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## Latest Census Poverty Data Highlight Barriers to Economic Security for Rhode Islanders, Especially Communities of Color *2020 Updates Show Urgent Need for Government Action*

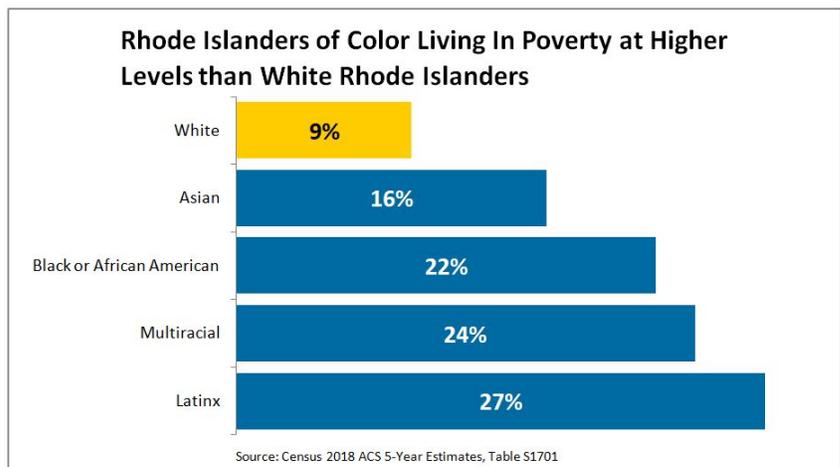
**Providence, RI** — People across Rhode Island continue to face dire economic hardship — particularly Rhode Islanders of color and those with low incomes — as a result of the COVID-19 pandemic, making the need for bold action at the state and federal levels clearer than ever. That’s the picture painted by new data released today from the Census Bureau’s American Community Survey and the ongoing Household Pulse Survey.

United States & New England States	Poverty Rate	Poverty rank among all states (1 = lowest poverty rate)
United States	12.3%	
Maine	10.9%	19
Rhode Island	10.8%	18
Vermont	10.2%	15
Connecticut	10.0%	12
Massachusetts	9.4%	8
New Hampshire	7.3%	1

Source: US Census Bureau, American Community Survey, 1-yr data, 2019, Table B17001.

Rhode Island’s overall poverty rate in 2019 was the 2<sup>nd</sup> highest in New England with 110,000 — more than 1 in 10 Rhode Islanders struggling to afford basic needs. However, the 2019 data do not reflect the economic hardship currently experienced by Rhode Islanders due to COVID-19.

The one year picture masks the deep disparities in poverty levels among communities of color in our state. The most recent 5-year Census data (2014-2018) show that over 1 in 5 Black Rhode Islanders and over 1 in 4 Latinx residents live in poverty. Black and Latinx poverty rates are roughly twice (Black and Multiracial) or three times (Latinx) the poverty rate for Whites.<sup>1</sup> And, when not broken out by subpopulation, Asian poverty rates fall in the middle at roughly 16 percent.<sup>2</sup>

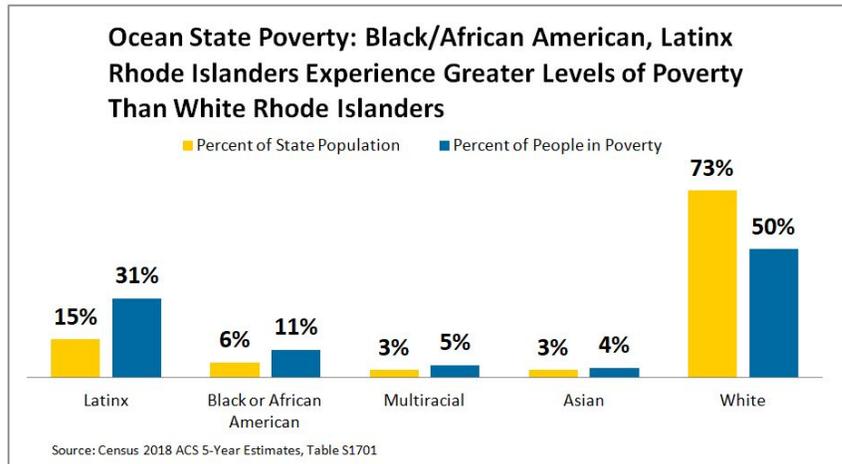


Source: Census 2018 ACS 5-Year Estimates, Table S1701

<sup>1</sup> Races & ethnicities listed are not necessarily mutually exclusive and are subject to data collection limitations. However, for these charts, the category “White” does not include Latinx.

<sup>2</sup> The sample size in the American Community Survey is not sufficient to know how sub-populations of the Asian community are faring. We know from other recent studies that Southeast Asian Rhode Islanders normally do not share in the relative prosperity of the overall Asian community.

