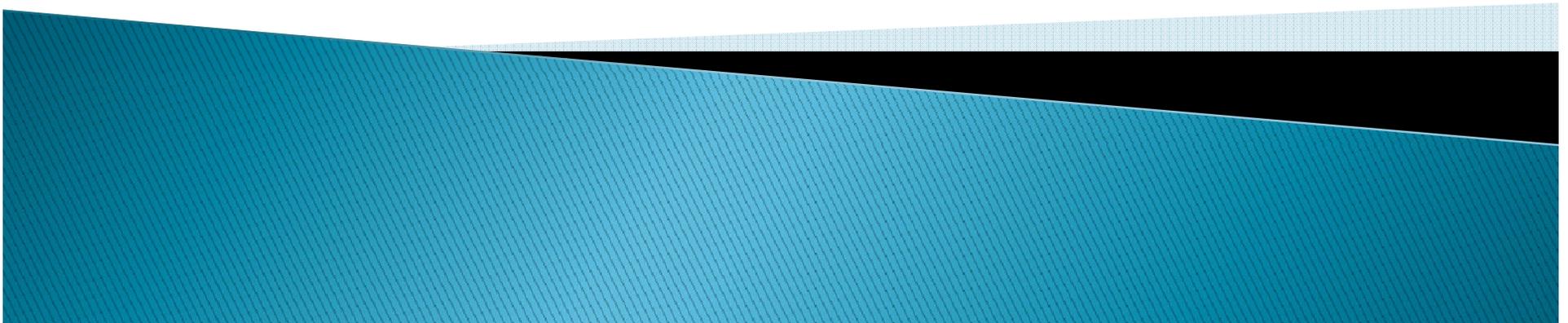


# State of the State

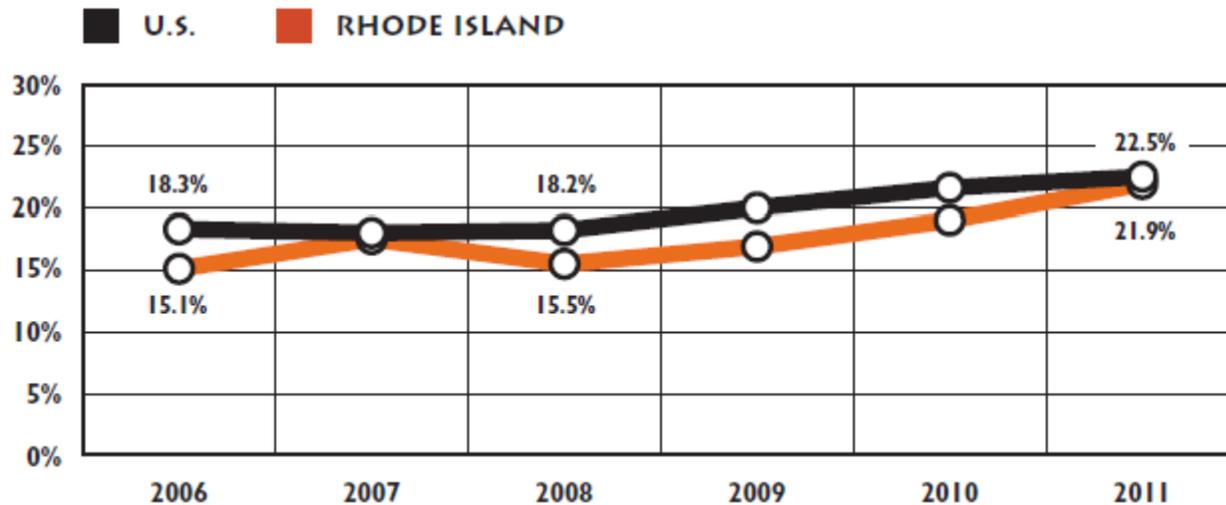
Elizabeth Burke Bryant  
Rhode Island KIDS COUNT

