than that of Black, Native American, and Hispanic families.
- ◆ Between 2006 and 2008 in Rhode Island, White households were the most likely to own their homes and Hispanic households were the most likely to live in rental units.