White Rhode Islanders are the only racial group in Rhode Island to experience underrepresentation in poverty, making up 73% of the state population, but only 50% of people in poverty. All other racial/ethnic groups — Black/African American, Latinx, Asian, and Multiracial — experience the inverse, an overrepresentation of those in poverty. Latinx poverty rates



are twice that of their share of the state population. Overall, the data highlight that poverty does not fall evenly across different racial and ethnic groups. These disparities are due to the discriminatory and racist systems in our state that perpetuate racial and economic inequality.

“Higher rates of poverty for people of color call attention to the additional barriers to economic progression. Poverty in the United States and Rhode Island is intricately tied to racial capitalism. Economic inequity is largely the result of historic and ongoing structural and institutional racism such as lack of access to resources and geographic, occupational, and educational segregation” said La-Brina Almeida, junior policy analyst for the Economic Progress Institute.

Rachel Flum, executive director of the Institute added, “the COVID-19 crisis has severely worsened the health and economic security of Rhode Island’s communities of color, emphasizing the impact of historic and on-going racism. Our state and federal leaders must provide immediate relief to stop conditions from getting worse and enact policies that will build antiracist, equitable and inclusive communities over the long-term.”

The Census Bureau’s Household Pulse Survey, launched in April 2020, provides more recent data on how the unprecedented health and economic crisis is affecting the nation and states like Rhode Island. The following Pulse data show that thousands of Rhode Island adults and children are struggling to afford adequate food and pay for housing:

- 13% (106,000) of adults reported that their household sometimes or often didn’t have enough to eat in the last seven days
- 21% (58,000) of adults with children reported that their *kids* sometimes or often didn’t eat enough in the last seven days because they couldn’t afford it.
- 20% (40,000) of adults who live in rental housing reported that they were behind on rent.
- 31% (60,000) of all children live in a family that is either not getting enough to eat or behind on housing payments (rent or mortgage)
- 52% (35,000) of all children who live in renter households live in a family that is behind on rent and/or didn't get enough to eat.

Both the state and federal governments have stepped in during the COVID crisis to provide important income and nutrition supports including expanded unemployment benefits, stimulus payments, an increased SNAP benefit, and moratoriums on evictions. These efforts provided cash to families to pay for rent and utilities and helped children access meals when schools were closed — all important to helping families meet their basic needs.

However, much more public investment is needed. Below are several steps that the federal government and our state government can do to support struggling Rhode Island residents.

**Federal:** Congress must act swiftly to provide more federal relief that matches the extraordinary need that households and our economy face. That includes boosting vital assistance programs such as SNAP and housing assistance, extending enhanced federal unemployment benefits, maintaining the increased federal cost-sharing for Medicaid, and allocating additional aid to states and local governments that can help prevent further layoffs and cuts to core public services.

**State:** There are a number of policies that state lawmakers should enact to address the short-term harm from COVID-19 and move Rhode Island toward an economic recovery that extends to all people. Policy makers must address the severe housing crisis by enacting a state moratorium on evictions and foreclosures, allocating funds for rental assistance to avoid massive evictions and homelessness; enacting a dedicated funding stream for affordable housing, and keeping the promise of allowing residents to vote on a housing bond in January. To prevent cuts in critical state programs and services, lawmakers should enact a modest increase on the marginal income tax rate for the top 1% of taxpayers in the FY2021 state budget. Legislation introduced in the House and Senate (H-7921/S-2801) would raise an estimated \$128.2 million by increasing the top marginal personal income tax rate from 5.99% to 8.99% on taxable income above \$475,000.

Ensuring an economic recovery that includes everyone requires an intentional focus on those that were already sidelined from the mainstream job market, such as those without formal education, foundational skills, workforce credentials, or English language proficiency. Back to Work RI and other state initiatives focused on high unemployment following the COVID-19 pandemic should expend resources to ensure that individuals with multiple barriers to employment are provided adequate supports.

## REACTIONS

“Low-income families have suffered the most in this pandemic and they are turning to us for food assistance in record numbers,” said Andrew Schiff, CEO of the Rhode Island Community Food Bank. “We need help from the federal government to protect vulnerable Rhode Islanders from hunger.”

“As new poverty numbers show, the federal government and the leadership of the state of Rhode Island have prioritized Wall Street over Broad Street,” said Terri Wright organizer for the Tenant and Homeowners Association, DARE. “To fight poverty in Rhode Island's low-income

communities of color, the state's leaders must invest in our communities. They must support the proposed bond funding for affordable housing, add a line item to the state's budget for low-income housing development, fund housing vouchers and programs for the homeless and formerly incarcerated, and end discrimination against tenants based on their source of income. The state was in a housing crisis before the Covid-19 pandemic, and virus restrictions have only made that crisis worse for the state's most vulnerable. If state leaders don't ensure investments in genuinely affordable housing for all Rhode Islanders, they cannot seriously proclaim to be fighting for racial or social justice."

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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).