Rhode Island Interfaith Coalition  
May 13, 2013

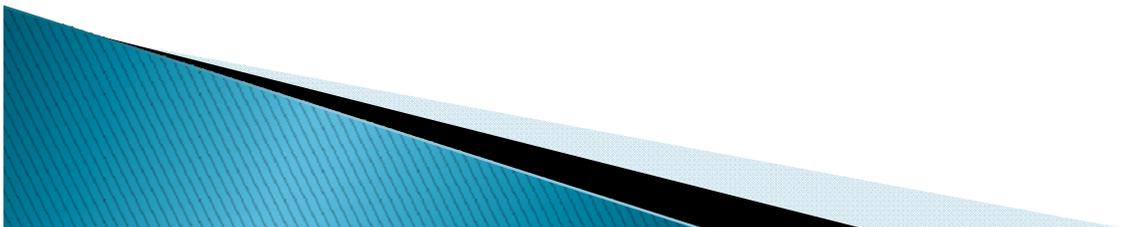


# Children in Poverty

CHILDREN IN POVERTY, U.S. AND RHODE ISLAND, 2006-2011

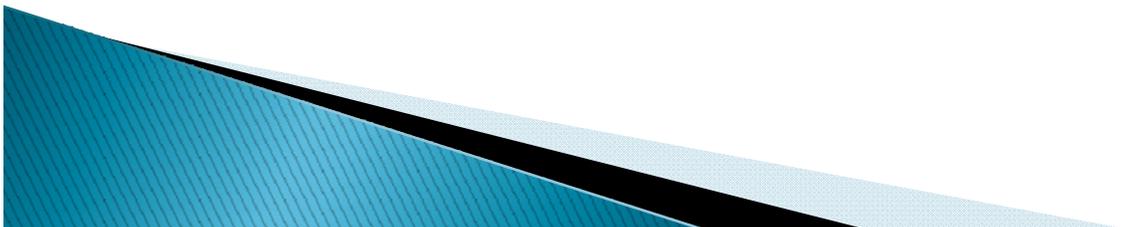


Since the onset of the recession, child poverty rates have steadily increased. In 2012, 21.9% of Rhode Island's children lived in poverty, up from 15.5% in 2008.



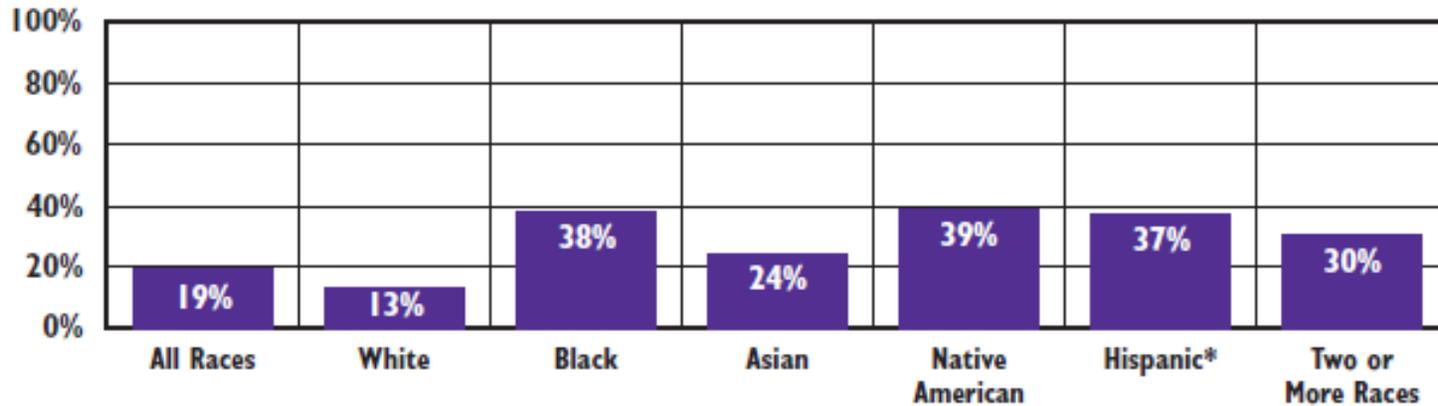
# Children in Poverty

- ▶ **22%** (more than 47,000) of Rhode Island's 215,484 children under age 18 live below the federal poverty threshold (**\$18,498** for a family of three in 2012).
- ▶ Risk factors for child poverty:
  - Children under age six
  - Children of single parents
  - Children whose parents have low educational levels
  - Children whose parents work part-time or are unemployed



