

Children in Poverty

DEFINITION

Children in poverty is the percentage of children under age 18 who are living in households with incomes below the poverty threshold, as defined by the U.S. Census Bureau. Poverty is determined based on income received during the year prior to the Census.

SIGNIFICANCE

Poverty is related to every KIDS COUNT indicator. Children in poverty, especially those who experience poverty in early childhood and for extended periods, are more likely to have physical and behavioral health problems, experience difficulty in school, become teen parents, and earn less or be unemployed as adults.^{1,2,3} Children in poverty are less likely to be enrolled in preschool, more likely to attend schools that lack resources and rigor, and have fewer opportunities to participate in extracurricular activities.^{4,5,6}

Nationally and in Rhode Island, children of color are more likely to grow up poor than White children. Children under age six, who have single parents, whose parents have low educational levels, or whose parents work part-time or are unemployed are at increased risk of living in poverty.^{7,8}

In 2018, the federal poverty threshold was \$20,231 for a family of three with two children and \$25,465 for a family of four with two children.⁹ The official

poverty measure does not reflect the effects of key government policies and programs that support families living in poverty, does not take into account the increased cost of transportation, child care, housing, and medical care, and does not consider geographic variations in the cost of living. To address these limitations, in 2011, the U.S. Census Bureau began releasing a Supplemental Poverty Measure. This measure does not replace the official measure, but provides policy makers with an additional way to evaluate the effects of anti-poverty policies.¹⁰

According to the *2018 Rhode Island Standard of Need*, it costs a single-parent family with two young children \$55,115 a year to pay basic living expenses, more than two and half times the federal poverty level for a family of three. This family would need an annual pre-tax income of \$62,844 to meet this budget without government subsidies. Work supports can help families with incomes below the federal poverty level meet their basic needs.¹¹

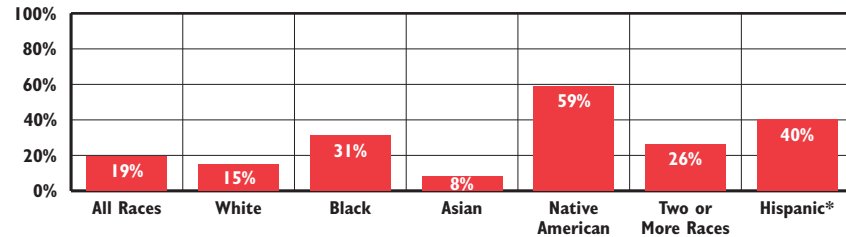
Children in Poverty				
	2014	2015	2016	2017
RI	19.8%	19.4%	17.0%	16.6%
US	21.7%	20.7%	19.5%	18.4%
National Rank*				24th
New England Rank**				6th

*1st is best; 50th is worst

**1st is best; 6th is worst

Source: U.S. Census Bureau, American Community Survey, 2014-2017. Table R1704.

Children in Poverty, by Race and Ethnicity, Rhode Island, 2013-2017



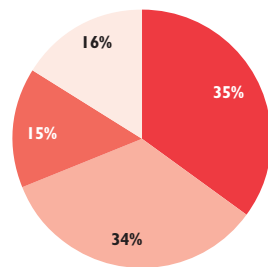
Source: U.S. Census Bureau, American Community Survey, 2013-2017. Tables S1701, B17020A, B17020B, B17020C, B17020D, B17020G and B17020I. *Hispanic children may be included in any race category.

