

Economic Well-Being

And My Heart Soars

The beauty of the trees, the softness of the air,
the fragrance of the grass, speaks to me.
The summit of the mountain, the thunder of the sky,
the rhythm of the sea, speaks to me.
The faintness of the stars, the freshness of the morning,
the dew drop on the flower, speaks to me.
The strength of fire, the taste of salmon, the trail of the sun,
And the life that never goes away, They speak to me.
And my heart soars.

Chief Dan George



Median Household Income

DEFINITION

Median household income is the median annual income for all Rhode Island households. The median income is the dollar amount which divides the income distribution into two equal groups – half with income above the median and half with income below the median.

SIGNIFICANCE

Median income provides one measure of the ability of Rhode Island's families to meet the costs of food, clothing, housing, health care, transportation, child care, and higher education. According to Census 2000, one-half of all Rhode Island families with children under age 18 earned less than \$50,557 and one-half earned more. The 1999 median income for all households – including those without children – was \$42,090.¹

After reaching an all time high in 2000, the U.S. median household income decreased in 2001 by 2.2%. Income inequality continued to increase.² In 2001, the share of national income held by the wealthiest 5% was the highest on record while the average incomes for all other income categories continued to drop.³ Rhode Island was among the ten states where income

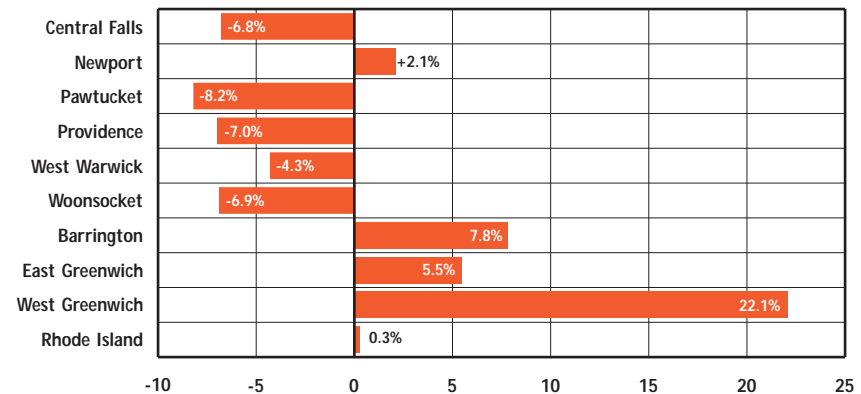
inequality between the top and bottom of the income distribution grew most in the 1980s and 1990s.⁴

Communities with above-average income inequality have higher mortality rates than communities with comparable incomes but lower inequality.⁵ Families are at increased risk for homelessness when their incomes fall even while the economy grows, as they are less likely to be able to afford higher housing costs.⁶ Increased income disparities lead to geographic segregation as wealthier families move to the suburbs. This can result in unequal school funding from property taxes.⁷

Due to the tight labor market and the increase in the minimum wage, very low-paid workers experienced slight wage increases in the late 1990s.⁸ In 2001, the wage for a low-wage worker in Rhode Island (those in the bottom fifth of the wage scale) was \$8.61, 7% above the national rate.⁹

Earnings increase dramatically with education level. Higher educational attainment results in increased earnings across all racial and ethnic categories.¹⁰ In Rhode Island, women with a high school diploma earn 43% more than those without one. Women still earn less than men across all educational levels.¹¹

Change in Median Household Income, 1989 – 1999, Core Cities, Three Highest Income Communities, and Rhode Island



Source: U. S. Bureau of the Census, Census 2000. Percentage change is based on median household income for 1989 and 1999 adjusted to 1999 dollars.

- ◆ After adjusting for inflation, Rhode Island's highest income communities experienced significant increases in median household income between 1989 and 1999 while the lowest income communities had real declines in income.¹²
- ◆ Of the six core cities, those communities with child poverty rates over 15%, only Newport experienced an increase in real income over the decade of the 1990s.¹³
- ◆ Income is highly correlated with educational attainment. In Rhode Island's lowest-income communities, adults over age 25 are far less likely to have completed high school and less likely to have completed some college, obtained a bachelor's degree or completed a graduate degree.¹⁴
- ◆ In the U.S. in 2001, people without a high school diploma earned only two-thirds (64%) of the earnings of a high school graduate and less than half (45%) of the earnings of an individual with a bachelor's degree.¹⁵

Median Household Income

Table 5.

Adjusted Median Household Income, Rhode Island - 1989* and 1999

CITY/TOWN	ADJUSTED 1989 MEDIAN HOUSEHOLD INCOME*	1999 MEDIAN HOUSEHOLD INCOME	1999 MEDIAN FAMILY INCOME FOR FAMILIES WITH CHILDREN UNDER AGE 18
Barrington	\$69,222	\$74,591	\$88,794
Bristol	\$44,573	\$43,689	\$53,328
Burrilville	\$48,476	\$52,587	\$55,085
Central Falls	\$24,289	\$22,628	\$22,008
Charleston	\$47,020	\$51,491	\$55,080
Coventry	\$48,572	\$51,987	\$61,355
Cranston	\$45,047	\$44,108	\$56,904
Cumberland	\$53,077	\$54,656	\$68,291
East Greenwich	\$66,401	\$70,062	\$108,555
East Providence	\$40,453	\$39,108	\$48,875
Exeter	\$49,810	\$64,452	\$73,239
Foster	\$53,223	\$59,673	\$63,385
Glocester	\$52,186	\$57,537	\$60,938
Hopkinton	\$47,929	\$52,181	\$59,069
Jamestown	\$54,166	\$63,073	\$79,574
Johnston	\$42,526	\$43,514	\$56,641
Lincoln	\$48,379	\$47,815	\$64,470
Little Compton	\$53,735	\$55,368	\$56,679
Middletown	\$45,960	\$51,075	\$55,301
Narragansett	\$46,374	\$50,363	\$68,250
New Shoreham	\$41,059	\$44,779	\$54,844
Newport	\$39,836	\$40,669	\$43,125
North Kingstown	\$52,733	\$60,027	\$66,785
North Providence	\$42,168	\$39,721	\$50,493
North Smithfield	\$54,076	\$58,602	\$71,066
Pawtucket	\$34,627	\$31,775	\$33,562
Portsmouth	\$55,414	\$58,835	\$67,375
Providence	\$28,894	\$26,867	\$24,546
Richmond	\$53,458	\$59,840	\$63,472
Scituate	\$58,931	\$60,788	\$69,135
Smithfield	\$55,478	\$55,621	\$67,050
South Kingstown	\$47,595	\$56,325	\$68,265
Tiverton	\$47,189	\$49,977	\$63,820
Warren	\$41,275	\$41,285	\$53,542
Warwick	\$46,688	\$46,483	\$57,038
West Greenwich	\$53,817	\$65,725	\$70,150
West Warwick	\$41,260	\$39,505	\$41,830
Westerly	\$45,459	\$44,613	\$51,974
Woonsocket	\$33,090	\$30,819	\$34,465
Core Cities	NA	NA	NA
Remainder of State	NA	NA	NA
Rhode Island	\$41,985	\$42,090	\$50,557

*Adjusted to 1999 dollars

Source of Data for Table/Methodology

U.S. Census Bureau, Census 2000.

Median household income data includes households with both related and unrelated individuals. Median family income data includes only households with children under age 18 who meet the Census Bureau's definition of a family. The Census Bureau defines a family as a household that includes a householder and one or more people living in the same household who are related to the household by birth, marriage or adoption. The 1989 adjusted median household income data is adjusted to 1999 constant dollars by multiplying 1989 dollar values by 1.304650 as recommended by the U.S. Census Bureau.

Core cities are Central Falls, Newport, Pawtucket, Providence, West Warwick and Woonsocket.

References for Indicator

^{1,2,13,14} U.S. Bureau of the Census, Census 2000.

^{2,3} *Census Data Show Increases in the Extent and Severity of Poverty and Decline in Household Income* (September 2002). Washington, DC: Center on Budget and Policy Priorities.

^{4,5,6,7} Bernstein, J., McNichol, E.C., Mishel, L. et.al. (April 2002). *Pulling Apart: A State-By State analysis of Income Trends*. Washington, DC: Center on Budget and Policy Priorities and the Economic Policy Institute.

^{8,9} Mishel, L. and Bernstein, J. (2002). *The State of Working America 2002-2003*. Washington, DC: Economic Policy Institute.

^{10,15} *Money Income in the United States*: 2001 (September 2002). Washington, DC: U.S. Bureau of the Census.

¹¹ *The Status of Women in Rhode Island* (November 2002). Washington, DC: The Institute for Women's Policy Research.

Cost of Rent

DEFINITION

Cost of rent is the percentage of income needed by a very low-income family to cover the average cost of rent, including heat. A very low-income family is defined as a family with income less than 50% of the median. Rent burdens over 30% of monthly income are considered unaffordable.