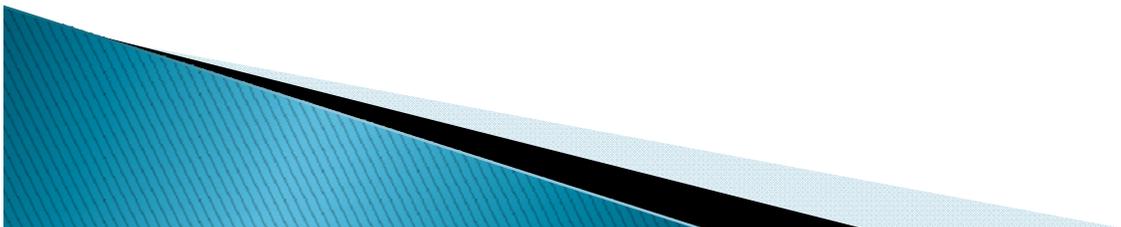
# Children in Poverty

Children in Poverty, by Race and Ethnicity, Rhode Island, 2009-2011



Source: U.S. Census Bureau, American Community Survey, 2009-2011. Tables B17001, B17020A, B17020B, B17020C, B17020D, B17020G and B17020I. \*Hispanic children may be included in any race category.

In Rhode Island, as well as in the United States as a whole, children who are racial and ethnic minorities are more likely to live in poverty.



# Children Living in Extreme Poverty

- ▶ In Rhode Island, almost 23,000 children live in extreme poverty.
- ▶ In 2012, the extreme poverty level is **\$9,249** for a family of three with two children and **\$11,642** for a family of four with two children.



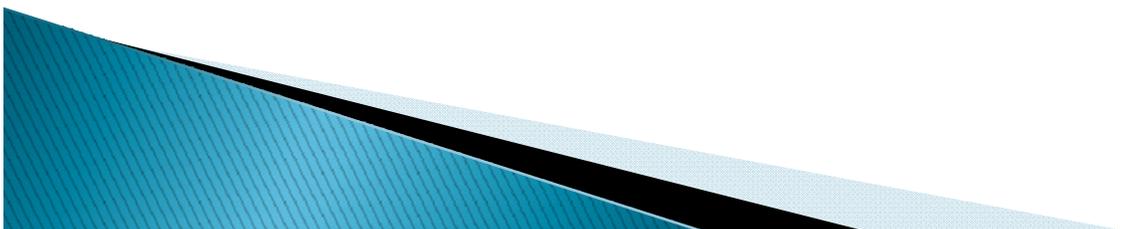
# Concentrated Child Poverty

- ▶ Almost two-thirds of Rhode Island's children living in poverty live in just four cities – Central Falls, Pawtucket, Providence and Woonsocket.

