State policies that promote the economic security of our nation’s families can help offset larger economic and social conditions that make it difficult for families to get by and get ahead. This four-part profile provides data on Rhode Island’s low-income children and families and highlights state policy choices regarding families’ work attachment and advancement, income adequacy, and asset development.

In Rhode Island, there are 122,628 families, with 217,493 children. Among these children, 38 percent live in families that are low-income, defined as income below twice the federal poverty level (nationally, 45 percent of children live in low-income families). Young children are particularly likely to live in low-income families.

Low wages and a lack of higher education contribute to families having insufficient incomes. Nationally, 48 percent of low-income children have at least one parent who works full-time, year-round; in Rhode Island, the figure is 40 percent.

Parents without a college education often struggle to earn enough to support a family, but only 30 percent of adults in Rhode Island have a bachelor’s degree. A substantial portion of children in Rhode Island whose parents only have a high school diploma—61 percent—are low income.

Children of foreign-born parents are also more likely to be low income than children of native-born parents.
**Children in Rhode Island by income level, 2011**

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Rhode Island</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low income - 60%</td>
<td>62%</td>
<td>63%</td>
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<tr>
<td>Low income 40% - 15%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>Low income 10% - 1%</td>
<td>20%</td>
<td>15%</td>
</tr>
</tbody>
</table>

**Employment status of parents of low-income children, 2011**

- **Not employed**: Rhode Island 37% vs. U.S. 52%
- **Part-time or part-year**: Rhode Island 20% vs. U.S. 18%
- **Full-time, year-round**: Rhode Island 48% vs. U.S. 30%

**Percent of children who are low-income by parents' nativity, 2011**

- Children with native-born parents: 33% vs. 41%
- Children with immigrant parents:
  - Rhode Island: 48%
  - U.S.: 32%

**WORK ATTACHMENT AND ADVANCEMENT**

**State Choices to Promote Child Care Affordability and Access**

**Child Care and Development Fund (CCDF) Subsidies**

- Earnings limit for a single-parent family of 3: $37,350/year
- Co-payment as percent of income for family of 3 at 150% FPL, 1 child in care: 7%
- Providers prohibited from charging additional fees: Yes

**Provider payment rates at least 75th percentile of market rate**: No
Low-income children who have parents working full- or part-time, 2011

<table>
<thead>
<tr>
<th>Parent employed part-time</th>
<th>Parent employed full-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rhode Island</td>
<td>37%</td>
</tr>
<tr>
<td>U.S.</td>
<td>32%</td>
</tr>
</tbody>
</table>

State Child and Dependent Care Tax Credit

- Refundable credit available: No
- Benefit structure: Credit of 25% of federal credit
- Max benefit for family with 2 qualifying children: $525/year

State Choices to Promote Access to Health Insurance

Public Health Insurance for Parents

- Applicant earnings limit for single parent with 2 children: $31,872/year
- Parents eligible up to same limit as children, single parent with 2 children: No
- Legal immigrants eligible for state-funded benefits when barred from federal: No
- Legal immigrants otherwise barred from benefits eligible for prenatal care: Yes (no immigration test)

Public Health Insurance for Children

- Medicaid income eligibility limit as % of FPL for children ages 1-5 in family of 3: 250%
- Medicaid income eligibility limit as % of FPL for children ages 6-19 in family of 3: 250%
- SCHIP (separate program) income eligibility as % of FPL for children in family of 3: No separate SCHIP
**State Choices to Promote Access to Benefits for the Under- and Unemployed**

### Unemployment Insurance

State counts most recent earnings when determining eligibility. Yes

Eligible if seeking part-time work. Yes, in some cases.

State has general provision recognizing “good cause” for quitting work.