SIGNIFICANCE

Inadequate, costly or crowded housing has a negative impact on children's health, safety, education and emotional well-being. Nationwide over the last three decades, the percentage of families with a cost burden – that is, paying more than 30% of their income for housing – rose from 15% to 28%. The percentage with severe cost burdens, paying more than half their income for housing, rose from 6% to 11%.¹

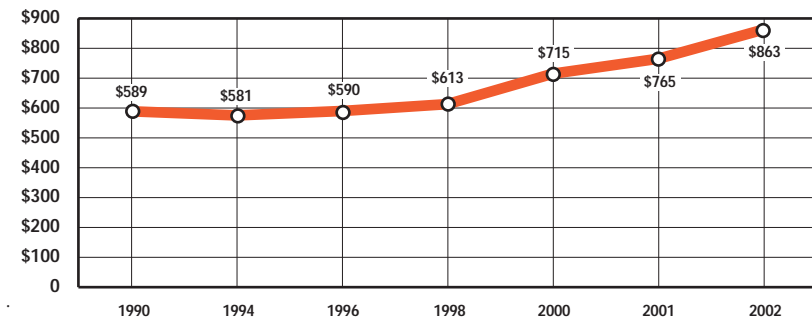
Housing that costs more than one-third of a family's income is considered unaffordable.² Families with high housing costs are likely to go without other basic necessities such as food, medicine and clothing in order to pay their rent (or mortgage) and utilities. Severe financial strain can hinder effective parenting, heighten conflict and contribute to the break-up of families.³ In 2001, there were 4 million working families spending more than 50% of their income on rent in the U.S.⁴ Disproportionately large

shares of minority and single-parent households spend more than 50% of their income on housing. Nearly one in three minority and single-parent households face severe cost burdens.⁵

It is estimated that 9,900 of Rhode Island's rental units have physical defects. Eighty percent of these are located in urban communities.⁶ Common housing problems include roach and rodent infestation, lead exposure, faulty wiring, inadequate heating systems, plumbing problems and lack of major appliances. A home's physical condition, safety, the level of crowding in a household and the quality of the surrounding neighborhood can all affect child well-being.⁷ Research shows that there are strong links between substandard housing and educational disadvantages.⁸

The decline in federal housing subsidies and the growth in income inequality in Rhode Island over the last decade have contributed to the housing crisis for low-income and moderate-income families. Increased income inequality has led to a greater emphasis on high-end housing construction in the suburbs and luxury condominiums in urban areas. Lack of construction of middle-income and low-income units statewide has increased competition for low-income housing, resulting in rising rents for often substandard housing.⁹

Average Rent, Two Bedroom Apartment, Rhode Island, 1990 – 2002



Source: Rhode Island Housing and Mortgage Finance Corporation Annual Rent Surveys. Information not available for 1991, 1992, 1993, 1995, 1997, 1999.

◆ The cost of renting a two-bedroom apartment in Rhode Island increased from \$589 a month in 1990 to \$863 a month in 2002. Housing prices remain out of reach for many families. A worker would have to earn \$15.09 per hour for forty hours per week to be able to afford the average two-bedroom apartment in Rhode Island. This is more than twice the current minimum wage of \$6.15 per hour.¹⁰

Homeownership

- ◆ During the 1990s, low interest rates and public policies aimed at increasing the homeownership rate nationwide enabled thousands of low-income and moderate-income families to become homeowners for the first time.¹¹
- ◆ Many low-income homeowners face increasingly high housing cost burdens. Between 1989 and 1999, the percentage of Rhode Island households with cost burdens (those paying more than 30% of their household income on housing) increased from 55% to 58% of renters and 41% to 58% of homeowners.¹²

Table 6. Cost of Rental Housing for Low-Income Families, Rhode Island, 2002

CITY/TOWN	2002 AVERAGE MONTHLY RENT 2-BEDROOM	2002 POVERTY LEVEL FAMILY OF THREE	% INCOME NEEDED FOR RENT, POVERTY LEVEL FAMILY OF THREE	2002 VERY LOW-INCOME RENTER	% INCOME NEEDED FOR RENT, VERY LOW-INCOME RENTER
Barrington	\$1,052	\$15,020	84%	\$28,100	45%
Bristol	\$919	\$15,020	73%	\$28,100	39%
Burrillville	NA	\$15,020	NA	\$28,100	NA
Central Falls	\$682	\$15,020	54%	\$28,100	29%
Charlestown	\$936	\$15,020	75%	\$28,100	40%
Coventry	\$758	\$15,020	61%	\$28,100	32%
Cranston	\$851	\$15,020	68%	\$28,100	36%
Cumberland	\$886	\$15,020	71%	\$28,100	38%
East Greenwich	\$913	\$15,020	73%	\$28,100	39%
East Providence	\$800	\$15,020	64%	\$28,100	34%
Exeter	NA	\$15,020	NA	\$28,100	NA
Foster	NA	\$15,020	NA	\$28,100	NA
Glocester	\$817	\$15,020	65%	\$28,100	35%
Hopkinton	NA	\$15,020	NA	\$29,950	NA
Jamestown	NA	\$15,020	NA	\$28,100	NA
Johnston	\$817	\$15,020	65%	\$28,100	35%
Lincoln	\$843	\$15,020	67%	\$28,100	36%
Little Compton	NA	\$15,020	NA	\$28,100	NA
Middletown	NA	\$15,020	NA	\$29,050	NA
Narragansett	\$1,035	\$15,020	83%	\$28,100	44%
New Shoreham	NA	\$15,020	NA	\$29,050	NA
Newport	\$1,132	\$15,020	90%	\$29,050	47%
North Kingstown	\$885	\$15,020	71%	\$28,100	38%
North Providence	\$768	\$15,020	61%	\$28,100	33%
North Smithfield	NA	\$15,020	NA	\$28,100	NA
Pawtucket	\$736	\$15,020	59%	\$28,100	31%
Portsmouth	NA	\$15,020	NA	\$29,050	NA
Providence	\$884	\$15,020	71%	\$28,100	38%
Richmond	NA	\$15,020	NA	\$28,100	NA
Scituate	NA	\$15,020	NA	\$28,100	NA
Smithfield	\$905	\$15,020	72%	\$28,100	39%
South Kingstown	\$889	\$15,020	71%	\$28,100	38%
Tiverton	NA	\$15,020	NA	\$28,100	NA
Warren	\$828	\$15,020	66%	\$28,100	35%
Warwick	\$841	\$15,020	67%	\$28,100	36%
West Greenwich	NA	\$15,020	NA	\$28,100	NA
West Warwick	\$799	\$15,020	64%	\$28,100	34%
Westerly	\$844	\$15,020	67%	\$29,950	34%
Woonsocket	\$749	\$15,020	60%	\$28,100	32%
Core Cities	\$830	\$15,020	66%	\$28,100	35%
Remainder of State	\$873	\$15,020	70%	\$28,100	37%
Rhode Island	\$863	\$15,020	69%	\$28,100	37%

Source of Data for Table/Methodology

Rhode Island Housing and Mortgage Finance Corporation, January-December 2002 Rent Survey and the Department of Housing and Urban Development. Average rents are based on a survey of rents in Rhode Island between January and December 2002. Rents include the HUD allowance for heat, if heat was not included in the advertised rent. A very low-income family is defined by the U.S. Department of Housing and Urban Development as a family with income 50% of the median family income and is calculated separately for Hopkinton, Middletown, New Shoreham, Newport, Portsmouth and Westerly.

References for Indicator

- ¹ *America's Children: Key National Indicators of Well-Being, 2002* (2002). Washington, DC: Federal Interagency Forum on Child and Family Statistics.
- ² *Rental Housing for America's Poor Families: Farther Out of Reach Than Ever* (2002). Washington, DC: National Low-Income Housing Coalition.
- ^{3,8} Shore, R. (October 2000). *Our Basic Dream: Keeping Faith with America's Working Families and Their Children*. New York, NY: Foundation for Child Development.
- ⁴ *America's Working Families and the Housing Landscape 1997-2001* (November 2002). Washington, DC: Center for Housing Policy/National Housing Conference.
- ⁵ *The State of the Nation's Housing 2001* (2001). Cambridge, MA: Joint Center for Housing Research, Harvard University.
- ⁶ *The State of Rhode Island Consolidated Plan FY 2001 - 2005* (January 2000). Providence, RI: Rhode Island Housing and Mortgage Finance Corporation.
- ⁷ *Trends in the Well-Being of America's Children and Youth* (2001). Washington, DC: U.S. Department of Health and Human Services, Office of the Secretary for Planning and Evaluation.
- ¹⁰ Rhode Island KIDS COUNT calculations using data from Rhode Island Housing and Mortgage Finance Corporation.
- ⁹ Hirsch, E. (2001). *Rhode Island's Housing Crisis*. Providence, RI: Providence College.
- ¹¹ *The State of the Nation's Housing 2002* (2002). Cambridge, MA: Joint Center for Housing Research, Harvard University.
- ¹² U.S. Census Bureau, 1990 and 2000 Census of the Population.

Secure Parental Employment

DEFINITION

Secure parental employment is the percentage of children living with at least one parent who has full-time, year-round employment.

