



Fact Sheet: Poverty in Rhode Island

Poverty

- In 2009, more than 116,000 Rhode Islanders (11.5% of the population) lived below the federal poverty threshold (\$11,161 for a single individual and \$17,285 for a family of three with two children).
- According to the *2010 Rhode Island Standard of Need* developed by the Poverty Institute, it costs \$20,616 for a single adult to meet basic needs. An individual would have to have an income of \$26,010 a year (more than twice the federal poverty threshold) 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 2009, almost 38,000 children (16.9% of Rhode Island's children) lived below the federal poverty threshold (\$17,285 for a family of three and \$21,756 for a family of four).
- Children in ethnic minority groups are at much greater risk of living in poverty than White children. From 2006 to 2008, about one in three Native American (37%), Hispanic (34%), and Black (30%) children in Rhode Island lived in poverty, compared to 16% of Asian children and 10% of White children.
- From 2006 to 2008, almost 17,000 Rhode Island children lived in extreme poverty, defined as families with incomes below 50% of the federal poverty threshold (\$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 2009, Rhode Island's cash assistance caseload decreased by 61%, from 18,428 to 7,224.
- A large part of the recent decline in the caseload was the result of new policies implemented when the program changed from FIP to RI Works. These policies include a new 48-month lifetime time limit for benefits, limiting assistance to no more than 24 months in any 5-year period, closing children's cases when parents reach their time limit, and limiting eligibility for legal permanent residents.
- The maximum monthly benefit under RI Works is \$554 for a family of three. The monthly benefit has not increased in more than 20 years.
- In SFY 2010, the state budget included no general revenue spending for cash assistance.

Health and Health Care

- Rlthe Care is Rhode Island's health insurance program for low-income children, families and pregnant women and provides comprehensive health care.
- Between 2008 and 2009, 16% of Rhode Island adults (about 104,000 people) were uninsured.
- Between 2008 and 2009, 7% of Rhode Island children (about 18,000 children) were uninsured. About three quarters of these children are income eligible for Rlthe Care but remain 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 2007 and 2009, more than one in eight 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 who were eligible for SNAP benefits (about 50,000 people) did not receive them. Since then, Rhode Island has implemented a number of strategies to increase access, and the number of Rhode Islanders receiving benefits has increased substantially. As of November 2010, more than 154,000 people received SNAP 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.

Homelessness and the Need for Affordable Housing

- Rhode Island has one of the highest rental costs in the country. In 2009, the average rent for a two-bedroom apartment was Rhode Island \$1,170.
- A cost burden exists when more than 30% of a household's income is spent on housing. A worker would have to earn \$22.50 per hour and work 40 hours a week year-round to afford this rent without a cost burden. This hourly wage is more than three 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.
- On a single day on November 1, 2010, there were more than 1,300 people experiencing homeless in Rhode Island.
- Forty percent of the people experiencing homelessness in 2010 were children and adults in families, and 15% were children ages 5 and younger.

Education

- In Rhode Island, adults without a high school diploma are almost four times more likely to be unemployed than those who have a bachelor's degree.
- The class of 2009 four-year graduation rate for the core cities with the highest child poverty rates was 63%, compared with 83% in the remainder of the state and 75% for Rhode Island as a whole.

Jobs and Unemployment

- In November 2010, the unemployment rate in Rhode Island was 11.6%, somewhat lower than November 2009 when the unemployment rate was 12.5%, but still much higher than the pre-recession rate of 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.