

2011 Rhode Island Kids Count Factbook: Economic Well-Being Indicators

Median Family Income

- ◆ In 2009, the median family income for families with their own children was \$65,611. Rhode Island had the 10th highest median family income in the U.S. and the 4th highest in New England.
- ◆ Between 2007 and 2009, the median family income for two-parent families (\$89,744) was more than twice that of male-headed single-parent families (\$39,646) and more than three times that of female-headed single-parent families (\$24,370).

Cost of Housing

- ◆ Between 2000 and 2010, the average cost of rent in Rhode Island increased by 56% from \$748 per month to \$1,165 per month.
- ◆ In 2010, a worker would have to earn \$22.40 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 2006, Rhode Island voters approved a \$50 million bond to create affordable apartments and houses throughout the state. All bond funds will be committed by July 2011, creating over 1,000 affordable homes in 31 communities.
- ◆ Rhode Island is one of only nine states that do not have a dedicated funding source for affordable housing.

Homeless Children

- ◆ In 2010, 1,150 children in homeless families made up more than one-quarter (27%) of the people who used emergency homeless shelters, domestic violence shelters and transitional housing. More than one-half (56%) of these children were under the age of six.
- ◆ The McKinney-Vento Homeless Assistance Act requires that state and local educational agencies identify and support homeless students. During the 2009-2010 school year, Rhode Island public school personnel identified 996 children as homeless (i.e., lacking a "fixed, regular, and adequate night-time residence"). Of these children, 44% (439) were living in shelters, 42% (421) were doubled up with relatives and friends, 10% (95) were living in hotels or motels, and 4% (41) were unsheltered.

Secure Parental Employment

- ◆ Between 2007 and 2009, 70% of children under age six and 74% of children ages six to 17 in Rhode Island had all parents in the labor force.
- ◆ According to the Poverty Institute's *2010 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 \$170 short of affording basic expenses each month.

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Children Receiving Child Support

- ◆ As of December 1, 2010, there were 84,863 children in the Rhode Island Office of Child Support Services system. Among these children, 9,002 were enrolled in Rhode Island Works (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 more than a third (38%) of their income. Custodial parents who receive steady child support payments are less likely to receive cash assistance and more likely to find work more quickly and stay employed longer than those who do not.

Children in Poverty

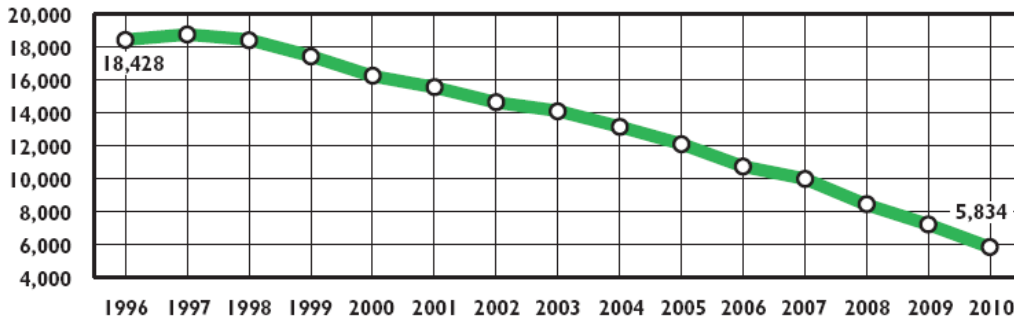
- ◆ In 2010, the federal poverty threshold was \$17,607 for a family of three with two children and \$22,162 for a family of four with two children. This poverty threshold underestimates the number of families who struggle to meet basic needs, because it has not been adjusted to address changes in family 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 2007 and 2009, 17.1% (38,604) of Rhode Island's 226,324 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 2007 and 2009, almost one in five (18% or 13,156) of Rhode Island children under age six lived below the poverty threshold.
- ◆ From the start of the recession in December 2007 through December 2009, the percentage of people in extreme poverty in the U.S. grew to its highest level on record. The Temporary Assistance to Needy Families (TANF) program has become less effective as a safety net for very poor families with children. Although Rhode Island's unemployment rate was among the highest in the nation during the recession, the state experienced the largest decline in its TANF caseload (29%) in the U.S. due to new policies implemented when the state's TANF program changed from the Family Independence Program (FIP) to RI Works.

Children in Families Receiving Cash Assistance

- ◆ Between 1996 and 2010 there was a 68% decline in Rhode Island's cash assistance caseload, from 18,428 cases to 5,834 cases. In just one year from 2009 to 2010, the caseload decreased by 19% or 1,390 cases.

