



Aloha United Way

ALICE

Asset Limited, Income, Constrained, Employed

UNITED WAY ALICE® REPORT - HAWAI'I

Overview

PURPOSE OF THE UNITED WAY ALICE® REPORT - HAWAI'I

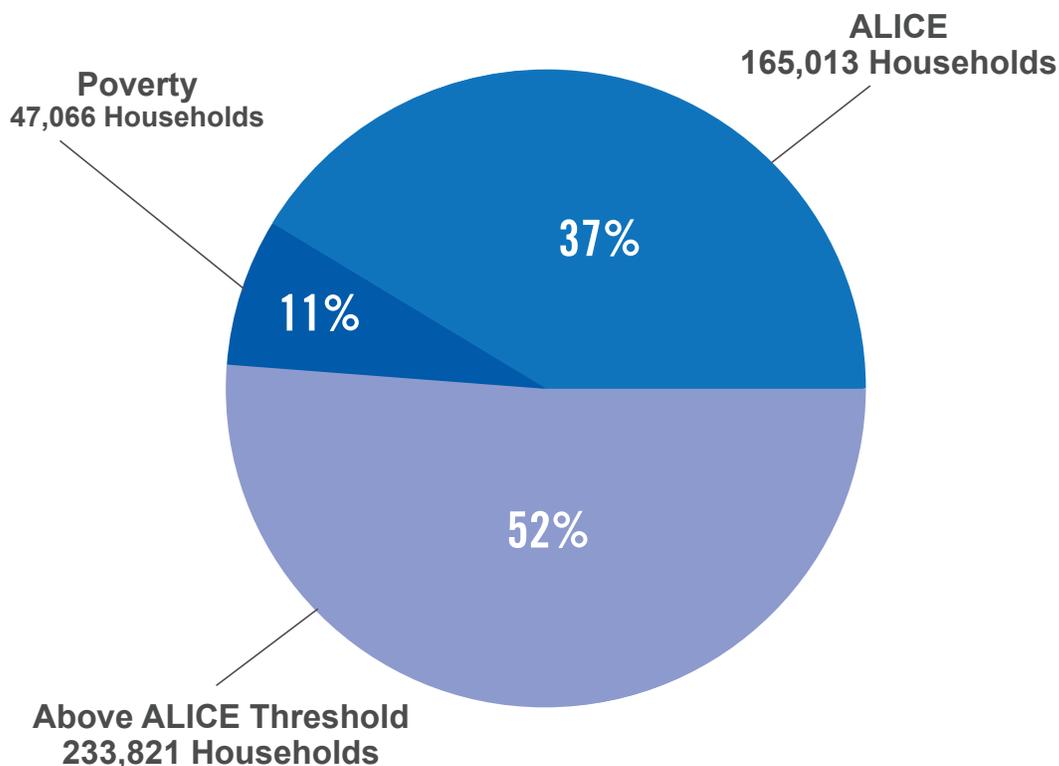
Aloha United Way collaborated with generous sponsors to bring the first United Way ALICE Report - Hawai'i to better understand and raise awareness about the economic challenges faced by hardworking Hawai'i families and individuals.

The ALICE Report for Hawai'i provides a range of research-based information, including federal, state, county and district-level data, to assist in identifying challenges and root causes of financial hardship. This report can be a vital tool to address complex and challenging policy, budgetary and planning issues.

HOUSEHOLD INCOME, HAWAI'I, 2015

Household Survival Budget in Hawai'i: \$28,128 for a single adult

\$72,336 for a family of four



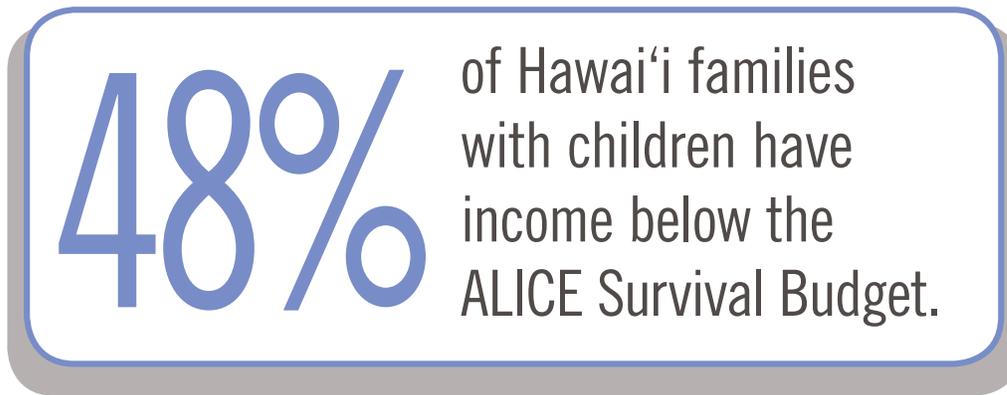
Source: American Community Survey, and the ALICE Threshold, 2015

WHO IS ALICE?

ALICE families – an acronym for **A**sset **L**imited, **I**ncome, **C**onstrained, **E**mployed – have income above the Federal Poverty Level (FPL), but not high enough to afford a basic household budget that includes housing, child care, food, transportation and health care. ALICE households live in every community in Hawai‘i – urban, suburban and rural – and they include women and men, young and old, all races and ethnicities.

In Hawai‘i, there are 165,013 ALICE households (37% of total households), while another 47,066 households (11% of total households) live below the poverty level. In total, 48 percent of Hawai‘i households are ALICE and below.