### Temporary Assistance for Needy Families (TANF) Cash Assistance

Earnings limit for a single-parent family of 3. $15,336/year

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**Official unemployment rate, 2007**

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Rhode Island</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.6%</td>
<td>5%</td>
<td></td>
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</tbody>
</table>

**Part-time workers who want full-time work, 2003**

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Rhode Island</th>
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</thead>
<tbody>
<tr>
<td>13%</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

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**INCOME ADEQUACY**

### State Choices to Increase and Supplement Wages

#### Minimum Wage Standards

Indexed to inflation. No

#### State Earned Income Tax Credit

Refundable credit available. 15% refundable

Percent of federal EITC. 25%

### State Choices to Reduce Tax Burdens

#### Income Tax Liability

Income tax threshold for single-parent family of 3. $29,600/year

Income tax threshold for two-parent family of 4. $32,600/year

Income tax burden for single-parent family of 3 at 100% FPL. $-168/year

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**Income tax burden for two-parent family of 4 at 100% FPL.** $-147/year
Median annual household income for family of four, 2006

- U.S.: $70,354
- Rhode Island: $78,189

Workers covered by a union, 1987 and 2007

- 1987: Rhode Island 22%, U.S. 19%
- 2007: Rhode Island 16%, U.S. 13%
State Choices to Promote Access to Paid Leave

Family and Medical Leave

State provisions for paid leave\(^{34}\) Employees who are temporarily disabled for medical reasons, including pregnancy and childbirth, can receive partial wage replacement through state temporary disability insurance.\(^{33}\)

State Choices to Promote Adequate Benefits for the Under- and Unemployed

Unemployment Insurance

Minimum weekly benefit (no dependents)\(^{35}\) $65/week

Additional dependent allowance provided\(^{35}\) Yes

Weekly benefit amount is indexed to average weekly wage\(^{36}\) Yes

Potential duration of benefits\(^{37}\) 8 - 26 weeks

Food Stamps

Legal immigrants eligible for state-funded benefits when barred from federal\(^{39}\) No

Temporary Assistance for Needy Families (TANF) Cash Assistance

Annual maximum benefit for family of 3\(^{34}\) $6,648/year

Treatment of child support income\(^{40}\) Up to $50 passed through. Amount disregarded for purposes of eligibility and benefits.
ASSET DEVELOPMENT AND PROTECTION

State Policy Choices to Promote Asset Development

Individual Development Accounts

State-supported IDA program in operation 41 No

State Choices to Promote Asset Protection

Public Health Insurance for Parents

Assets disregarded for eligibility determination 16 Yes

Public Health Insurance for Children

Assets disregarded for Medicaid eligibility 42 Yes
Assets disregarded for SCHIP (separate program) eligibility 16 No separate SCHIP

Food Stamps

Treatment of vehicles in asset test 43 Aligned to TANF cash assistance rules

Temporary Assistance for Needy Families (TANF) Cash Assistance

Assets disregarded for eligibility determination 24 No
Treatment of vehicles in asset test 24 Excludes value of 1 vehicle per adult 44

Children who are "asset poor," 2004 45

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Rhode Island</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30%</td>
<td>Data not available</td>
</tr>
</tbody>
</table>

Homeownership rate, 2007 46

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>Rhode Island</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>68%</td>
<td>65%</td>
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</table>
DATA NOTES AND SOURCES

Data were compiled from 50-state sources. Some state policy decisions may have changed since these data were collected.

1. National data were calculated from the 2011 American Community Survey, representing information from 2011. State data were calculated from the 2009-2011 American Community Survey, representing information from the years 2009 to 2011.
2. In March 2007, the income limit was increased to $38,663 to adjust for the 2007 federal poverty level.
4. As of March 1, 2007, the monthly copayment was $85 per month, $1,020 per year, and 4 percent of income.
5. If the state calculates co-payments based on the cost of care, figure reflects the co-payment for a 4-year-old in licensed, non-accredited center care at the maximum state payment rate.
7. States were asked to report state reimbursement rates and the 75th percentile of market rates for their state's most populous city, country, or region. Data reflect basic provider payment rates (higher rates may be available for particular types of care). Rates are considered below the 75th percentile if they are based on an out-dated market rate survey (more than 2 years old).
9. The benefit cannot exceed the claimant's tax liability.
10. Figure reflects limit under Medicaid plan with highest income eligibility limit for parents, taking into account the value of earnings disregards (which may be time-limited in some cases).
11. Value reflects comparison of applicant earnings limit for a single parent with 2 children to the highest Medicaid or SCHIP program eligibility limit for children ages 6-19.
12. Lawfully residing persons who were in the U.S. before August 22, 1996, and were residents of Rhode Island before July 1, 1997, are covered.
13. Lawful permanent residents (LPRs) are generally barred from federal benefits during their first 5 years as LPRs, unless they entered the U.S. before 8/22/96. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.