**Child Poverty Concentrated in Four Core Cities,  
Rhode Island, 2007-2011**

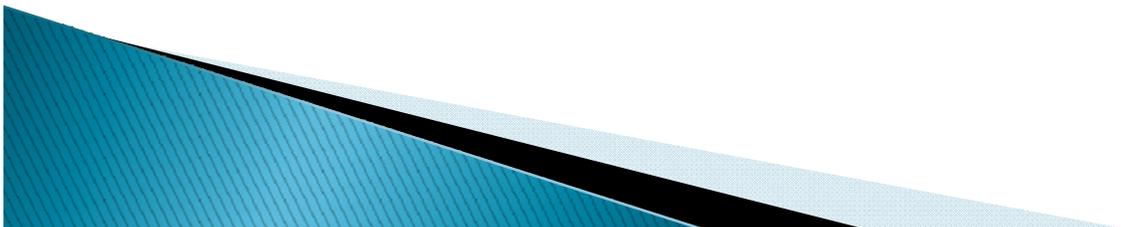
City/Town	Number in Poverty	Percentage in Poverty	Number in Extreme Poverty	Percentage in Extreme Poverty
Central Falls	1,957	36.9%	831	15.6%
Pawtucket	4,790	29.4%	1,881	11.5%
Providence	15,428	37.3%	7,418	18.0%
Woonsocket	3,572	35.8%	1,583	15.9%
Rhode Island	39,900	17.9%	18,161	8.1%

Source: Population Reference Bureau analysis of 2007-2011 American Community Survey data.



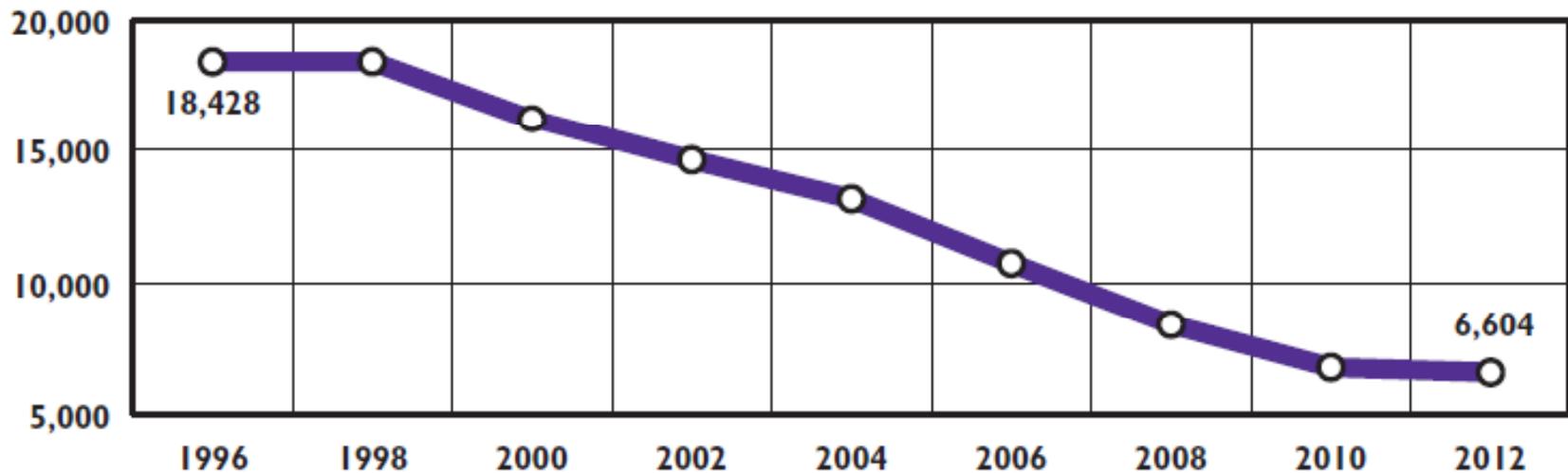
# Rhode Island Interfaith Legislative Priorities

- ▶ Reform **RI Works**, Rhode Island's cash assistance program
- ▶ Prevent **homelessness** by providing adequate affordable housing
- ▶ Reform **payday lending** practices