- ◆ Between 2013 and 2017, 19% (39,229) of Rhode Island's 207,838 children under age 18 with known poverty status lived in households with incomes below the federal poverty threshold.¹²
- ◆ In Rhode Island as well as in the United States as a whole, Hispanic, Black, and Native American children are more likely than White and Asian children to live in families with incomes below the federal poverty threshold.^{13,14}
- ◆ Between 2013 and 2017, over half (55%) of all children living in poverty in Rhode Island were White, 14% were Black, 2% were Asian, 2% were Native American, 18% were Some other race, and 9% were Two or more races. During this same time period, 64% of Native American, 38% of Hispanic, and 29% of Black children in Rhode Island lived in poverty, compared to 9% of Asian children and 14% of White children.¹⁵
- ◆ Between 2013 and 2017, 48% of Rhode Island's poor children were Hispanic. Hispanic children may be included in any race category. The Census Bureau asks about race separately from ethnicity, and the majority of families who identify as Some other race also identify as Hispanic.¹⁶
- ◆ In 2017, about one in six (17%) children in Rhode Island (a total of 33,858 children) lived in poverty.¹⁷

Rhode Island's Poor Children, 2013-2017

By Age

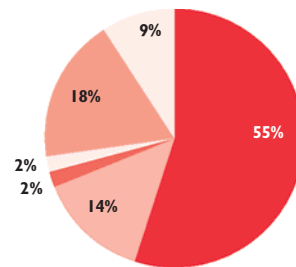
- 35% ■ Ages 5 and Younger
- 34% ■ Ages 6 to 11
- 15% ■ Ages 12 to 14
- 16% ■ Ages 15 to 17



n=39,229

By Race*

- 55% ■ White
- 14% ■ Black
- 2% ■ Asian
- 2% ■ Native American
- 18% ■ Some Other Race
- 9% ■ Two or More Races

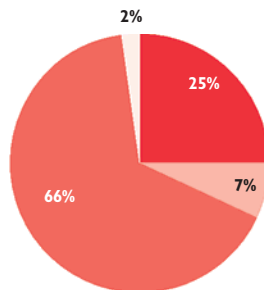


n=39,229

*Hispanic children may be included in any race category. Between 2013 and 2017, 19,356 (48%) of Rhode Island's 40,699 poor children were Hispanic.

By Family Structure

- 25% ■ Married Couple Family
- 7% ■ Unmarried Male Householder
- 66% ■ Unmarried Female Householder
- 2% ■ Not in Related-Family Household



n=39,229

Source: U.S. Census Bureau, American Community Survey, 2013-2017. Tables S1701, B17001, B17006, B17020A, B17020B, B17020C, B17020D, B17020E, B17020F, B17020G, & B17020I. Population includes children for whom poverty status was determined.

Child Poverty Concentrated in Four Core Cities, Rhode Island, 2013-2017

CITY/TOWN	NUMBER IN POVERTY	PERCENTAGE IN POVERTY	NUMBER IN EXTREME POVERTY	PERCENTAGE IN EXTREME POVERTY
Central Falls	2,297	41.5%	809	14.6%
Pawtucket	4,913	30.9%	1,735	10.9%
Providence	14,520	36.0%	6,309	15.7%
Woonsocket	3,357	38.5%	1,661	19.0%
Rhode Island	39,229	18.9%	16,523	7.9%

Source: Population Reference Bureau analysis of 2013-2017 American Community Survey data.

◆ Between 2013 and 2017, almost two-thirds (64%) of Rhode Island's children living in poverty lived in just four cities. These cities, termed core cities, include Central Falls, Pawtucket, Providence, and Woonsocket, all communities in which more than one in four children live below poverty (36% between 2013-2017). The four core cities also have substantial numbers of children living in extreme poverty, defined as families with incomes below 50% of the federal poverty threshold, or \$10,116 for a family of three with two children and \$12,733 for a family of four with two children in 2018.^{18,19}

Young Children Under Age Six in Poverty, Four Core Cities and Rhode Island, 2013-2017

CITY/TOWN	NUMBER <AGE 6 IN POVERTY	PERCENTAGE <AGE 6 IN POVERTY
Central Falls	938	45.1%
Pawtucket	1,766	31.8%
Providence	4,776	34.7%
Woonsocket	1,328	43.6%
Rhode Island	13,560	20.9%

Source: Population Reference Bureau analysis of 2013-2017 American Community Survey data.