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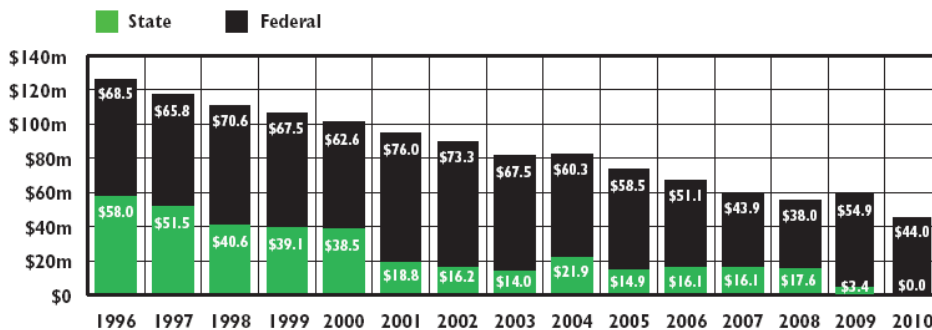
Cash Assistance* Caseload, Rhode Island, 1996 – 2010



Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996 – 2010. 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 is the result of policies implemented when the program changed from FIP to RI Works in 2008. These policies included new time limits – a 48-month lifetime limit for benefits and a new periodic time limit that limits assistance to no more than 24 months of assistance in any 60-month period. Other policy changes that have resulted in a decreasing caseload include 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.
- ◆ During the deepest part of the recession, from December 2007 to December 2009, Rhode Island experienced the nation’s largest cash assistance caseload decline (29%) despite have a peak unemployment rate of 12.7%, the third highest in the nation.
- ◆ State general revenue for cash assistance has been decreasing steadily over the past 14 years. In State Fiscal Year 2010, for the first time, no general revenue was allocated for cash assistance. The cash assistance program is now entirely supported by federal Temporary Assistance to Needy Families (TANF) block grant funds. Between 1996 and 2010, the total federal TANF expenditures for cash assistance in Rhode Island decreased by 36%, from \$68.5 million to \$44.0 million.

**Rhode Island Cash Assistance Expenditures,
State Fiscal Years 1996-2010**



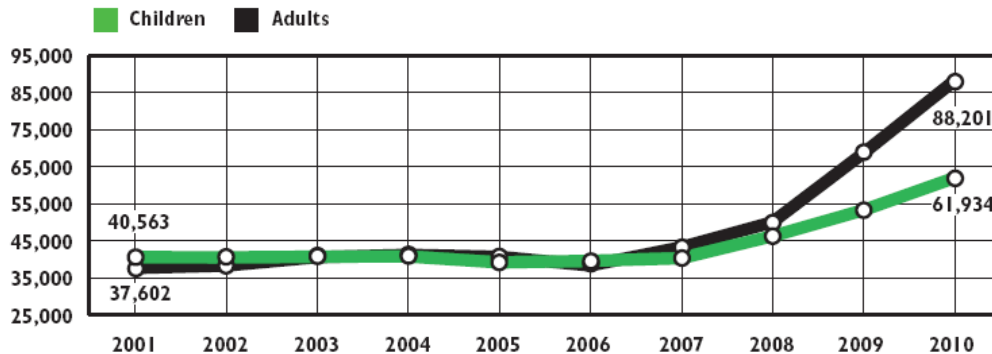
Source: Rhode Island Department of Human Services, *Family Independence Program 2007 Annual Report*. (FY 1996-2001); House Fiscal Advisory Staff. (2004-2010). *Budget as enacted: Fiscal Years 2005-2011*. (FY 2002-2010). Fiscal years 2002-2009 are funds spent and FY 2010 is final budget.

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Children Receiving SNAP Benefits

- ◆ Since 2005, the number of Rhode Island children receiving SNAP benefits during the month of October increased by almost 23,000, from 39,087 in 2005 to 61,934 in 2010, while the number of participating adults more than doubled from 40,637 in 2005 to 88,201 in 2010.

Participation in the Supplementary Nutrition Assistance Program, Children and Adults, Rhode Island, 2001-2010



Source: Rhode Island Department of Human Services, InRhodes Database, 2001–2010. Data represent children under age 18 and adults who participated in SNAP during the month of October.

- ◆ Since 2005, Rhode Island has implemented a number of strategies to improve access to SNAP benefits, including implementing “expanded categorical eligibility” so more families qualify, developing a web-based screening tool and an on-line SNAP application, conducting telephone interviews so applicants do not need to apply in person and requiring less frequent recertification. Simplifying applications, reducing documentation requirements, improving communications and hiring more workers so that caseloads are reduced and applications can be processed in a timely fashion are additional strategies that could be implemented to further increase access.

Children Participating in WIC

- ◆ In July 2010, infants and children ages one through four comprised more than three-quarters (78%) 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 decreased from 77% in 2009 to 72% in 2010.

Children Participating in School Breakfast

- ◆ During the 2009-2010 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 2010, 28% of low-income students in Rhode Island participated in the School Breakfast Program. In schools offering universal school breakfast, 33% of low-income students participated, compared to 20% in schools without universal breakfast programs.

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- ◆ Rhode Island ranks 40th 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, up from 41st 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	12%	38%	30%	17%	30%	17%
Births to Mothers With <12 Years Education	14%	35%	22%	14%	31%	16%
% of Children With All Resident Parents in the Workforce	71%	48%	65%	54%	47%	68%
Median Family Income	\$77,093	\$35,635	\$41,469	\$66,175	\$31,235	\$70,835
Homeownership	67%	30%	36%	50%	28%	63%

- ◆ Minority children are much more likely to live in families with incomes below the poverty level when compared to White families. Between 2007 and 2009 in Rhode Island, 17% of all children, 38% of Hispanic children, 30% of Native American children, 30% of Black children, 17% of Asian children and 12% of White children lived in families with incomes below the federal poverty level.
- ◆ In 2000, more than three-quarters (78%) of Rhode Island's minority children lived in one of the six core cities (those cities with 15% or more of children living in poverty).
- ◆ 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.