# RI Works Cash Assistance Program

Cash Assistance Caseload, Rhode Island, 1996-2012\*

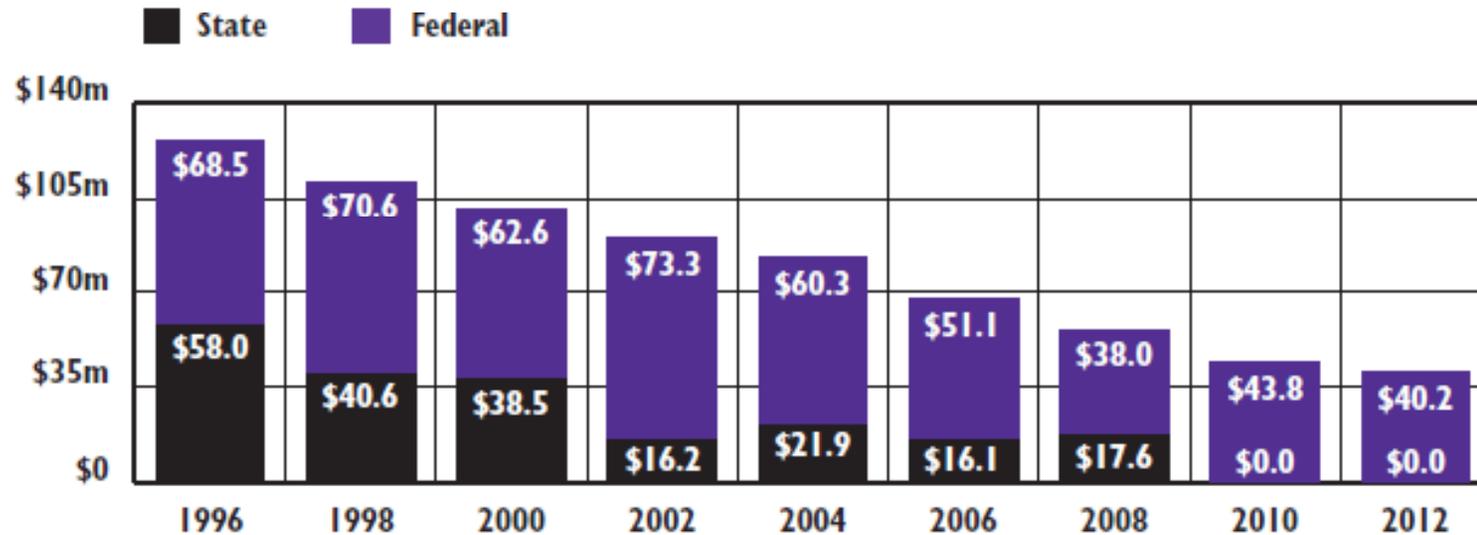


Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996–2012. Cases can be child-only or whole families and multiple people can be included in one case. \*The Rhode Island Department of Human Services changed the method for calculating the caseload data starting in the 2012 Factbook. This change is reflected in 2010, 2011, and 2012 caseload data. Comparisons to earlier years should be made with caution.

- ▶ Between 1996 and 2012, the Rhode Island cash assistance caseload decreased by 64%, from 18,428 cases to 6,604 cases.
- ▶ In 2012, 10,864 Rhode Island children were in families receiving cash assistance, while almost 23,000 lived in extreme poverty and more than 47,000 lived in poverty.