◆ Between 2013 and 2017, 20.9% (13,560) of Rhode Island children under age six lived in poverty.²⁰ Children under age six are at higher risk of living in poverty than any other age group.²¹ Exposure to risk factors associated with poverty, including inadequate nutrition, environmental toxins, crowded and unstable housing, maternal depression, trauma and abuse, lower quality child care, and parental substance abuse interferes with young children's emotional, physical, and intellectual development.^{22,23}

Children in Poverty

Financial Asset Building

- ◆ Having assets such as bank or credit union accounts provides families with a safe place to store their money and allows families to conduct basic financial transactions, manage financial emergencies, and plan for their future.^{24,25}
- ◆ Many low-income families lack knowledge about or access to traditional banks and instead rely on cash transactions or alternative financial services, such as check-cashing stores, payday lenders, and rent-to-own stores. These families pay high fees for financial transactions and high interest rates on loans, and often struggle to build credit histories and achieve economic security.^{26,27}
- ◆ In Rhode Island in 2017, 6.5% of households did not have a checking or savings account, the same as the U.S. rate. Nationally, households with lower income, disabled working-age adults, or adults with less than a high school education, as well as Black and Hispanic households, are less likely to have a checking or savings account.²⁸
- ◆ Raising awareness about the importance of saving and consumer protections, providing financial education and counseling, preventing predatory lending, and connecting families to safe and affordable financial products can support families in using traditional banking institutions and increase their savings.²⁹
- ◆ States can protect consumers from high-cost payday lending by prohibiting these loans outright or enacting measures that make the loans more affordable, such as an annual rate cap or limiting the amount of monthly payments as a percent of a borrower's monthly income. Rhode Island is the only New England state that does not currently protect against payday lending.^{30,31}
- ◆ Many public assistance programs have eligibility provisions that limit the amount of assets and/or the value of vehicles a family can own. Such policies discourage families from saving and building the assets they need to improve their economic security.³²
- ◆ Rhode Island currently has a \$1,000 asset limit to qualify for and retain RI Works cash assistance and is one of only nine states with such a restrictive asset limit. Under Rhode Island law, the value of one vehicle for each adult household member (not to exceed two vehicles per household) does not count toward the family's asset limit.^{33,34}

Building Blocks of Economic Security

Income Supports

- ◆ The Supplemental Poverty Measure shows the positive impact of government programs, such as the Earned Income Tax Credit (EITC), Social Security, SNAP, and housing subsidies. These programs kept millions of children out of poverty.³⁵

Health Coverage and Access to Care

- ◆ Low-income people are the most likely to be uninsured; some because of job loss, some do not have access to coverage through their employers, and others cannot afford the cost.³⁶ Children with health insurance (public or private) are more likely to have a regular and accessible source of health care than uninsured children.³⁷

Affordable Quality Child Care

- ◆ In Rhode Island in 2018, the average annual cost of center-based child care for one infant was \$13,093.³⁸ Child care subsidies can help poor families afford the cost of high-quality child care, which can help parents maintain employment and support children's development.³⁹

Educational Attainment

- ◆ By 2020, 71% of all jobs in Rhode Island will require postsecondary training beyond high school.⁴⁰ Forty-seven percent of Rhode Islanders had a postsecondary degree or certificate in 2016.⁴¹

Affordable Housing

- ◆ In 2018, the average rent for a two-bedroom apartment in Rhode Island was \$1,621.⁴² In Rhode Island, a family of three with an income at the federal poverty level would need to spend 94% of its income on rent to pay this amount, well above the recommended 30%. Nationally, only one in four eligible low-income families receive rental assistance to help them afford the high cost of housing.^{43,44}

Child Support

- ◆ As of December 1, 2018, there were 71,628 children in Rhode Island's Office of Child Support Services system.⁴⁵ Child support helps reduce poverty. Custodial parents who receive steady child support payments are less likely to rely on public assistance and more likely to be employed than those who do not.⁴⁶ Among poor custodial parents that received full child support in 2015 in the U.S., these payments represented 58% of their mean personal income.⁴⁷