ALICE includes our child care providers, retail salespersons, waitstaff, cashiers, administrative assistants, janitors, housekeepers, landscapers, teaching assistants, mechanics, restaurant cooks and more.



- The racial and ethnic makeup of ALICE households mirrors the overall Hawai‘i population. At least 46 percent of households in each of Hawai‘i’s six primary racial/ethnic groups have income below the ALICE Survival Budget.
- More than one-third—37 percent—of senior households in Hawai‘i qualify as ALICE.
- 48 percent of Hawai‘i families with children have income below the ALICE Survival Budget.
- Several demographic groups in Hawai‘i are at a higher risk of falling into the ALICE population and below. This includes women, LGBTQ+ people, those with a disability, younger veterans, formerly incarcerated individuals and immigrants facing language barriers, to name a few.

AT-A-GLANCE: HAWAI‘I

2015 Point-in-Time Data

Population: 1,431,603 | **Number of Counties:** 4 | **Number of Households:** 445,900

Median Household Income (state average): \$73,486 (national average: \$55,775)

Household Survival Budget in Hawaii: \$28,128 for a single adult; \$72,336 for a family of four

Hawai‘i Counties, 2015		
COUNTY	TOTAL HOUSEHOLDS	% ALICE & POVERTY
Hawai‘i	64,201	55%
Honolulu	307,703	46%
Kaua‘i	21,862	43%
Maui	52,134	51%

Sources: 2015 **Point-in-Time Data:** American Community Survey, 2015. **ALICE Demographics:** American Community Survey, 2015, and the ALICE Threshold, 2015. **Income Assessment:** Office of Management and Budget, 2016; U.S. Department of Agriculture (USDA); American Community Survey, 2015; National Association of State Budget Officers, 2015; NCCS Data Web Report Builder, Urban Institute, 2012; see *Methodology Overview* at unitedwayalice.org/hawaii. **Budget:** U.S. Department of Housing and Urban Development (HUD); USDA; Bureau of Labor Statistics (BLS); Internal Revenue Service (IRS); Tax Foundation of Hawai‘i and Hawai‘i Department of Taxation; and Hawai‘i Department of Human Services, 2015.

HOW COSTLY IS IT TO LIVE IN HAWAI'I?

The Household Survival Budget is the basis for the ALICE Threshold and quantifies the costs of the five basic essentials of housing, child care, food, transportation and health care.

- The average annual Household Survival Budget for a four-person family living in Hawai'i is \$72,336. This translates to an hourly wage of \$36.17 for one parent or \$18.09 per hour if both parents work.
- The average annual Household Survival Budget for a single adult in Hawai'i is \$28,128, which translates to an hourly wage of \$14.06.
- Housing represents a Hawai'i family's greatest expense—an average of \$1,362 per month for a two-bedroom apartment (Source: U.S. Department of Housing and Urban Development).

What does it cost to afford the basic necessities?

This bare-minimum Household Survival Budget does not allow for any savings, leaving a household vulnerable to unexpected expenses. Affording only a very modest living in each community, this budget is still significantly more than the adjusted 2015 Federal Poverty Level for Hawai'i of \$13,550 for a single adult and \$27,890 for a family of four.*

Hawai'i Average – 2015			
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER	PERCENT CHANGE 2007 – 2015
Monthly Costs			
Housing	\$944	\$1,362	18%
Child Care	\$-	\$1,207	24%
Food	\$312	\$1,032	35%
Transportation	\$276	\$544	-21%
Health Care	\$166	\$635	77%
Miscellaneous	\$213	\$548	20%
Taxes	\$433	\$700	32%
Monthly Total	\$2,344	\$6,028	20%
ANNUAL TOTAL	\$28,128	\$72,336	20%
Hourly Wage	\$14.06	\$36.17	20%

**Since 1970, the FPL guidelines have been 15 percent higher in Alaska and 25 percent higher in Hawai'i as a simplified way to recognize the higher cost of living in these states than on the U.S. mainland.*

Note: In each category, percent change is an average of the changes for a single-adult and a four-person family, to give a broad sense of changes over time across Hawai'i's households.

THE CONSEQUENCES OF INSUFFICIENT HOUSEHOLD INCOME

The choices that ALICE households are forced to make often include living in undesirable housing, cutting back on health care and healthy food options or forgoing car insurance or repairs. Sometimes that means choosing to pay more for one area, like housing, while sacrificing something else, like quality child care.

These choices have a direct impact on the health, safety and future of these families and individuals. They also have consequences for our community. For example, when a family forgoes preventative health care, this can increase employee absenteeism and drive up health care costs and insurance premiums. When employees choose to live further away from work to find more affordable housing, they have longer commutes which increases traffic on our highways.

CONCLUSION

The most common approaches to overcoming ALICE barriers are short-term efforts that help an ALICE family or individual weather an emergency—temporary housing, child care assistance, meals, rides to work and caregiving for ill or elderly relatives.

Although important, these short-term relief efforts are not designed to move households to long-term financial stability. Incorporating long-lasting change requires identifying where barriers exist and how they are connected.

Only then can stakeholders begin to envision bold ideas and take the steps necessary so ALICE families and individuals can thrive.

The Report is a call to action to inform policy, philanthropy, allocation of resources and service delivery.

FIND THE ALICE REPORT ONLINE

The ALICE Report is available at www.auw.org, www.hiuw.org, www.kauaiunitedway.org and www.mauiunitedway.org.

HOUSEHOLD
SURVIVAL
BUDGET
IN HAWAII:

\$28,128
for a single adult

\$72,336
for a family of four

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