14. States have the option of using federal State Children's Health Insurance Program (SCHIP) funds to provide prenatal care to women regardless of immigration status. They can also extend prenatal care to immigrant women using state funds.
15. Limit includes SCHIP-funded Medicaid expansions, where applicable.
17. Figures reflect the percent of of children (under age 18) and adults (ages 18-64) who did not have health insurance coverage at any point during the year.
18. Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.
19. Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.
20. In most states, the base period consists of the first 4 of the 5 most recently completed quarters. Some states allow claimants to use an alternative base period that includes more recent earnings.
21. State extends eligibility to persons seeking part-time work only if they have a history of part-time work or meet other limited criteria.

23. A general "good cause" provision extends eligibility to persons who leave their jobs for "personal emergencies" or "compelling circumstances", which should include—among others—child care conflicts, illness, domestic violence, and spousal relocation. Eligibility determinations, however, may vary in practice. States may also specifically recognize certain reasons as "good cause"; for more information see Appendix B in Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families, National Employment Law Project, 2003. Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families, National Employment Law Project, July 2003.


26. Figure reflects the percent of part-time workers who are available to work full-time, but usually work less than 35 hours per week due to slack work or unfavorable business conditions, inability to find full-time work, or seasonal declines in demand. U.S. Department of Labor, Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment, 2003, "Estimates for States, Table 16: Employed and Unemployed Persons by Full- and Part-Time Status, Sex, Age, Race, and Hispanic or Latino Ethnicity," http://www.bls.gov (accessed March 14, 2008).


29. 15% of the benefit is refundable; the remaining benefit amount cannot exceed the claimant's tax liability. Calculations include income tax credits that are available to all low-income families in the state, such as state earned income tax credits.


32. Percent of employed workers who are covered by a collective bargaining agreement.


34. The maximum benefit period is 30 weeks.

35. These reflect provisions for private sector employees; more generous rules may apply for the public sector.


37. Potential duration is the maximum number of weeks of benefits that a claimant is eligible for under the regular state program. In most states, it is determined based on the amount and distribution of the recipient's earnings in the base period; eight states have a uniform potential duration for all claimants.

38. Food Insecurity.

39. Adult lawful permanent residents (LPRs) are generally barred from federal benefits during their first 5 years as LPRs. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.

40. A child support pass-through is the amount of collected child support that the state gives to families on whose behalf the child support was collected. A child support disregard is the amount of child support that the family can keep without lowering their TANF benefits.

41. Child support funded IDA programs are operating in all states but often without state support. Also, in some states without state-supported IDA programs, IDA legislation was passed but never implemented due to lack of state funding, or IDA legislation expired, and no new state support was allocated.

42. Rule applies to SCHIP-funded Medicaid expansions, where applicable.
43. Households in which all members receive TANF cash assistance or SSI benefits do not have to meet gross income or asset eligibility criteria. Most states also waive these criteria for recipients of certain other benefits; some states waive these criteria for nearly all applicants. Center on Budget and Policy Priorities, "States' Vehicle Asset Policies in the Food Stamp Program," November 2006.

44. Exemptions for adult drivers cannot exceed two vehicles per household.

45. Figure reflects the percent of children in households that have insufficient net worth to subsist at the federal poverty level for three months in the absence of income. Corporation for Enterprise Development, Assets and Opportunity Scorecard, http://www.cfed.org (accessed February 25, 2008).

46. Figure reflects the percent of households who are homeowners. U.S. Census Bureau, "Housing Vacancies and Homeownership, Annual Statistics 2007, Table 13," http://www.census.gov (March 14, 2008).