To: House Committee on Finance  
From: Linda Katz, Policy Director  
Date: March 29, 2022  
Re: Support H-7789. Improving the RI Works Program

The Economic Progress Institute (EPI) writes in strong support of H-7789 sponsored by Representative Art Handy. We thank Representative Handy and this Committee for your leadership last year in enacting an increase in the RI Works benefit for the first time in 30 years. That was an important step in improving economic well-being for families relying on the RI Works program.

This year, we hope you will again enact changes that will lift children out of deep poverty by further increasing the benefit and keep children out of deep poverty by indexing the benefit to inflation. We hope you will also promote the long-term economic stability for families and help break the cycle of poverty by providing parents with an opportunity to gain the skills they need to secure a well-paying job and to support them as they enter the workforce.

The Economic Progress Institute facilitates the Raising RI Coalition which includes over 50 community, healthcare, social service, faith, and advocacy organizations that serve low-income families. The Coalition is working to support Representative Handy’s bill and the companion bill in the Senate.

The following are some key points in support of each of the 3 changes proposed in the bill.

*Increase the monthly cash assistance payment from 50% of the federal poverty level, to move children out of deep poverty and provide a yearly cost-of-living increase to prevent erosion of the value of the benefit*

Despite the increase in the benefit last year, children enrolled in RI Works are still living in deep poverty. The 2022 federal poverty level (FPL) for a family of 3 is $1,919 and the RI Works payment for a family of 3 is $721/month, just 37% of the poverty level.

When the benefit increase was enacted last year, it was equal to 40% of the federal poverty level. Now it is only 37% FPL because the federal poverty level rose in January. The benefit will continue to lose value – and children will fall deeper into poverty - unless the law provides for an annual cost-of-living increase.

The federal cash assistance program for low-income seniors and people with disabilities, the Supplemental Security Income program, provides an entitlement to a basic benefit amount and is increased each year to account for inflation. But the federal cash assistance program for children and their caregivers, the Temporary Assistance to Needy Children (TANF) program is a block grant to the states and the law does not require a minimum benefit amount or yearly cost-of-living increase. It is up to the state to provide for a benefit increase.
The lack of an entitlement benefit for children and their families that is adequate to meet their most minimal basic needs is rooted in the racism and sexism underlying the Aid to Families with Dependent Children implemented as part of the 1935 Social Security Act.

Allow parents to attend CCRI for two years as the sole employment plan activity to increase opportunities for better-paying jobs

- RI Works provides parents with opportunities to gain skills for employment and most parents are required to have an active “employment plan” as a condition of receiving benefits.
- Current rules allow a parent to attend CCRI for one year as her only employment plan activity. In the second year, the parent must be working at least 20 hours/week if she wants to continue her education at CCRI.
- By 2025, 70% of jobs in Rhode Island will require some postsecondary education.
- In 2020, workers with an associate degree had median yearly earnings of $48,776, compared with just $40,612 for people with a high school diploma alone.

Increase the lifetime benefit limit from 48 months to 60 months to reduce stress for parents and ease the administrative burden on DHS

- Federal law allows states to provide 60 months of TANF-funded benefits to needy children and families.
- Rhode Island is one of only 11 states that has a time limit that is less than 60 months.
- Under state law, families that reach the 48-month time limit can apply for hardship benefits to keep their assistance for another 12 months and 95% of families do so. It is a hardship for both parents and DHS staff to process hardship applications, rather than simply continue benefits for an additional 12 months.

Use more of the federal block grant for its primary purpose – to support children and their families

Rhode Island receives $95.6M in federal block grant funds for the RI Works program, and less than one-quarter is spent on the 5,000 children and 1,600 adults who rely on the program to meet basic needs. Rhode Island stopped investing its own funds to support RI Works families in 2010.

TANF funds are also use to support the child care assistance program (CCAP) for working families. This is an appropriate and meaningful use of these federal dollars. But like the funding for CCAP, investments of state funds has withered over the years and we only invest the amount of state dollars needed to meet federal requirements.

The first appropriation of TANF funds should go towards supporting the families that rely on the program to meet basic needs and keep families together. This is the first purpose of the TANF block grant. Policy makers cannot continue to pit the use of the TANF block grant for RI Works against CCAP – and fail to use general revenue as needed to adequately fund both priorities.
It is not a question of whether our state has enough money to fund the changes proposed in this bill. We do. It is whether we have the political will to finally prioritize these families and show the children and their parents that we care about them.
Coalition Members

- Center for Southeast Asians
- Community Action Partnership of Providence
- Community Care Alliance
- Comprehensive Community Action Program
- Cranston Clergy Association
- Direct Action for Rights and Equality
- Domestic Violence Resource Center of South County
- Dorcas International Institute of RI
- The Economic Progress Institute
- Facilitate Change
- Family Service of Rhode Island
- Formerly Incarcerated Union of RI
- Foster Forward
- Genesis Center
- Goodwill of Southern New England
- Jewish Alliance of Greater Rhode Island
- Jonnycake Center of Peace Dale
- The Latino Policy Institute
- The Milagros Project
- National Association of Social Workers Rhode Island Chapter
- Neighborhood Health Plan of Rhode Island
- Newport Partnership for Families
- Progreso Latino
- ResCare Workforce Services
- Rhode Island AFL-CIO
- The Rhode Island Chapter of the American Academy of Pediatrics
- The Rhode Island Coalition Against Domestic Violence
- Rhode Island Coalition for Children and Families
- Rhode Island Community Action Association
- The Rhode Island Community Food Bank
- Rhode Island Health Center Association
- The Rhode Island Interfaith Coalition to Reduce Poverty
- Rhode Island Kids Count
- Rhode Island Medical Society
- Rhode Island National Organization for Women
- Rhode Island Parent Information Network
- Rhode Island Organizing Project
- Scandinavian Church
- Sojourner House
- Paul Catholic Church
- Temple Sinai Social Action Committee
- Tomaquag Museum
- Tri-County Community Action Agency
- United Way of Rhode Island
- URI Feinstein Hunger Center
- Washington County Coalition for Children
- Westbay Community Action
- Women’s Resource Center
- The Womxn Project
- Woodridge Congregational Church
- Working Cities Newport