SIGNIFICANCE

Secure parental employment can have positive impacts on child well-being that go beyond reducing poverty and increasing median household income. Children with parents who have steady employment are more likely to have access to health care and stable, regular child care.¹ Secure parental employment is also likely to improve family functioning by reducing the stress brought on by unemployment and underemployment of parents.²

In Rhode Island in 2000, there were approximately 75,000 Rhode Island children with no parent working full time, year round.³ This is almost a third (31%) of all Rhode Island children, slightly higher than the national rate of 28%.⁴

In 2001 the Rhode Island unemployment rate was 4.7%, similar to the national average.⁵ Unemployment rates vary significantly across cities and towns in the state, from highs of 10.1% in New Shoreham and 8.5% in Central Falls to lows of 1.8% in Richmond and 2.4% in Narragansett.⁶

The Rhode Island unemployment rate increased to 5.1% in 2002 while the U.S. rate increased to 5.8%.^{7,8}

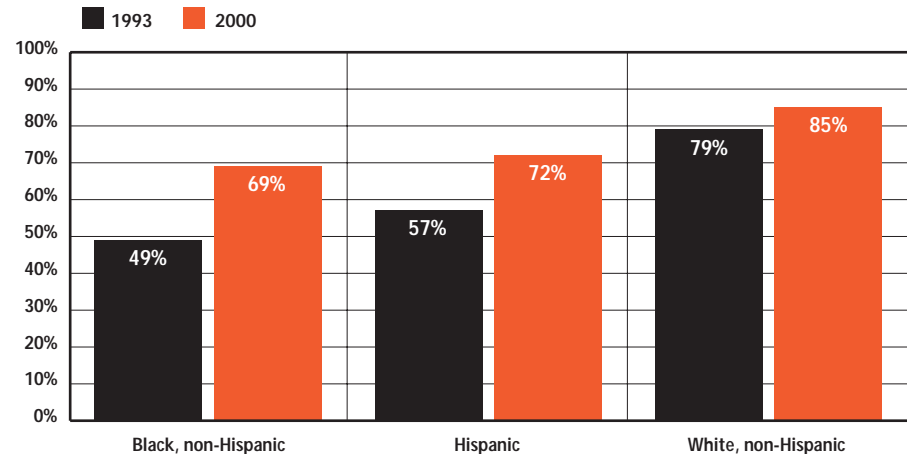
When families work in low-wage jobs, many remain below the poverty level and many more are low income.⁹ The likelihood of having one parent with full-time year-round employment and remaining poor has increased in recent years from 22% of poor children in 1990, to 35% of poor children in 2000.¹⁰ Between 1990 and 2000 in Rhode Island, the number of children living in low-income working families (full-time work and income below 200% of the federal poverty line) increased 18%, from 28,000 children to 33,000 children. This is 15% of all Rhode Island children, lower than the national average of 19%.¹¹

Secure Parental Employment		
	1990	2000
RI	70%	69%
US	71%	72%
State Rank	37th	

1st is best; 50th is worst

Source: *Children At Risk: State Trends 1990-2000* (2002). Baltimore, MD: The Annie E. Casey Foundation.

Secure Parental Employment by Race and Ethnicity, United States, 1993 and 2000



Note: *Secure parental employment* is the percentage of children living with at least one parent with full-time, year-round employment.

- ◆ Secure parental employment increased for Black, Hispanic and White children between 1993 and 2000.
- ◆ Hispanic and Black children in the U.S. continue to be less likely than White, non-Hispanic children to live with at least one parent with full-time, year-round employment.
- ◆ Much of the increase in secure parental employment between 1993 and 2000 was due to the increase in the percentage of children living with single mothers who are employed full time year round, which increased from 33% in 1993 to 50% in 2000.
- ◆ During the past two decades, the percentage of children living in two-parent families in which both the mother and father worked full time all year has almost doubled, increasing from 17% to 33%.

Source: *America's Children: Key National Indicators of Well-Being* (2002). Washington, DC: Federal Interagency Forum on Child and Family Statistics.

Federal and State Tax Credits

- ◆ The Child Tax Credit (CTC) is a federal tax credit worth up to \$600 per child in 2002 for families with children under age 17. The CTC has been in effect since 1998, but recent Congressional changes now make the credit available to more working families and make it refundable, meaning that families can get the credit even if they owe no tax.¹²
- ◆ The federal Earned Income Tax Credit is a refundable credit on the federal income tax, available since 1975, to low-income and moderate-income working families with children. Five million people, about half of whom are children, were lifted above the poverty line as a result of the federal EITC.¹³ In 2001 in Rhode Island, 57,667 low-income working individuals and families received the federal EITC.¹⁴
- ◆ The state of Rhode Island is one of sixteen states that have established state EITC programs that can increase the income of low-wage workers to levels above the poverty line. Refundable EITC programs exist in 11 states and maximize economic benefits to the lowest-income families.¹⁵
- ◆ Rhode Island's EITC is non-refundable so that it provides no benefits to working families that have income too low to owe state income taxes.¹⁶ When a state EITC is refundable, the family receives a refund check if the size of its EITC exceeds its tax bill. In 2001, families in Rhode Island had no state income tax liability until they reached \$25,200.¹⁷
- ◆ A refundable state EITC would contribute an additional \$14 million to the budgets of low-income working families in the Providence area and \$4.7 million to the economy of the City of Providence.¹⁸

References

^{1,2,9,10} *America's Children: Key National Indicators of Well-Being* (2002). Washington, DC: Federal Interagency Forum on Child and Family Statistics.

^{3,4,11} *Children At Risk: State Trends 1990 – 2000* (2002). Baltimore, MD: The Annie E. Casey Foundation.

⁵ Rhode Island Department of Labor and Training, Labor Market Information Division, Unadjusted Unemployment Rates for States Ranked by Annual Average (March 2002). www.dlt.state.ri.us.

⁶ Rhode Island Department of Labor and Training, Labor Market Information Division, Rhode Island City/Town 2001 Annual Average Labor Force Statistics (February 2002). www.dlt.state.ri.us.

Increasing Earnings through Wage Laws

- ◆ In 2003, the Rhode Island minimum wage is \$6.15 per hour.¹⁹ A parent working 40 hours per week, 52 weeks per year at minimum wage in Rhode Island would be unable to earn enough to raise a family of three above the federal poverty level.²⁰
- ◆ Living wage proposals are proposals that are directed at a specific workforce and are set at rates higher than minimum wage laws. There are more than 70 jurisdictions in the U.S. including Boston, Los Angeles, Hartford, and New Haven that have passed living wage ordinances.²¹
- ◆ Providence is the only city in Rhode Island with a current living wage proposal. The proposed ordinance would require the City of Providence, city contractors with more than 25 employees or contracts over \$25,000 per year, and employers receiving substantial new tax breaks to pay a minimum of \$10.19 per hour and the equivalent of \$1.78 per hour for health insurance benefits.²²

References

⁷ Rhode Island Department of Labor and Training, Labor Market Information Division, Local Area Unemployment Statistics. Unemployment Rates for States, Annual Average Rankings, 1998-Present (March 2003). www.dlt.state.ri.us.

⁸ U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Unemployment Rate Civilian Labor Force (January 2003). www.bls.gov.

¹² *Facts about the New Child Tax Credit: A Bigger Paycheck Boost for Many Families* (2003). Washington, DC: Center on Budget and Policy Priorities.

^{13,15,16} Johnson, N. (December 2001). *A Hand Up: How State Earned Income Tax Credits Help Working Families Escape Poverty in 2001*. Washington, DC: Center on Budget and Policy Priorities.

¹⁴ Center on Budget and Policy Priorities, EIC Participation for Tax Year 2001 by State (January 2003). www.cbpp.org/eic2003/participation.pdf.

¹⁷ Johnson, N. et al (February 2002). *State Income Tax Burdens on Low-Income Families in 2001*. Washington, DC: Center on Budget and Policy Priorities

¹⁸ *Rewarding Work: The Impact of the Earned Income Tax Credit in Greater Providence* (June 2001). Washington, DC: The Brookings Institute, Center on Urban and Metropolitan Policy.

¹⁹ U.S. Department of Labor, Minimum Wage Laws in the States (January 2003). www.dol.gov/dol/esa/public/minwage/america/htm.

²⁰ The 2002 Poverty Guidelines, U.S. Department of Health and Human Services (January 2003). <http://aspe.hhs.gov/poverty/02.htm>.

²¹ Economic Policy Institute, Living Wage Ordinances Currently in Place (January 2003). www.epinet.org.

²² Employment Policies Institute (January 2003). www.livingwage.com.

Children Receiving Child Support

DEFINITION

Children receiving child support is the percentage of non-custodial parents in the Rhode Island Child Support Enforcement System who pay child support on time and in full. The percentage does not include cases in which paternity has not been established. Court orders for child support require establishment of paternity.

