



SOME POLICY RECOMMENDATIONS

The challenge facing policy makers in Rhode Island is to craft policies that lead to economy-boosting jobs – good jobs that pay enough so all Rhode Island families, regardless of race or ethnicity, can afford the basics, while contributing to strong communities and a vibrant economy.

In trying to build an economy that works for all Rhode Islanders and to reverse the trend from higher wage to lower wage jobs that has characterized the period since the Great Recession, we must attract higher skill jobs that pay well, ensure that existing jobs in Rhode Island are family-supporting, while providing the Rhode Island workforce with the education and training necessary to fully engage in the economy.

In the midst of challenging economic times, focusing on potential solutions that are doable, realistic, and reflect best practices (both in Rhode Island and in other states) shows that solutions are within our grasp. In this document we lay out some *specific policy proposals* that work to improve economic well-being for working families.

There are four main policy ‘pillars’ that we have built—and need to maintain and enhance—to help Rhode Island families prosper in uncertain economic times.

The first pillar builds on the success of those work supports where wages aren’t enough to make ends meet, and includes elements such as the state earned income tax credit (EITC), SNAP, etc. **We recommend strengthening Rhode Island’s EITC, maintaining it as a refundable tax credit, and increasing the credit to at least 20 percent of the federal credit.**

The second pillar focuses on workplace policies that can work together to provide economic security to Rhode Island’s working families (and without which their economic security is undermined). These policies include current minimum wage laws, and ongoing enforcement of workforce regulations such as those preventing wage theft, and can be expanded to include the provision of paid sick and paid family leave. **To ensure that full-time work allows Rhode Island families to make ends meet, we recommend continued progress in increasing the minimum wage and the tipped minimum wage.** Such an increase would help a significant share of the Rhode Island workforce, while providing the state economy with a modest but real boost, as lower income earners spend their additional income supporting the local economy.

The third pillar ensures we have pathways to prosperity for families, including high quality, accessible education and training that allow today’s children to prosper as tomorrow’s workforce. We also need deliberate policies to ensure that barriers to educational

attainment are removed for low and moderate income earning families, especially for those minority populations that too often get left behind. As seen in the accompanying report, we need not only to help minority populations get *into* appropriate post-secondary institutions, we need to ensure they have the supports needed to graduate, as the benefits of “some college” education are virtually non-existent (at least in terms of increased wages).

We also need to ensure that Rhode Islanders who need foundational workforce skills – including literacy, numeracy and English language services – are able to access those services quickly. **We recommend ending the waiting list for adult education services by increasing the state investment in the adult education system.**

The fourth pillar recognizes the importance of “two-generation” policies including the provision of quality child care/early care and education that allows families raising children to participate fully in the economy, while also laying the foundation for educational success for their children.

We recommend making quality child care affordable to more families through the Child Care Assistance Program by permanently increasing the “exit income limit” to 225% of the Federal Poverty Level (FPL) and increasing the “entry income limit” to 200% of FPL.

The State of Working Rhode Island: Workers of Color report emphasizes an array of economic challenges facing Rhode Island workers of color, and our policy recommendations are intended to address those challenges and the resulting disparities. While policies shaping the workforce of the future, and those ensuring adequate wages for all are important, there are several other areas that can be addressed to protect and advance the economic well-being of Rhode Islanders of every race and ethnicity. These include restrictions on the ability of payday lenders to prey on the economic vulnerabilities of Rhode Islanders, and ensuring that lower-income earning families of all races and ethnicities have access to credit.

Addressing these policy challenges – along with the recommendations associated with each of our “pillars” above, will move workers of color to much more sound financial footing, enabling them to engage fully in our economy, building strong communities and families while contributing to a prosperous Rhode Island.

*For the full State of Working Rhode Island: Workers of Color report see:
www.economicprogressri.org/WorkersOfColor*



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