# RI Works Cash Assistance Program

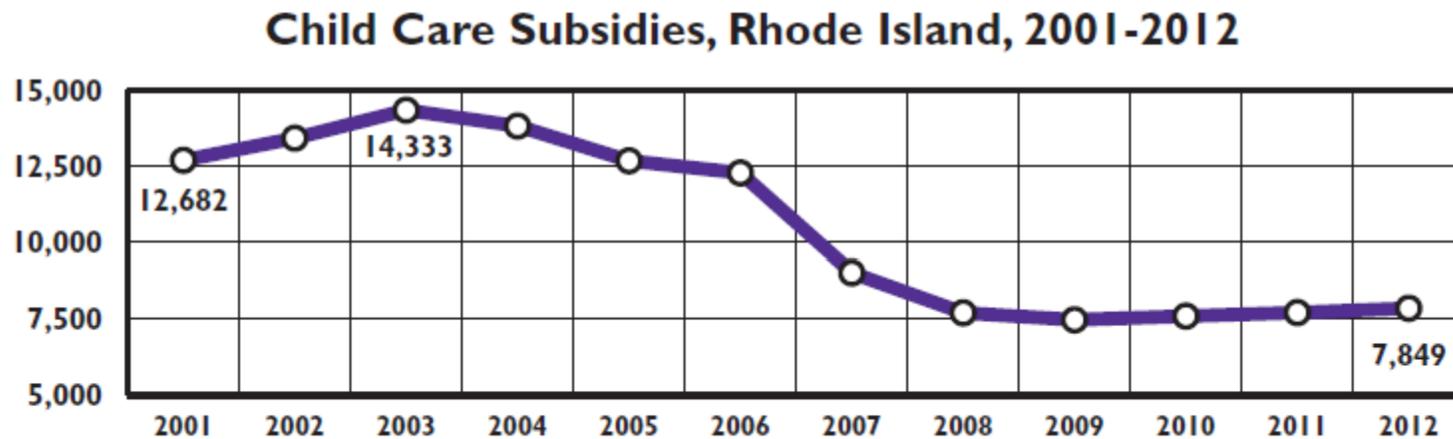
Rhode Island Cash Assistance Expenditures,  
State Fiscal Years 1996-2012



Sources: Rhode Island Department of Human Services, *Family Independence Program 2007 annual report*. (FY 1996-2001); House Fiscal Advisory Staff. (2004-2013). *Budget as enacted: Fiscal Years 2005-2014*. (FY 2002-2012). Fiscal years 1996-2011 are funds spent and FY 2012 is final budget.

- ▶ In State Fiscal Year 2012, for the third year in a row, no state general revenue was allocated for cash assistance.

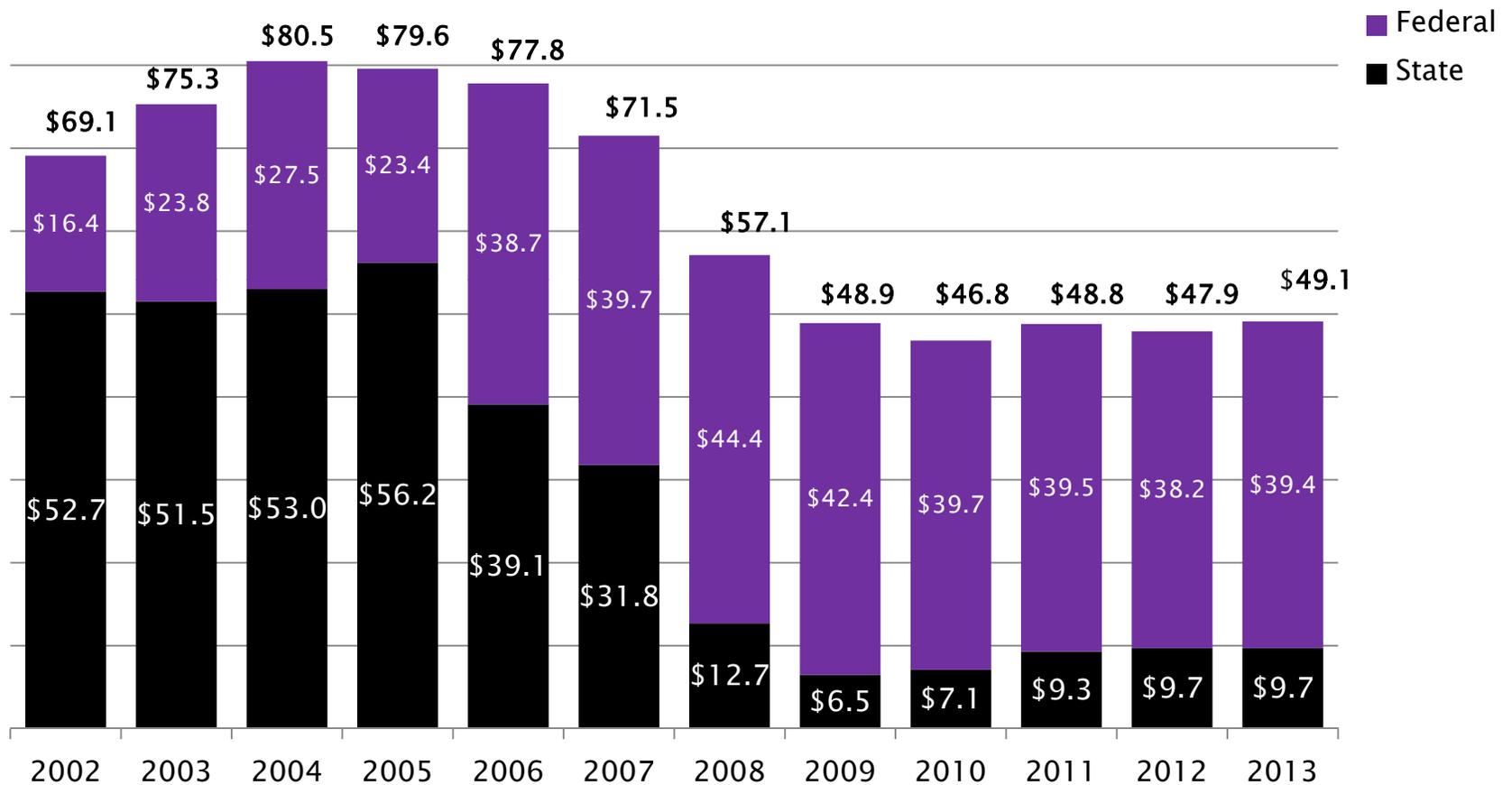
# Rhode Island Child Care Assistance Program