Table 10. Children Living Below the Federal Poverty Threshold, Rhode Island, 2000 and 2013-2017

CITY/TOWN	CHILDREN UNDER AGE 18 LIVING BELOW POVERTY 2013-2017					
	CHILDREN UNDER AGE 18 LIVING BELOW POVERTY, 2000		ESTIMATES WITH HIGH MARGINS OF ERROR*		ESTIMATES WITH LOWER, ACCEPTABLE MARGINS OF ERROR	
	N	%	N	%	N	%
Barrington	127	2.7%			70	1.6%
Bristol	436	10.0%			229	7.2%
Burrillville	236	6.0%	456	14.1%		
Central Falls	2,210	40.9%	2,297	41.5%		
Charlestown	78	4.7%	132	10.4%		
Coventry	481	5.9%			722	10.7%
Cranston	1,496	9.1%			2,296	14.4%
Cumberland	237	3.1%			774	11.0%
East Greenwich	147	4.1%			101	2.9%
East Providence	1,126	10.8%			919	11.1%
Exeter	112	7.5%	40	3.5%		
Foster	32	2.9%	39	5.3%		
Glocester	178	6.7%	153	7.7%		
Hopkinton	115	5.9%	111	7.9%		
Jamestown	17	1.4%	73	6.9%		
Johnston	527	9.0%	692	13.6%		
Lincoln	329	6.5%			648	13.3%
Little Compton	8	1.0%	41	7.2%		
Middletown	264	6.2%			423	12.5%
Narragansett	235	8.6%			18	0.9%
New Shoreham	19	10.2%	28	30.8%		
Newport	1,267	24.4%	743	21.2%		
North Kingstown	663	9.7%			661	11.6%
North Providence	579	10.1%			482	9.0%
North Smithfield	72	3.0%			138	5.5%
Pawtucket	4,542	25.3%			4,913	30.9%
Portsmouth	118	2.8%			200	5.7%
Providence	18,045	40.5%			14,520	36.0%
Richmond	82	4.2%	68	4.2%		
Scituate	113	4.3%	203	10.2%		
Smithfield	153	3.9%			41	1.2%
South Kingstown	324	5.3%			388	8.4%
Tiverton	92	2.8%			218	8.0%
Warren	205	8.4%	324	19.1%		
Warwick	1,243	6.7%			899	6.4%
West Greenwich	40	2.7%			1	0.1%
West Warwick	1,186	18.1%	1,040	19.8%		
Westerly	534	10.0%	771	18.8%		
Woonsocket	3,494	31.8%			3,357	38.5%
Four Core Cities	28,291	35.9%			25,087	35.6%
Remainder of State	12,871	7.8%			14,142	10.3%
Rhode Island	41,162	16.9%			39,229	18.9%

Source of Data for Table/Methodology

Data are from the U.S. Census Bureau, Census 2000, Summary File 3, P87 and PCT.50 and Population Reference Bureau analysis of 2013-2017 American Community Survey data. The data include the poverty rate for all children for whom poverty was determined, including “related” children and “unrelated children” living in the household.

The American Community Survey is a sample survey, and therefore the number and percentage of children living in poverty provided are estimates, not actual counts. The reliability of these estimates varies by community. In general, estimates for small communities and communities with relatively low poverty rates are not as reliable as estimates for larger communities and communities with higher poverty rates.

*The Margin of Error around the percentage is greater than or equal to five percentage points.

The Margin of Error is a measure of the reliability of the estimate and is provided by the U.S. Census Bureau. The Margin of Error means that there is a 90 percent chance that the true value is no less than the estimate minus the Margin of Error and no more than the estimate plus the Margin of Error. (See the Methodology Section for Margins of Errors for all communities.)

Core cities are Central Falls, Pawtucket, Providence, and Woonsocket.

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