SIGNIFICANCE

The receipt of child support payments can significantly improve the economic status of a child growing up in a family with a non-resident parent. Child support lifts a half million children from poverty in the U.S. each year.¹ When poor families receive child support, the child support averages 26% of the family's budget - making it the second largest source of income next to earnings.²

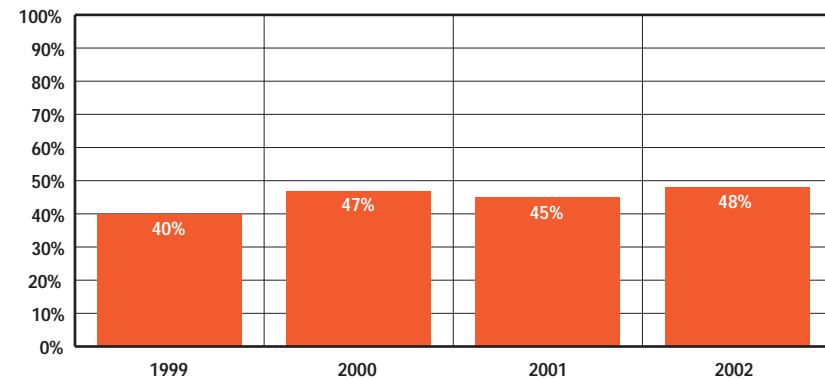
The goal of the child support system is to collect money from non-custodial parents so that their children can have adequate financial security as they grow up. For child support to be collected on behalf of a child, the non-custodial parent must be identified, paternity must be established, a support order must be entered, and the money must be collected.³ The failure of a non-custodial parent to pay child support has significant economic consequences

for the custodial parent and for the child. Nationally, children who live with a custodial parent who do not receive child support payments are more than twice as likely to live in poverty as children whose families receive child support payments in full.⁴

Even when there is a child support order in place, child support payments tend to be low and unreliable. As of December 2002, there were 96,088 Rhode Island children in the State's Child Support Enforcement System.⁵ Of these, 24,392 (25%) had not yet had paternity established and therefore were not yet eligible for a child support award.⁶ In 2002 in Rhode Island, 48% of Rhode Island non-custodial parents under court order paid child support on time and in full.⁷ As of December 31, 2002, the amount of past due court-ordered child support in Rhode Island totaled \$175 million.⁸

Although poor fathers are much less likely to pay child support, for every poor father who does not pay child support, there are nearly two non-poor fathers who do not pay.⁹ Parents who have regular contact with their children are more likely to pay child support.¹⁰ In 1999 in the United States, 79% of parents who had either joint custody or visitation privileges paid child support compared to 46% who did not have regular contact.¹¹

Non-custodial Parents with Court Orders who Pay Child Support On-Time and In Full, Rhode Island 1999 – 2002

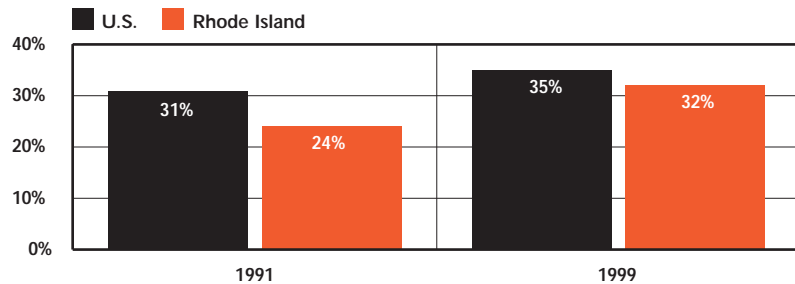


Source: Rhode Island Department of Administration, Division of Taxation – Child Support Enforcement, 1999 - 2002.

- ◆ In 2002 in Rhode Island, 48% of custodial parents under court order paid child support on time and in full. This is an increase from 40% in 1999.¹²
- ◆ Nationally, among the parents with child support agreements, only 45% received all of their child support payments. One in four parents (29%) with agreements received some, but not, all of what was due.¹³
- ◆ In the U.S., low-income mothers, Black or Hispanic mothers, never-married mothers, and mothers with less than a college education are least likely to receive the child support due under court order.¹⁴

Children Receiving Child Support

Female-Headed Families Receiving Child Support or Alimony
1991 and 1999, U.S. and Rhode Island, 1991 and 1999



Source: *KIDS COUNT Databook: State Trends in the Well-Being of Children (1994 and 2002)*. Baltimore, MD: The Annie E. Casey Foundation.

- ◆ In Rhode Island in 2000, 54,648 children lived in a household headed by a single mother.¹⁵ Of the Rhode Island families headed by a single female, 32% received child support or alimony payments in 1999, compared to 35% nationally.¹⁶
- ◆ The rate of receipt of child support or alimony in families headed by a single female has increased significantly in Rhode Island since 1991 when only 24% of families received this income.¹⁷
- ◆ Reasons that parents do not have legal court orders in place include not feeling the need to make agreements legal, knowing that the other parent could not afford to pay and not wanting to have contact with the other parent.¹⁸ Nationally, 59% of custodial parents had child support agreements in 2000.¹⁹

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¹ Sorenson, E. and Zibman, C. (March 2000). *Child Support Offers Some Protection Against Poverty*. Washington, DC: The Urban Institute.

² Turtesky, V. (May 2001). *Families Participating in the State Child Support Program*. Washington, DC: Center for Law and Social Policy, Inc.

^{3,20} *Giving Hope and Support to America's Children: Handbook on Child Support Enforcement* (1997). Washington, DC: U.S. Department of Human Services, Administration for Children and Families Office of Child Support Enforcement.

^{4,11,13,14,18,19} *Custodial Mothers and Fathers and Their Child Support: 1999* (October 2002). Washington, DC: U.S. Census Bureau.

^{5,6,7,8,22,25} Rhode Island Department of Administration, Division of Taxation – Child Support Enforcement, December 1, 2002.

⁹ Sorenson, E. and Zibman, C. (April 2001). *Poor Dads Who Don't Pay Child Support: Deadbeats or Disadvantaged?* Washington, DC: The Urban Institute.

¹⁰ Koball, H. and Principe, D. (March 2002). *Do Non-resident Fathers Who Pay Child Support Visit Their Children More?* Washington, DC: The Urban Institute.

Child Support and the Family Independence Program

- ◆ In order to receive cash benefits through the Family Independence Program (FIP), custodial parents are required to cooperate with the Rhode Island Department of Administration's Child Support Enforcement Division in establishing paternity and seeking child support.²⁰
- ◆ In certain instances, such as domestic violence, the requirement to establish paternity and seek child support may be waived in order to protect the custodial parent. Caseworkers are required to notify FIP applicants and recipients of this waiver option.²¹
- ◆ In Rhode Island as of December 2002, 55% (15,127) of the 27,522 children enrolled in the Family Independence Program were in the Child Support Enforcement System and had paternity established.²²
- ◆ In 2002, the average child support obligation to children enrolled in FIP was \$270 per month, as compared to an average child support obligation of \$377 per month for non-FIP families.²³ This is a significant increase since 1999 when average obligations were \$207 and \$237 per month respectively.²⁴
- ◆ An average of 2,958 Rhode Island families enrolled in FIP each month received the \$50 child support pass-through in 2002.²⁵ The first \$50 of child support paid on time on behalf of a child receiving cash assistance goes to the custodial parent caring for the child and the remainder goes to the state. Although budget cuts threatened the continued existence of this program, the child support pass-through was maintained in the 2002 legislative session as an important part of the Family Independence Program.²⁶

¹⁵ U.S. Bureau of the Census, Census 2000.

¹⁶ *KIDS Count Data Book: State Profiles of Child Well-Being 2002* (2002). Baltimore, MD: The Annie E. Casey Foundation.

¹⁷ *KIDS Count Data Book: State Profiles of Child Well-Being 1994* (1994). Baltimore, MD: The Annie E. Casey Foundation.

²¹ *Paternity: Questions Moms Usually Ask and Their Answers*. Providence, RI: State of Rhode Island and Providence Plantations.

²² Rhode Island Department of Administration, Division of Taxation – Child Support Enforcement, December 2002, and the Rhode Island Department of Human Services InRhodes Database, December 2002.

²⁴ Rhode Island Department of Administration, Division of Taxation – Child Support Enforcement, December 1, 1999.

²⁶ *Legislative Wrap-Up: 2002 Session of the Rhode Island General Assembly* (August 2002). Providence, RI: Rhode Island KIDS COUNT.

Children in Poverty

DEFINITION

Children in poverty is the percentage of related children under age 18 who live in families below the poverty threshold, as defined by the U.S. Office of Management and Budget. “Related children” include the family head’s children by birth, marriage and adoption, as well as other persons under age 18 who are related to and live with the family head, such as nieces and nephews.

