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**New report shows work-support programs like health care and child care help Rhode Islanders make ends meet**

*Report illustrates why the Federal Poverty Level is an outdated measurement of economic security.*

Providence, RI [December 20, 2018] – Today the Economic Progress Institute released its biennial report showing what it costs to live in Rhode Island. The Rhode Island Standard of Need (RISN) calculates a no-frills budget that includes the cost of housing, food, transportation, health care, child care and other basic necessities. The report finds that it costs a single-parent family over \$55,000 and a

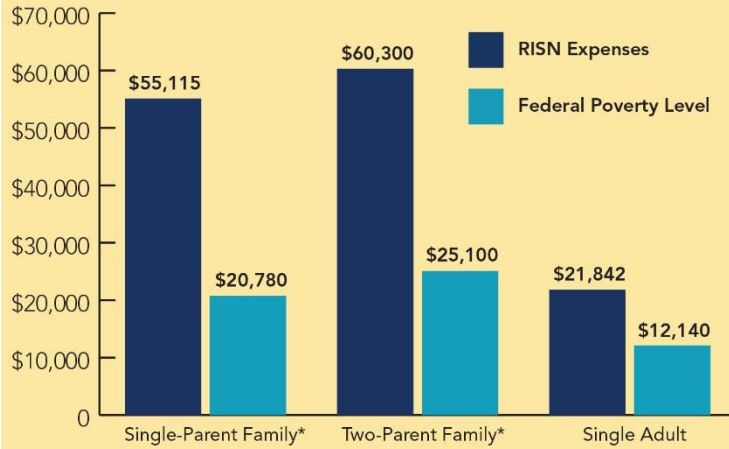
RHODE ISLAND STANDARD OF NEED BUDGET			
EXPENSES	Single-Parent Family*	Two-Parent Family*	Single Adult
Housing	\$1,038	\$1,038	\$862
Food	\$703	\$969	\$333
Transportation	\$427	\$554	\$294
Child Care Costs	\$1,502	\$1,502	\$0
Health Care	\$506	\$506	\$166
Miscellaneous	\$418	\$457	\$165
<b>Total Monthly Expenses</b>	<b>\$4,593</b>	<b>\$5,025</b>	<b>\$1,820</b>
<b>Total Yearly Expenses</b>	<b>\$55,115</b>	<b>\$60,300</b>	<b>\$21,842</b>
<b>Annual Pre-Tax Earnings Required</b>	<b>\$62,844</b>	<b>\$68,310</b>	<b>\$27,044</b>

\*Assumes two-children: a toddler and a school-aged child and that all parents are working

two-parent family over \$60,000 to raise a toddler and school age child. A single adult has basic needs expenses close to \$22,000. But sixty seven percent of single-parent families, twenty-eight percent of two-parent families and forty-three percent of single adults do not earn enough to cover basic expenses.

“All Rhode Islanders deserve the opportunity for economic stability” said Rachel Flum, executive director of The Economic Progress Institute. “The RISN shows how work support programs, including child care assistance, subsidized health insurance and SNAP help working families close their budget gap when earnings are not enough. An adequate minimum wage and state Earned Income Tax Credit (EITC) are vital to boosting workers’ incomes. Rhode Island should continue to move forward with improving access to child care assistance and increasing the minimum wage and the state EITC.”

**THE FEDERAL POVERTY LEVEL IS AN OUTDATED MEASURE OF ECONOMIC SECURITY**



Source: US Department of Health and Human Services, Poverty Guidelines, 2018.  
 \*Assumes two children, one toddler and one school age. Poverty guidelines are calculated based on family size.

The report shows that the federal poverty level is not an adequate measure of economic security. Families with young children need income over two and a half times the federal poverty level to meet their basic needs.

Case examples in the RISN show how child care and health insurance subsidies help a parent earning a bit above poverty make ends meet, while a parent earning closer to twice the poverty level has a monthly gap between income and expenses. The report

also highlights the large gap between income and expenses for families receiving cash assistance through the RI Works program, and for seniors and people with disabilities who rely on SSI benefits. Finally, the report shows how raising the state’s minimum wage to \$15/hr. would help Rhode Island workers.

**The 2018 Rhode Island Standard of Need** is available on the Institute’s website at [www.economicprogressri.org/RISN](http://www.economicprogressri.org/RISN)

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**About The Economic Progress Institute**

The Economic Progress Institute is a nonpartisan research and policy organization dedicated to improving the economic well-being of low- and modest-income Rhode Islanders. For more information visit [www.economicprogressri.org](http://www.economicprogressri.org).