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Women, children paying a high price for cuts in programs

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PROVIDENCE — A working mother wouldn't turn down a pay raise, right?

The answer may depend on whether that mother receives a state child-care subsidy, according to Sharon O. Moylan, executive director of the Cranston nonprofit Options for Working Families.

She described the dilemma faced by a working mother who turned down a \$10-a-month pay raise because it would have made her ineligible for her child-care subsidy — while still leaving her too strapped to afford the child-care payments on her own.

Moylan was among the speakers at a news conference Tuesday to announce the release of a report about how state funding cuts have eroded programs designed to increase economic self-sufficiency and improve the lives of children.

The report, “An Uneven Path, State Investments in Women’s Economic Self-Sufficiency,” by The Poverty Institute and The Women’s Fund of Rhode Island, found that the state’s contribution to child-care assistance has plummeted nearly 90 percent during the last 5 years, with enrollments having fallen to about 6,800 — fewer than when the program began in 1997.

Parents of about 1,600 children no longer receive child-care assistance since the state reduced the income eligibility limit, in September 2007, to 180 percent of the federal poverty level, down from 225 percent, according to The Poverty Institute. For a family of three to be eligible, its household income must not exceed \$32,958 based on the income data from 2009. That’s down from \$41,197 based on the old eligibility limits. Rhode Island has the lowest eligibility limit for child-care assistance in New England.

Rhode Island also has stopped contributing to cash assistance benefits. The welfare program, which now relies entirely on federal funding, was overhauled in 2008 to create strict new time limits that dropped nearly one-third of those receiving cash assistance — 3,000 families — from the benefits rolls during the recent economic downturn. The result, the report’s authors say, is that families have lost access to education and training, which in turn limits their opportunity to get better-paying jobs and provide for their families.

Rhode Island lags behind all other states in New England in child-support orders, The Poverty Institute’s executive director, Kate Brewster, said.

In Rhode Island, of all cases involving non-custodial parents, 62.4 percent have child-support orders. The national average is 79.1 percent. (For every dollar the state spends on child support services, it the state collects close to \$6 in child and medical support.)

“As the economy turns around,” reads a statement from The Poverty Institute, “we hope that policymakers will renew their commitment to low- and modest-income working mothers and their families by restoring some of the funding that has been lost.”

The Poverty Institute is calling for state lawmakers to enact policies which would, among other things:

- Enact legislation to prevent another 950 families who are reaching their maximum lifetime limit of 48 months, or 24 months within any 60-month period, from losing their cash assistance benefits in June, at least until the economy improves.
- Raise the eligibility guidelines for families already enrolled in the child-care assistance program to 225 percent of the federal poverty level (\$41,197 for a family of 3), up from the current 180 percent, to prevent working parents from losing their eligibility when they receive a raise or work overtime.
- Reject proposals being considered to raise the monthly premiums for poor families enrolled in the state-funded health-care programs RIte Care and RIte Share.
- Streamline access to programs by simplifying the applications for programs such as child-care assistance, SNAP (formerly food stamps) and Rite Care.
- Provide adequate staffing for the state Office of Child Support Services to increase collections for child and medical support.

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