SIGNIFICANCE

Poverty is related to every KIDS COUNT indicator. Children in poverty, especially those in poverty for extended periods of time, are more likely to have health and behavioral problems, experience difficulty in school, become teen parents and to earn less as adults.^{1,2} Children in low-income communities are more likely to attend poorly equipped schools; have less access to libraries and cultural activities; have limited access to high quality child care programs; and have fewer opportunities to participate in sports and recreations programs after school and in the summer.^{3,4}

Children of color and children of immigrants are more likely to grow up poor.^{5,6} Single parenthood, low educational attainment, part-time or no employment and low wages of parents place children at risk of being poor.^{7,8}

Family economic conditions in early and middle childhood appear to be more important for shaping ability and achievement than do economic conditions during adolescence.⁹ Efforts that improve the quality of a child’s environment and increase family income in the early years of life will improve the likelihood of healthy child development.¹⁰

There is considerable movement into and out of poverty each year.¹¹ Low-income working families often must choose between the demands of work and the needs of raising children without the supports available to higher income families.¹² For these families, the margin of income to expenses makes it difficult to build an asset base to cushion against falling back into poverty in tough times.¹³

According to the Census, in 2000 there were 40,117 children living in poverty in Rhode Island, 16.5% of all children in the state.¹⁴ The 2002 poverty threshold for a family of three with two children is \$14,494.¹⁵

Children in Poverty		
	1990	2000
RI	14%	17%
US	18%	17%
State Rank	30th	

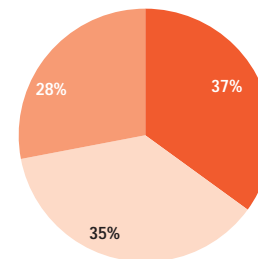
1st is best; 50th is worst

Source: *Children at Risk: State Trends 1990-2000* (2002). Baltimore, MD: The Annie E. Casey Foundation.

Rhode Island's Poor Children, 2000

By Age

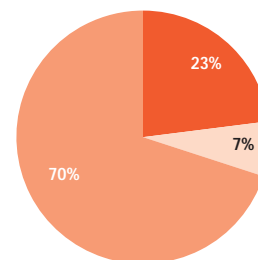
- 35% Ages 5 and younger
- 37% Ages 6 to 11
- 28% Ages 12 to 17



n = 41,162 (includes unrelated children living in households)

By Family Structure

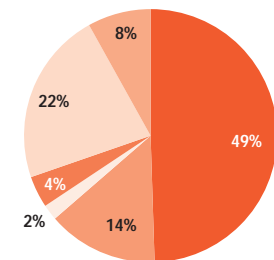
- 23% Married Couple Family
- 7% Male Householder Only
- 70% Female Householder Only



n = 40,177

By Race*

- 49% White
- 14% Black
- 2% Asian
- 4% American Indian
- 22% Some Other Race
- 8% Two or More Races

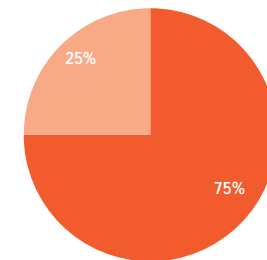


n = 40,117

**Hispanic children may be included in any race category. Of Rhode Island's 40,117 poor children, 15,750 (39%) are Hispanic.*

By Residence

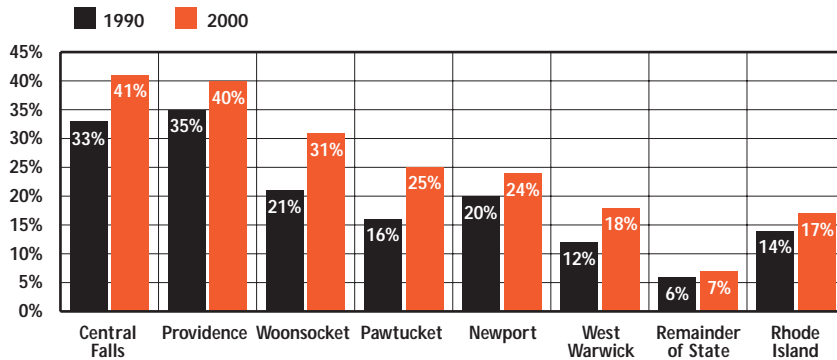
- 75% Core Cities*
- 25% Remainder of State



n = 40,177

Source: U.S. Bureau of the Census, Census 2000. Except where otherwise noted, population includes related children under age 18, who are living in households for whom poverty status was determined and are somehow related to the householder. This could include nieces, nephews, step children, adopted children, etc.

Child Poverty Rates, 1990 and 2000, Core Cities, Remainder of State and Rhode Island



Source: U.S. Census Bureau, 1990 and 2000 Census of the Population

- ◆ Rhode Island's child poverty rate increased from 14% to 17% over the decade of the 1990s. The child poverty rate increased in each of the core cities between 1990 and 2000. For the core cities overall, the child poverty rate increased from 26% to 33% during the 1990s, even as it remained relatively stable at 6% to 7% in the remainder of the state.¹⁶
- ◆ Rhode Island KIDS COUNT defines core cities as those communities in which 15% or more of the children live in families with income below the federal poverty threshold. Three-quarters (75%) of Rhode Island's poor children live in one of the six core cities.¹⁷
- ◆ Because of increases in child poverty between 1990 and 2000, West Warwick is now a core city with 18% of children living in poverty.¹⁸ Providence now has the third highest child poverty rate (40%) in the country among cities with a population of 100,000 or more.¹⁹ Central Falls has the highest child poverty rate (41%) of any city or town in Rhode Island.²⁰

Children Living in Extreme Poverty

- ◆ Families with income below 50% of the federal poverty level are considered to be living in extreme poverty.²¹ The extreme poverty level in 2002 is family income below \$9,122 for a family of four.²²
- ◆ Children who live in deep, long-term poverty experience the worst outcomes as a result of their family's income status.²³ In 2000, 19,773 children in Rhode Island lived in extreme poverty. This is 8% of all Rhode Island children and half of all poor children in Rhode Island.²⁴

Young Children Under Age 6 in Poverty in Rhode Island

- ◆ Research shows that young children who live in poverty are more likely to have impaired development because of their increased exposure to risk factors associated with poverty including: inadequate nutrition, environmental toxins, maternal depression, trauma and abuse, lower quality child care and parental substance abuse.²⁵
- ◆ In 2000, 19% (14,548) Rhode Island children under 6 were living in poverty, compared to 17% nationally.^{26,27} Of these children, 7,230 were extremely poor.²⁸
- ◆ As of December 1, 2002, there were 5,909 children under age 3 and 5,097 children ages 3 to 5 in families receiving cash assistance from the Family Independence Program. Of all children in the Family Independence Program, 40% are under age 6.²⁹

Children in Poverty

Children in Low-Income Families, Rhode Island, 2000

Annual Income	% of Poverty Threshold	#	%
Under \$9,122	Under 50%	19,773	8%
\$9,122 - \$18,243	50% - 99%	21,389	9%
\$18,244 - \$27,365	100% - 149%	20,932	9%
\$27,366 - \$36,487	150% - 199%	21,326	9%
Total Income Below 200%		83,420	35%

n=243,838

Source: U.S. Census Bureau, Census 2000. Income amounts are calculated for a family of four with two children. The poverty threshold in 2002 for a family of four with two children was \$18,244.

◆ More than one in three children (35%) in Rhode Island live in a low-income family with income below 200% of the poverty threshold. The federal poverty threshold is an underestimate of the number of families with children in Rhode Island who are unable to meet their basic needs for food, shelter and other necessities.³⁰

◆ The Rhode Island Standard of Need considers the costs of housing, child care and health care as well as the cash value of tax credits and income support programs. Due to child care and health care subsidies, a family making about 150% of poverty is able to make ends meet. If the family earns more than 225% of the federal poverty threshold, they become ineligible for child care subsidies and expenses begin to exceed income.³¹

Building Blocks of Economic Security

Income Supports

◆ Income support includes: the FIP Earned Income Disregard, Food Stamps, the Earned Income Tax Credit, and Energy Assistance programs. Income supports help to ensure that low-income working families have adequate resources to meet their basic needs.³²

Access to Health Care

◆ Many workers in low-wage jobs are often not offered affordable employer-sponsored health insurance. Access to health insurance improves the likelihood of having a regular and affordable source of health care.³³

Affordable Quality Child Care

◆ The quality and stability of the child care setting is critical to a parent's ability to work and to the child's development.³⁴ Child care costs represent a significant part of the budget of low-income families and are associated with a mother's refusal or termination of employment.³⁵

Affordable Housing

◆ Stable housing is a critical requirement for job retention and performance.³⁶ In 2002, the average rent for a two-bedroom apartment in Rhode Island is \$863, more than double the amount that is considered affordable for a family of three with income below the poverty level.³⁷

Educational Attainment

◆ Individuals with higher education generally have more job opportunities, higher wages and greater job security than those with lower levels of education.³⁸

Table 7.

