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New research: Half of U.S. Children are Living in Financial Hardship

Official poverty measures undercount number of children in families that can't make ends meet, according to new data and interactive tools

MORRISTOWN, N.J. – In 2022, 50% of children nationwide lived in households that couldn't afford the basics, according to new data from United For ALICE, a national research organization driving solutions to financial hardship from headquarters in New Jersey.

ALICE in Focus: Children reveals that traditional measures of poverty have severely undercounted the number of children ages 18 and younger who are growing up in financially insecure households. While 16% of all children in the U.S. lived in poverty in 2022, the new data shows that 34% – more than twice as many – lived in families defined as **ALICE**[®] (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed). ALICE households earn more than the Federal Poverty Level, but less than the basic costs of housing, child care, food, transportation, health care and technology, plus taxes.

The research also shows that the 50% of children in 2022 who were below the ALICE Threshold – consisting of ALICE households and households in poverty combined – was largely unchanged from 49% in 2019.

“Undercounting the number of children living in hardship in our country not only masks the true scale of the issue but also hinders our ability to provide the necessary support and resources,” said United For ALICE President Kiran Handa Gaudio. “Without these, our children are at risk of falling behind in school, facing health issues and missing out on opportunities to flourish as they grow.”

Because ALICE households often earn too much to qualify for public assistance, the data finds that in 2022, more than 22.1 million children in struggling families didn't access the Supplemental Nutrition Assistance Program (SNAP).

ALICE in Focus: Children also reveals that in 2022:

- Hardship varied widely across the nation, ranging from a low of 33% in North Dakota to a high of 58% in Mississippi.
- Racial disparities persisted, with 70% of Black and 66% of Hispanic children in the U.S. living in households below the ALICE Threshold, compared with 37% of white children.
- Having two working parents didn't guarantee financial stability: Among all U.S. households with two working adults, 34% of children were still growing up in hardship.
- Nearly 8.4 million children in households earning below the ALICE Threshold had no high-speed internet access at home.

"To unlock a brighter future for every child, we've got to aim higher than the poverty level," said United For ALICE National Director Stephanie Hoopes, Ph.D. "Together we are working to make the ALICE Threshold the minimum standard for child well-being."

National, state and local data is available through the interactive *ALICE in Focus: Children* Data Dashboard – which provides filters for regional and local geographies, age, race, disability status, living arrangements and household work status. Visit UnitedForALICE.org/Focus-Children.

ALICE in Focus: Children is part of the *ALICE in Focus* Research Series, which draws from the U.S. Census Bureau's American Community Survey (ACS) Public Use Microdata Sample (PUMS). Each installment in the series highlights a specific population within the ALICE demographic. Topics have included people with disabilities and veterans.

About United For ALICE

United For ALICE is a U.S. research organization driving innovation, research and action to improve life across the country for **ALICE**® (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed) and for all. Through the development of the ALICE measurements, a comprehensive, unbiased picture of financial hardship has emerged. Harnessing this data and research on the mismatch between low-paying jobs and the cost of survival, ALICE partners convene, advocate and collaborate on solutions that promote financial stability at local, state and national levels. This grassroots ALICE movement, led by United Way of Northern New Jersey, has spread to 34 states and the District of Columbia and includes United Ways, corporations, nonprofits and foundations in Alabama, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawai'i, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, Washington, D.C., West Virginia and Wisconsin; we are United For ALICE. For more information, visit: UnitedForALICE.org.

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