Source: Rhode Island Department of Human Services, December 2001 – December 2012.

- ▶ Child care is a critical part of Rhode Island's early learning system, providing children with opportunities to build important social, emotional and cognitive skills.
- ▶ Families need reliable, affordable child care in order to work at paid employment.
- ▶ In 2009–2011 in Rhode Island, 73% of children under age 6 and 75% of children ages 6 to 17 had all parents in the workforce.

# Rhode Island Child Care Subsidy Financing (in millions) by State Fiscal Year\*



Source: Rhode Island Department of Human Services and the Rhode Island Enacted Budget.

\*Note: FY 2002– 2011 are final expenditures, FY 2012 is the final budget allocation and FY13 is the enacted budget

Prepared by Rhode Island KIDS COUNT, 2012

# Key Legislation to Reform RI Works and Child Care Assistance

## ▶ RI Works

- Would eliminate the 24-month periodic time limit
- Would provide families increased access to adult education
- Would require that DHS develop an annual report on the program

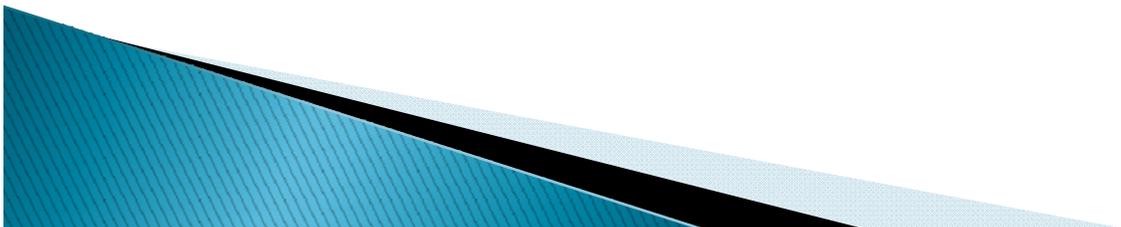
## ▶ Child Care Assistance

- Would address the “cliff effect”
- Would allow parents to use child care assistance while accessing education and training