Child Poverty, Rhode Island, 2000

CITY/TOWN	FAMILIES WITH CHILDREN BELOW POVERTY		CHILDREN UNDER 6 BELOW POVERTY		CHILDREN UNDER 18 BELOW POVERTY	
	N	%	N	%	N%	%
Barrington	56	2.3%	23	1.9%	116	2.5%
Bristol	216	8.7%	157	11.4%	396	9.2%
Burrillville	106	5.0%	80	7.9%	236	6.0%
Central Falls	988	34.6%	740	42.7%	2,189	40.8%
Charlestown	42	4.2%	18	3.7%	78	4.7%
Coventry	232	5.1%	149	6.4%	455	5.6%
Cranston	794	8.4%	437	8.6%	1,417	8.6%
Cumberland	162	3.8%	89	3.6%	237	3.1%
East Greenwich	65	3.6%	57	6.1%	147	4.1%
East Providence	613	10.2%	452	14.5%	1,109	10.7%
Exeter	49	5.6%	69	16.3%	112	7.5%
Foster	18	3.1%	-	0.0%	32	2.9%
Glocester	76	5.2%	37	5.7%	171	6.4%
Hopkinton	64	5.5%	55	8.9%	107	5.5%
Jamestown	9	1.3%	-	0.0%	17	1.4%
Johnston	287	8.2%	183	9.5%	527	9.0%
Lincoln	178	6.3%	76	5.6%	316	6.2%
Little Compton	8	1.9%	8	3.5%	8	1.0%
Middletown	161	6.7%	70	5.0%	264	6.2%
Narragansett	133	7.8%	50	6.5%	230	8.4%
New Shoreham	14	13.0%	3	4.8%	19	10.2%
Newport	654	22.4%	628	34.3%	1,223	23.8%
North Kingstown	362	9.4%	239	11.1%	657	9.6%
North Providence	327	9.0%	212	12.0%	559	9.8%
North Smithfield	38	2.9%	45	6.3%	67	2.8%
Pawtucket	2,229	22.7%	1,711	29.2%	4,353	24.5%
Portsmouth	65	2.8%	63	5.0%	118	2.8%
Providence	7,651	34.3%	6,137	42.5%	17,714	40.1%
Richmond	38	3.4%	17	2.4%	82	4.2%
Scituate	52	3.7%	30	4.2%	113	4.3%
Smithfield	85	3.7%	11	1.0%	153	3.9%
South Kingstown	166	5.0%	82	4.6%	297	4.9%
Tiverton	62	3.2%	48	5.4%	90	2.7%
Warren	104	7.3%	60	7.6%	198	8.1%
Warwick	642	6.1%	386	6.8%	1,175	6.4%
West Greenwich	7	0.9%	18	3.7%	40	2.7%
West Warwick	604	16.1%	606	26.8%	1,170	17.9%
Westerly	204	7.0%	141	8.0%	512	9.6%
Woonsocket	1,581	26.8%	1,361	35.0%	3,413	31.3%
Core Cities	13,707	28.8%	11,183	37.3%	30,062	33.4%
Remainder of State	5,435	6.3%	3,365	8.0%	10,055	6.6%
Rhode Island	19,142	14.2%	14,548	20.2%	40,117	16.5%

Source of Data for Table/Methodology

Data are from the U.S. Bureau of the Census, Census 2000.

References for Indicator

^{1,21} *America's Children: Key Indicators of Well Being* (2002). Washington, DC: U.S. Federal Interagency Forum on Child and Family Statistics.

^{2,23} Moore, K. et. al. (November 2002). *Children in Poverty: Trends, Consequences, and Policy Options*. Washington, DC: Child Trends.

^{3,34} *Years of Promise: A Comprehensive Strategy for America's Children* (1996). New York, NY: Carnegie Corporation.

⁴ Jargowsky, P. (1997). *Poverty and Place: Ghettos, Barrios and the American City*. New York, NY: Russell Sage Foundation.

^{5,7} Children's Defense Fund. *Child Poverty: Characteristics of Poor Children in America - 2000*. www.childrens-defense.org, February 2003.

⁶ *Children of Immigrants: A Statistical Profile* (September 2002). New York, NY: National Center for Children in Poverty.

^{8,38} *Poverty in the United States 2001* (September 2002). Washington, DC: U.S. Census Bureau.

⁹ Duncan G.J. et al (1997). "Longitudinal Indicators of Children's Poverty and Dependence" in Hauser, R. et. al. (eds.) *Indicators of Children's Well-Being*. New York, NY: Russell Sage Foundation.

^{10,11} *From Neurons to Neighborhoods: The Science of Early Childhood Development* (2000). Washington, DC: National Academy Press.

^{12,13,32,33} *KIDS COUNT Databook* (2002). Baltimore, MD: The Annie E. Casey Foundation.

^{14,16,17,18,20,24,26,28,30} U.S. Census Bureau, Census 2000.

^{15,22} U.S. Census Bureau, "Thresholds for 2002 by Size of Family and Number of Related Children Under 18" Years, www.census.gov., February 2003.

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Children in the Family Independence Program

DEFINITION

Children enrolled in the Family Independence Program is the percentage of children less than age 18 who were living in families receiving cash assistance through the Family Independence Program (FIP) on December 1, 2002. These data measure the number of children and families enrolled in FIP at one point in time. They do not count the additional children and families who qualified for the program at other points in the year but were not enrolled on December 1, 2002.

SIGNIFICANCE

Rhode Island's Family Independence Program (FIP) seeks to help families make successful transitions to work by providing the cash assistance and work supports, including health insurance and subsidized child care, that families need to obtain and keep a job. In addition, the program provides a safety net for children living in families with adults who are unable to work.¹ There are currently 893 families enrolled in FIP who are unable to work due to illness or advanced age and 2,237 who are exempt from work because they are in their third trimester of pregnancy or have children under age one.² If a family has no earned income, the maximum monthly FIP benefit for a Rhode Island family of three is \$554 per month.³ The FIP monthly payment has not increased in 13 years.⁴

With an additional \$350 per month in Food Stamps, this income is 75% of the federal poverty threshold and well below the amount of income families need to pay basic living expenses.⁵

More than two-thirds (69%) of all FIP beneficiaries are children under the age of 18.⁶ Four of every five children receiving cash assistance through FIP are ages 12 and under.⁷ As of December 2002, there were 3,081 FIP child-only cases.⁸ Child-only cases are those that receive cash assistance only for the children in the family because the child is living with a grandparent or other non-parent relative, the parent has reached their five-year time limit, the parent is disabled and receiving Supplemental Security Income or the parent is not a U.S. citizen.⁹ Child-only cases have increased from 12% of all cases in May 1996 to 21% of all cases in December 2002.^{10,11} The percentage of all cases that are child-only cases will continue to increase as adults in the family reach five-year time limits. As of January 2003, 293 adults have reached their time limits.¹²

Since the start of the latest economic recession in March 2001, Rhode Island is one of the few states that continues to see welfare caseloads decline.¹³ As of December 1, 2002, there were 40,068 adults and children in Rhode Island enrolled in the Family Independence program.¹⁴



Work Supports

- ◆ As of December 1, 2002 in Rhode Island, 2,625 (23%) of the adults receiving FIP cash assistance were employed at an average wage of \$7.89 per hour.¹⁶ The program provides work incentives by allowing working recipients to keep more of their earnings before cash assistance is decreased or terminated.¹⁶
- ◆ Income supports including RItE Care, child care subsidies, cash assistance, Food Stamps and the Earned Income Tax Credit are critical to the well-being of low-income working families with insufficient income to meet all their needs.
- ◆ The Rhode Island Standard of Need, developed by the Poverty Institute at Rhode Island College, approximates the income a family needs to pay for basic living expenses. With the benefit of state and federal work supports, the Rhode Island Standard of Need for a single parent with two children is \$10.55 compared to \$19.51 without these programs.¹⁷



Education and Training

- ◆ There is evidence in Rhode Island and nationally that families still receiving cash assistance generally have more serious barriers to employment than those who have left assistance.^{18,19} Adults remaining on FIP are more likely to face barriers to employment because they have low literacy levels, do not have at least a high school diploma, and do not speak English as a first language.²⁰
- ◆ The Family Independence Program (FIP) permits adults receiving cash assistance to get necessary education or basic skills training for up to 24 months before beginning work. Evaluations of FIP have found that adults who opted for training or education before they looked for jobs were far more likely to be employed and had family earnings higher than before the training.^{21,22}

Children in the Family Independence Program

Table 8.

Children Enrolled in the Family Independence Program (FIP),
Rhode Island, December 1, 2002

CITY/TOWN	ALL CHILDREN UNDER 18	NUMBER RECEIVING FIP CASH ASSISTANCE		FIP CHILDREN AS % OF ALL CHILDREN UNDER 18
		FAMILIES	CHILDREN	
Barrington	4,745	15	23	<1%
Bristol	4,399	92	152	3%
Burrillville	4,043	77	117	3%
Central Falls	5,531	778	1570	28%
Charlestown	1,712	34	57	3%
Coventry	8,389	174	253	3%
Cranston	17,098	587	970	6%
Cumberland	7,690	101	161	2%
East Greenwich	3,564	46	68	2%
East Providence	10,546	395	638	6%
Exeter	1,589	25	43	3%
Foster	1,105	14	20	2%
Glocester	2,664	26	44	2%
Hopkinton	2,011	20	33	2%
Jamestown	1,238	13	23	2%
Johnston	5,906	204	328	6%
Lincoln	5,157	75	138	3%
Little Compton	780	9	14	2%
Middletown	4,328	64	100	2%
Narragansett	2,833	51	81	3%
New Shoreham	185	0	0	0%
Newport	5,199	459	937	18%
North Kingstown	6,848	151	241	4%
North Providence	5,936	237	382	6%
North Smithfield	2,379	25	39	2%
Pawtucket	18,151	1681	3014	17%
Portsmouth	4,329	32	50	1%
Providence	45,277	6851	13753	30%
Richmond	2,014	21	36	2%
Scituate	2,635	31	42	2%
Smithfield	4,019	33	54	1%
South Kingstown	6,284	114	217	3%
Tiverton	3,367	75	110	3%
Warren	2,454	74	138	6%
Warwick	18,780	460	755	4%
West Greenwich	1,444	19	24	2%
West Warwick	6,632	325	550	8%
Westerly	5,406	142	256	5%
Woonsocket	11,155	1098	2091	19%
Core Cities	91,945	11,192	21,915	24%
Remainder of State	155,877	3,436	5,607	4%
Rhode Island	247,822	14,628	27,522	11%

Source of Data for Table/Methodology

Rhode Island Department of Human Services, INRHODES Database, December 2002. The denominator is the total number of children under age 18 from Census 2000.

