



### Paying for an Increase in the RI Works Benefit

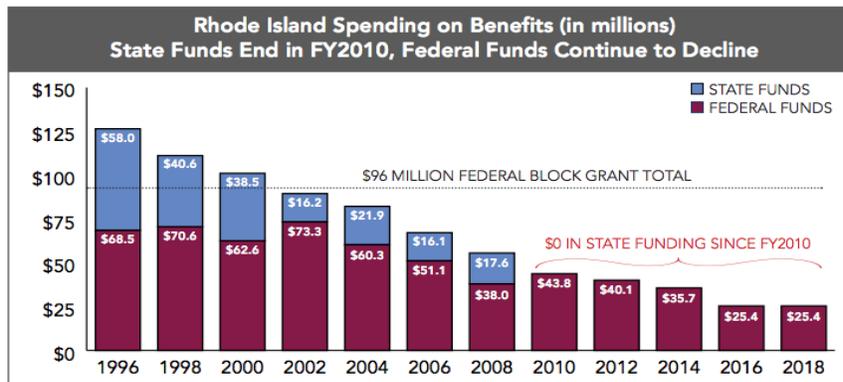
The Raising Rhode Island Coalition is working to increase the benefits paid to the 4,000 families receiving RI Works cash assistance. The benefit hasn't been increased in close to 30 years and has lost almost half its purchasing power. Rhode Island is the only New England state that hasn't adjusted the benefit and the payment is the lowest in the region.

Legislation introduced by Rep. Morin (H-7345) and Senator Murray (S-2203) would increase the benefit from the current 30% of the federal poverty level to 40% FPL in October 2020. For a family of 3, the benefit amount would rise from \$554 to \$724/month.<sup>1</sup>

Income for a Family of 3		
	Current	1 <sup>st</sup> Year of Benefit Increase
<b>RIW Benefit</b>	\$554 (30% FPL)	\$724 (40% FPL)
<b>SNAP Benefit</b>	\$504	\$504
<b>Total Income</b>	\$1,058	\$1,228

The estimated cost for implementing the benefit increase in 2020 is \$4.5M. Rhode Island could appropriate state general revenue to fund the increase or use funds from the Temporary Assistance to Needy Families (TANF) block grant.

### The state receives \$96 million each year in federal funds under the TANF block grant.



Source: Data compiled by Rhode Island KIDS COUNT.

The state is required to spend the funds on low-income (income up to 225% FPL) families with children under age 18 and on services allowed under the block grant (including, for example, child care for working families). **The state is required to spend \$64M each year in general revenue on families and services that meet the TANF**

**definition.** As shown in the chart above, Rhode Island spends just under one-quarter of the \$96 million block grant on cash assistance for families. And spends no general revenue funds at all.

The percentage of federal and state funds that Rhode Island spends on cash assistance for families is significantly lower than the national average (15% compared to 21%). It is time for Rhode Island to prioritize use of TANF and state funds to help reduce the poverty in which families receiving RI Works benefits are living so they can give their children a better start in life.

<sup>1</sup> The benefit would rise to 50% FPL in 2021, lifting families out of deep poverty. It would be adjusted for inflation each year thereafter.