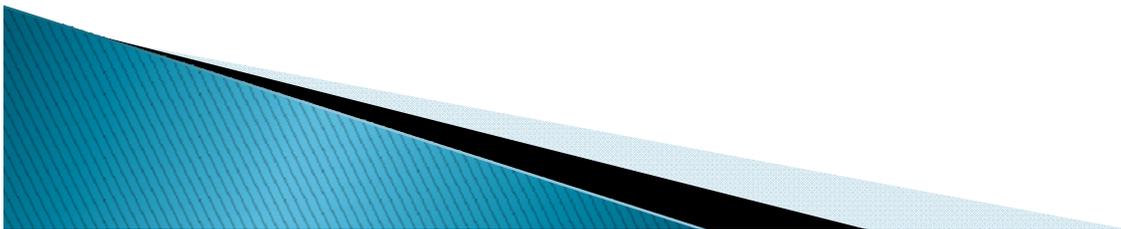
# Children and Families Need Affordable Housing

- ▶ In 2012, a worker would have to earn \$22.62/hour to be able to afford the average rent in Rhode Island without a cost burden.
- ▶ This wage is 3 times the state's 2012 minimum wage of \$7.40/hour.
- ▶ In 2012, 1,277 children stayed in homeless shelters with their families, up 17% from 2011.



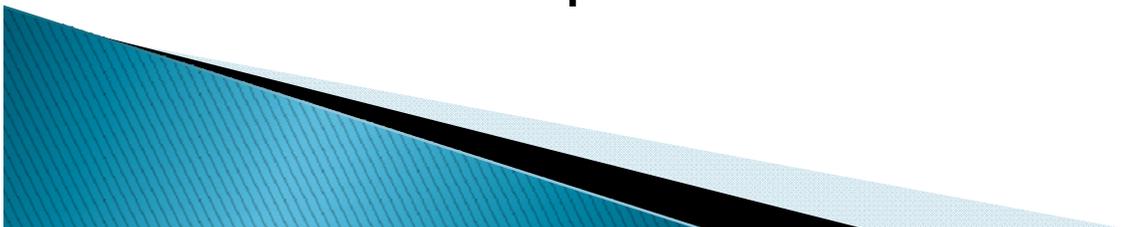
# Key Legislation to Prevent Homelessness

- ▶ Would provide appropriations for:
  - Rental assistance
  - Supportive housing
  - Winter shelters



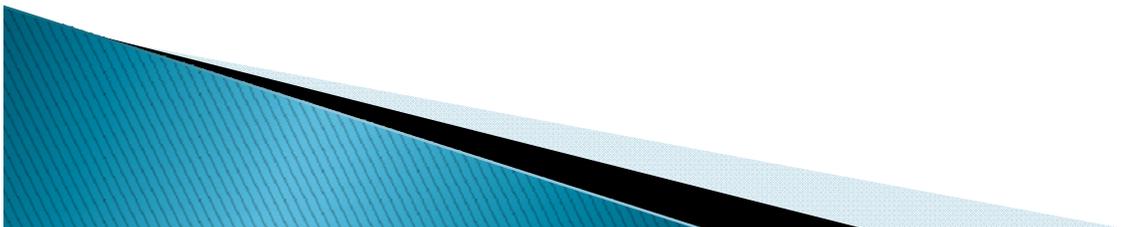
# Financial Asset Building Important for Family Economic Security

- ▶ Having a bank or credit union account helps families conduct basic financial transactions, deal with emergencies, and plan for the future.
- ▶ Almost 1 in 4 of Rhode Island's poorest households do not have a bank account.
- ▶ Households without bank accounts are more likely to use alternative financial services.
- ▶ State and federal policies that protect families from predatory lending and expand access to cost-effective and safe financial services can help families keep more of their earnings.



# Key Legislation to Reform Payday Lending

- ▶ Would cap interest rates on loans offered by small loan lenders at 36% (currently capped at 260%)



# Other Recommendations

- ▶ Improve access to work supports programs
- ▶ Make EITC fully refundable
- ▶ Help families get and keep affordable health coverage
- ▶ Invest in evidence-based home visiting programs
- ▶ Improve access to full-day kindergarten for all children
- ▶ Improve high school graduation rates
- ▶ Increase investments in GED attainment, literacy, English-language, and workforce training programs