Core Cities are Central Falls, Newport, Pawtucket, Providence, West Warwick and Woonsocket.

References for Indicator

- ¹¹⁶ *Rhode Island's Family Independence Program, Annual Report*. (2001). Cranston, RI: Rhode Island Department of Human Services.
- ^{2,3,4,6,7,8,9,11,12,14,15} Rhode Island Department of Human Services, INRHODES Database, December 1, 2002.
- ⁵ Rhode Island Department of Human Services, INRHODES Database. Calculations by Rhode Island KIDS COUNT.
- ¹⁰ Rhode Island Department of Human Services, INRHODES Database, May 1996.
- ¹³ Richer, E. et. al. (December 30, 2002) *Welfare Case-loads Increase in Most States in Third Quarter, National Caseload Also Up*. Washington, DC: Center for Law and Social Policy.
- ¹⁷ *The 2001 Rhode Island Standard of Need* (May 2002). Providence, RI: The Poverty Institute at Rhode Island College School of Social Work.
- ^{18,11} "Comments to the U.S. Department of Health and Human Services Regarding the Reauthorization of the TANF Block Grant" (November 2001). Washington, DC: Center for Law and Social Policy.
- ^{19,20} Witte, A.D. and Queralto, M. (August 2001). *Study of The Cash Assistance Program May 1996 - April 2000*. Wellesley, MA: Wellesley College.
- ²¹ A & M Consulting (February 2002). *Rhode Island's Family Independence Act: Research Demonstrates Wisdom of Putting Families First*. Cranston: RI Department of Human Services.
- ²² Bromley, M.A. (October 2002). *Rhode Island College Welfare Reform Evaluation Project: Rhode Island Family Independence Program Longitudinal Study*. Providence, RI: Rhode Island College School of Social Work.

Children Receiving Food Stamps

DEFINITION

Children receiving Food Stamps is the percentage of income-eligible children under age 18 who participate in the Food Stamp program.

SIGNIFICANCE

The Food Stamp Program provides low-income families with the ability to obtain better nutrition through monthly benefits that can be used to purchase food at retail stores.¹ Research shows that hunger and lack of regular access to sufficient food are linked to serious health, psychological, emotional and academic problems in children and can impede their healthy growth and development.²

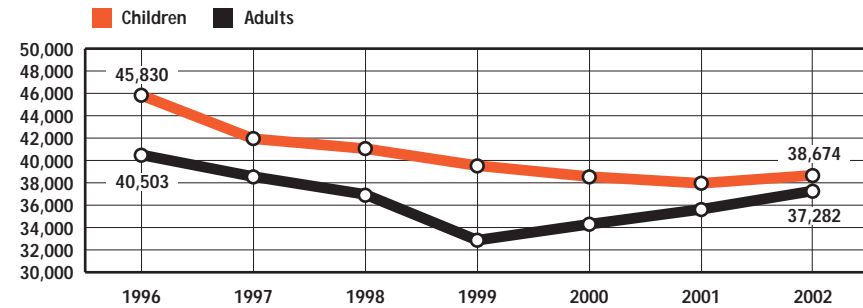
The Food Stamp Program is an entitlement, meaning that federal funding is provided to all applicants who meet the eligibility requirements. Food Stamp benefits are not time-limited and can be used as long as the person maintains their certification.^{3,4} One of the strengths of the Food Stamp Program is its flexibility. The program is structured to respond to changes in need brought on by economic cycles or natural emergencies.⁵ Many working families are unaware of their eligibility for Food Stamps. The benefit level for each eligible household is adjusted

according to income. The monthly benefit level decreases as household income increases.⁶ Nearly one in five (19%) Food Stamp cases in Rhode Island has some earned income.⁷

To qualify for Food Stamps, a household's gross income must be less than 130% of the federal poverty level for that family size and meet requirements that limit the value of assets (such as cash and automobiles).⁸ For example, a family of four with a gross annual income less than \$23,532 (monthly income less than \$1,961) will qualify for Food Stamps if they meet the assets guidelines.⁹

The maximum monthly Food Stamp benefit for a Rhode Island family of three is \$366. This is \$10 higher than last year's maximum. The average monthly benefit for family of three in the state is \$226, a decrease from the 1997 monthly average of \$270.¹⁰ As of October 1, 2002 there were 39,717 children in Rhode Island who were receiving benefits from the Food Stamp Program. Half of all Food Stamp recipients in Rhode Island are children under age 18.¹¹

Food Stamp Participation, Children under Age 18 and Adults, Rhode Island, 1996-2002



Source: Rhode Island Department of Human Services, INRHODES Database, 1996 – 2002. Data represents children and adults as of December 1st of each year.

- ◆ The number of children participating in the Food Stamp Program declined from 45,830 in 1996 to 38,674 in 2002, a 16% decrease. During the same time period, the number of adults on the Food Stamp Program decreased from 40,503 to 37,282, an 8% decrease.
- ◆ The USDA estimates that only 59% of those eligible for Food Stamps in the United States were enrolled in 2000. In Rhode Island, the USDA estimates that between 59% and 72% of people who were eligible for the Food Stamp Program participated in 2000.¹²
- ◆ Based on Census 2000 estimates of the number of children ages birth to 18 living in families with incomes below 130% of the federal poverty limit, there are an estimated 53,697 children eligible to participate in the Food Stamp Program in Rhode Island. As of October 1, 2002, 74% (39,717) were participating.¹³
- ◆ Participation rates vary across the state. Overall, low-income children in the core cities are more likely to receive Food Stamps, with 80% of income-eligible children participating. This compares to 59% of eligible children participating in the remainder of the state.¹⁴

Children Receiving Food Stamps

Table 9. Children Under Age 18 Receiving Food Stamps, Rhode Island, October 1, 2002

CITY/TOWN	ESTIMATED NUMBER INCOME-ELIGIBLE	NUMBER PARTICIPATING	% OF INCOME-ELIGIBLE PARTICIPATING
Barrington	155	40	26%
Bristol	607	227	37%
Burrillville	356	225	63%
Central Falls	2,840	2,240	79%
Charlestown	173	88	51%
Coventry	654	414	63%
Cranston	2,057	1,447	70%
Cumberland	485	256	53%
East Greenwich	242	118	49%
East Providence	1,687	1,075	64%
Exeter	169	92	54%
Foster	66	39	59%
Glocester	225	75	33%
Hopkinton	228	78	34%
Jamestown	36	17	47%
Johnston	733	496	68%
Lincoln	404	197	49%
Little Compton	21	16	76%
Middletown	404	153	38%
Narragansett	310	121	39%
New Shoreham	19	0	0%
Newport	1,731	1,275	74%
North Kingstown	818	429	52%
North Providence	802	515	64%
North Smithfield	92	46	50%
Pawtucket	5,948	4,508	76%
Portsmouth	187	81	43%
Providence	22,395	18,960	85%
Richmond	118	81	69%
Scituate	157	60	38%
Smithfield	239	109	46%
South Kingstown	485	311	64%
Tiverton	150	151	100%
Warren	333	220	66%
Warwick	1,712	1,211	71%
West Greenwich	81	35	43%
West Warwick	1,610	847	53%
Westerly	843	442	52%
Woonsocket	4,125	3,022	73%
Core Cities	38,649	30,852	80%
Remainder of State	15,048	8,865	59%
Rhode Island	53,697	39,717	74%

Note to Table

Because of a change in methodology, Food Stamp participation rates in this Factbook cannot be compared with previous Factbooks. This year's estimates for the percentage of eligible participating in the Food Stamp Program in Rhode Island cities and towns are based on the total number of children ages birth to 18 living in families with incomes below 130% of the federal poverty level according to the 2000 Census. Past estimates were based on the percent of children eligible for the free school meals program. Some children who are eligible for free school meals may not be eligible for Food Stamps because they do not meet other program requirements.

Source of Data for Table/Methodology

Estimated number eligible is based on the total number of children ages birth to 18 living in families with incomes below 130% of poverty according to the 2000 Census. Food Stamp Program participation data are from the Rhode Island Department of Human Services, INRHODES Database, October 1, 2002. Note: October 1st data has been substituted for December 1st data to avoid including participation numbers that may be misrepresented due to early issuance for the holidays. Core cities are Central Falls, Newport, Pawtucket, Providence, West Warwick and Woonsocket.

