



Fact Sheet: Poverty in Rhode Island

Poverty

- In 2008, over 118,000 Rhode Islanders (12% of the population) lived below the federal poverty level (\$11,201 for a single individual and \$17,346 for a family of 3).
- According to the *2008 Rhode Island Standard of Need* developed by the Poverty Institute, it costs \$20,280 for a single adult to meet basic needs. An individual would have to have an income of \$22,800 a year (about twice the federal poverty level) to meet this budget.

Children in Poverty

- Children in poverty, especially those who experience poverty in early childhood and for extended periods of time, are more likely to have health and behavioral problems, experience difficulty in school, become teen parents, and earn less or be unemployed as adults.
- In 2008, almost 35,000 children (15.5% of Rhode Island's children) lived below the federal poverty level (\$17,346 for a family of three and \$21,834 for a family of four).
- Children in ethnic minority groups are at much greater risk of living in poverty than White children. Between 2006 and 2008, about one in three American Indian (37%), Hispanic (34%), and Black (30%) children in Rhode Island lived in poverty, compared to 16% of Asian children and 10% of White children.
- Between 2006 and 2008, almost 17,000 Rhode Island children lived in extreme poverty, defined as families with incomes below 50% of the federal poverty level (\$8,673 for a family of three with two children in 2008).

Cash Assistance to Families in Need

- On July 1, 2008, the Rhode Island Works Program (RI Works) replaced the Family Independence Program (FIP).
- Between 1996 and 2008, Rhode Island's cash assistance caseload decreased by 54%, from 18,428 to 8,424.
- In the past year, the caseload decreased by 16% or 1,569 cases, mostly because under RI Works children are no longer entitled to cash assistance when their parents meet their time limit. More than 1,300 children lost cash assistance last year due to this change.
- Last year, over 2,000 people who were due to lose their cash assistance due to stricter time limits were kept on the program temporarily, but unless further action is taken they will lose cash assistance as of June 30, 2010.
- The maximum monthly benefit under RI Works is \$554 for a family of three. The monthly benefit has not increased in 18 years.

Health and Health Care

- RIte Care is Rhode Island's health insurance program for low-income children, families and pregnant women comprehensive health care.
- Between 2006 and 2008, 11.7% of Rhode Islanders under age 65 (about 107,000 people) were uninsured.
- Between 2006 and 2008, 7.0% of Rhode Island children (about 17,000 children) were uninsured.
- Those who lack health insurance are more likely to have delayed care, unmet health care needs, and fewer visits to the doctor.

Hunger and Food Assistance

- Between 2006 and 2008, more than one in ten Rhode Island households were food insecure – that is they did not have access to enough food for an active, healthy life.
- The Supplemental Nutrition Assistance Program (SNAP), formerly the Food Stamp Program, helps low-income individuals and families get the food they need by providing monthly benefits they can use to purchase food at retail stores and some farmers' markets.
- In 2007, 40% of Rhode Islanders (about 50,000 people) who were eligible for food stamp benefits did not receive them. Since then, the number of Rhode Islanders receiving benefits has increased substantially. As of November 2009, almost 127,000 people received food stamp benefits, but there are still many Rhode Islanders who are not accessing these important benefits.
- Lack of knowledge about SNAP, mistaken perceptions about eligibility, stigma, a complicated application process, and inconvenient hours of operation and locations of enrollment sites have all been identified as barriers to participation.

Access to Affordable Housing

- Rhode Island has one of the highest rental costs in the country. The Fair Market Rent (FMR) for a two-bedroom apartment is \$976 per month.
- A cost burden exists when more than 30% of a household's income is spent on housing. A worker would have to earn \$18.76 per hour and work 40 hours a week year-round to afford this rent without a cost burden. This hourly wage is more than two and a half times Rhode Island's minimum wage of \$7.40 per hour.
- Section 8 rental vouchers can help low-income individuals and families afford the high cost of housing, but there are only a limited number of these vouchers, and the average wait time is three to five years.

Education

- The unemployment rate is almost twice as high for Rhode Islanders without high school diplomas as it is for those with a high school degree.
- The class of 2008 four-year on-time graduation rate for the core cities was 61%, compared with 83% in the remainder of the state and 74% for Rhode Island.

Jobs and Unemployment

- In November 2009, the unemployment rate in Rhode Island was 12.7%, up from 9.1% in November 2008 and 5.8% in November 2007.
- One in five working-age Rhode Islanders lacks a high school diploma, has limited English skills, or faces both of these obstacles to success in the labor market.