References for Indicator

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- ² *The Consequences of Hunger and Food Insecurity for Children: Evidence from Recent Scientific Studies* (June 2002). Waltham, MA: The Center on Hunger and Poverty at Brandeis University.
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- ⁶ *The Decline in Food Stamp Participation: A Report to Congress* (July 2001). Washington, DC: U.S. Department of Agriculture, Food and Nutrition Service.
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- ¹² Schirm, A. (December 2002). *Reaching Those in Need: State Food Stamp Participation Rates in 2000*. Washington, DC: USDA and Mathematica Policy Research, Inc.
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- ¹⁶ *State Government Responses to the Food Assistance Gap* (2000). Washington, DC: Food Research and Action Center and America's Second Harvest.
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Children Participating in School Breakfast

DEFINITION

Children participating in school breakfast is the percentage of low-income public school children who participate in the School Breakfast Program. Children are counted as low-income if they are eligible for and enrolled in the free or reduced price lunch program.

SIGNIFICANCE

Children who suffer from undernourishment have poorer overall health status than well-nourished children, miss more days of school and are less ready to learn when they do attend.¹ Students who eat breakfast have significantly higher math and reading scores, fewer absences, improved attentiveness and lower incidences of social and behavioral problems.²

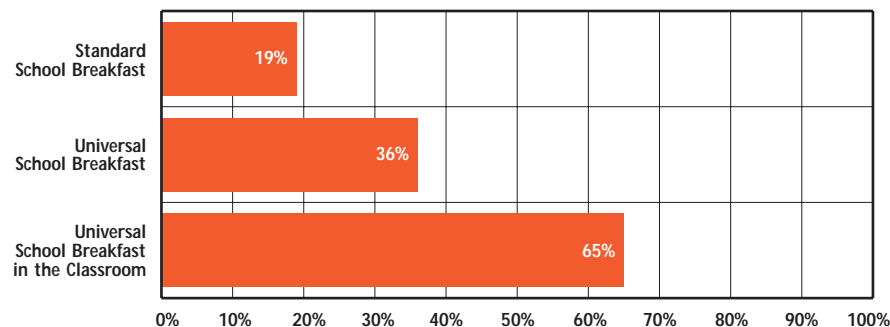
Low-income students are more likely than other students to arrive at school without an adequate breakfast.³ Research shows that when school breakfast is available, low-income students are significantly more likely to consume a breakfast than if there was no breakfast program.⁴

In Rhode Island, one in three households with children did not have enough food to meet basic needs at all times during the year in 2000.⁵ Rhode

Islanders who are Hispanic, have children under the age of 6, are single parents or have not finished high school are the most likely to report that they did not have enough food to meet their basic needs.⁶ For other children, long commute times and rushed family schedules make having time for eating breakfast before school difficult and put children at a disadvantage in their ability to concentrate and arrive in class ready to learn.⁷

In 1995, almost two-thirds (62%) of Rhode Island public schools did not offer the breakfast program.⁸ Rhode Island state law now requires all public schools to provide students with access to school breakfast.⁹ Federal and state funds are available to support the costs of the School Breakfast Program. To receive a reduced-price meal, household income must be below 185% of the federal poverty level. For free meals, household income must fall below 130% of poverty. Children in Food Stamp and Family Independence Program households are automatically eligible for free meals.¹⁰ In October 2002, an average of 17,391 breakfasts were served daily across Rhode Island. Of these, 88% were provided to low-income children eligible for free or reduced price meals.¹¹

Participation Rates in the School Breakfast for Three Different Program Models



◆ Universal School Breakfast Programs offer school breakfast free to all students, regardless of family income. Universal programs increase school breakfast participation dramatically, especially among low-income students. When schools offer breakfast in the classroom at the start of the school day, participation increases three-fold.¹²

Source: *Evaluation of the Universal School Breakfast Program Pilot Project: Key Interim Report Findings from the First Year of Implementation* (November 2002). Washington, DC: U.S. Department of Agriculture.

◆ Providing free school breakfast to all students can significantly improve the number of low-income children who access the program by removing the stigma that arises when the program is only offered to low-income students. Schools save money by providing universal free breakfast through the elimination of paperwork and increased economies of scale as the total number of breakfast served increases.¹³

◆ Rhode Island ranks 33rd in the country for participation in school breakfast by low-income students. In Rhode Island, there are only 37 low-income students participating in school breakfast for every 100 low-income students participating in school lunch.¹⁴

◆ In the 2002-2003 school year, Cranston joined Central Falls and Providence as the third school district in the state to offer a Universal School Breakfast program free to every student in the public schools. Efforts are currently underway to develop Universal School Breakfast programs in the remaining core cities.¹⁵

Children Participating in School Breakfast

Table 10. Children Participating in School Breakfast, Rhode Island, Fall 2002

SCHOOL DISTRICT	2001 FALL ENROLLMENT	DISTRICT WIDE AVERAGE DAILY PARTICIPATION IN BREAKFAST	PERCENT OF ALL CHILDREN PARTICIPATING IN BREAKFAST	NUMBER OF LOW-INCOME STUDENTS	LOW-INCOME AVERAGE DAILY PARTICIPATION IN BREAKFAST	PERCENT OF ALL LOW-INCOME CHILDREN PARTICIPATING IN SCHOOL BREAKFAST
Barrington	3,177	9	<1%	81	2	2%
Bristol-Warren	3,664	188	5%	963	151	16%
Burrillville	2,661	112	4%	531	66	12%
Central Falls	3,638	1,088	30%	2,937	858	29%
Chariho	3,718	73	2%	507	54	11%
Coventry	5,585	325	6%	722	166	23%
Cranston	10,737	1,465	14%	2,152	700	33%
Cumberland	5,128	259	5%	655	171	26%
East Greenwich	2,362	47	2%	128	27	21%
East Providence	6,363	447	7%	1,888	395	21%
Exeter-W. Greenwich	2,126	60	3%	202	31	15%
Foster	374	51	14%	55	27	49%
Foster-Glocester	1,632	48	3%	145	20	14%
Glocester	751	6	1%	95	5	5%
Jamestown	572	6	1%	29	3	10%
Johnston	3,260	156	5%	621	137	22%
Lincoln	3,520	156	4%	324	137	42%
Little Compton	331	1	<1%	22	1	5%
Middletown	2,845	98	3%	482	80	17%
Narragansett	1,672	32	2%	171	21	12%
New Shoreham	130	5	4%	14	5	36%
Newport	2,920	540	18%	1,398	516	37%
North Kingstown	4,334	201	5%	494	163	33%
North Providence	3,378	217	6%	737	187	25%
North Smithfield	1,791	42	2%	148	20	14%
Pawtucket	9,491	1,416	15%	6,201	1,416	23%
Portsmouth	2,792	67	2%	158	35	22%
Providence	27,277	7,579	28%	21,692	7,579	35%
Scituate	1,711	25	1%	119	16	21%
Smithfield	2,625	76	3%	149	35	23%
South Kingstown	4,165	122	3%	567	109	22%
Tiverton	2,154	85	4%	355	46	13%
Warwick	12,084	645	5%	2,158	491	23%
West Warwick	3,659	401	11%	1,260	330	26%
Westerly	3,591	190	5%	681	190	28%
Woonsocket	6,534	1,153	18%	3,584	1,153	32%
<i>Core Cities</i>	<i>53,519</i>	<i>12,177</i>	<i>23%</i>	<i>37,072</i>	<i>11,852</i>	<i>32%</i>
<i>Remainder of State</i>	<i>99,233</i>	<i>5,214</i>	<i>5%</i>	<i>15,353</i>	<i>3,491</i>	<i>23%</i>
<i>Rhode Island</i>	<i>152,752</i>	<i>17,391</i>	<i>11%</i>	<i>52,425</i>	<i>15,343</i>	<i>29%</i>

Source of Data for Table/Methodology

Rhode Island Department of Elementary and Secondary Education, Office of School Food Services, October 2001 and October 2002. Core cities are Central Falls, Newport, Pawtucket, Providence, West Warwick, and Woonsocket.

Fall enrollment is the public school enrollment as of October 1, 2001. Average daily participation in breakfast is the number of students eating breakfast in school on average in the month of October 2002. Number of low-income students is the number of students eligible for and enrolled in free or reduced price lunches in the month of October 2001. Low-income average daily participation in breakfast is the number of students eligible for and enrolled in free or reduced price lunches, eating breakfast in school on average in the month of October 2002. Half-day kindergarten, private schools and residential child care facilities may offer the School Breakfast Program, but are not included in these calculations.

References for Indicator

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- ¹¹ Rhode Island Department of Elementary and Secondary Education, Office of School Food Services, Fall 2002.
- ¹² *Evaluation of the Universal School Breakfast Program Pilot Project: Key Interim Report Findings from the First Year of Implementation* (November 2002). Washington, DC: U.S. Department of Agriculture.
- ¹⁵ The George Wiley Center, Cranston, RI, February, 2003.