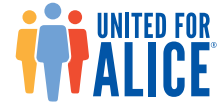


# UNITED WAY OF CENTRAL AND NORTHEASTERN CONNECTICUT



Number of Households – 408,307

## Meet ALICE

ALICE is an acronym for Asset Limited, Income Constrained, Employed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county. Households below the ALICE Threshold – ALICE households plus those in poverty – can't afford the basics in the communities where they live.

### United Way of Central and Northeastern Connecticut service area



### Connecticut



Note: Municipal-level data on this page is 5-year averages for Census County Subdivisions. Geographies with fewer than 100 households are not included.

Town	Total Households	% ALICE & Poverty
Andover	1,158	12%
Ashford	1,806	24%
Avon	7,579	24%
Berlin	8,221	29%
Bloomfield	8,984	36%
Bolton	1,917	25%
Brooklyn	2,925	35%
Canterbury	2,308	23%
Canton	4,221	29%
Chaplin	918	38%
Columbia	2,161	27%
Coventry	4,931	28%
East Granby	1,947	25%
East Hartford	20,086	51%
East Windsor	5,075	30%
Eastford	591	29%
Ellington	6,477	27%
Enfield	16,394	35%
Farmington	11,027	30%
Glastonbury	14,161	23%
Granby	4,277	27%
Hampton	681	25%
Hartford	48,277	67%
Hebron	3,528	23%
Killingly	7,137	39%
Manchester	24,900	37%

Town	Total Households	% ALICE & Poverty
Mansfield	6,672	49%
Marlborough	2,096	17%
New Britain	28,575	59%
Newington	12,514	28%
Plainfield	6,009	39%
Pomfret	1,692	34%
Putnam	4,010	47%
Rocky Hill	8,768	28%
Scotland	626	18%
Simsbury	9,187	21%
Somers	3,430	24%
South Windsor	9,865	22%
Stafford	4,693	35%
Sterling	1,205	41%
Suffield	5,307	21%
Thompson	3,819	28%
Tolland	5,319	24%
Union	397	27%
Vernon	12,980	40%
West Hartford	26,100	26%
Wethersfield	11,362	29%
Willington	2,660	37%
Windham	9,307	58%
Windsor	11,217	30%
Windsor Locks	5,417	35%
Woodstock	3,393	22%

## Household Survival Budget, 2022

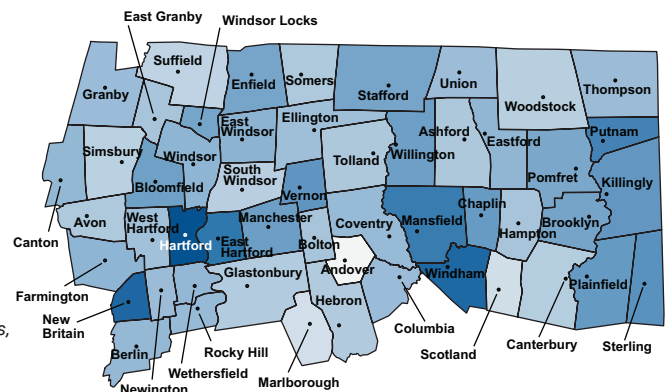
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
<b>Monthly Costs and Credits</b>		
Housing – Rent	\$705	\$998
Housing – Utilities	\$163	\$310
Child Care	–	\$1,910
Food	\$500	\$1,363
Transportation	\$424	\$1,074
Health Care	\$195	\$693
Technology	\$86	\$116
Miscellaneous	\$207	\$646
Tax Payments	\$404	\$1,435
Tax Credits	\$0	(\$433)
<b>Monthly Total</b>	<b>\$2,684</b>	<b>\$8,112</b>
<b>ANNUAL TOTAL</b>	<b>\$32,208</b>	<b>\$97,344</b>
<b>Hourly Wage*</b>	<b>\$16.10</b>	<b>\$48.67</b>

Sources: Sources: AAA, 2022; Agency for Healthcare Research and Quality, 2022; American Community Survey, 2022; Bureau of Labor Statistics, 2022—Consumer Expenditure Surveys; Bureau of Labor Statistics, 2022—Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2023—Medicare - Chronic Conditions; Centers for Medicare & Medicaid Services, 2020—Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2023; Connecticut Office of Early Childhood, 2022; Federal Reserve Bank of Atlanta—Policy Rules Database; Federal Highway Administration, 2017; Feeding America, 2023; Frank, 2022; Internal Revenue Service, 2022; Medicare.gov; The Zebra, 2022; U.S. Department of Agriculture, 2022—Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2022—Fair Market Rents; USTelecom, 2022.

## The Cost of Basics Outpaces Wages

The Household Survival Budget reflects the minimum costs of household necessities (housing, child care, food, transportation, health care, and technology), plus taxes. It does not include savings for emergencies or future goals like college or retirement. In 2022, wage increases in low-wage jobs helped fill the gap when pandemic assistance expired, but wasn't enough for many workers to keep up with the rising costs of necessities.

To see costs for different household compositions and locations in Connecticut, visit [UnitedForALICE.org/Household-Budgets/Connecticut](https://UnitedForALICE.org/Household-Budgets/Connecticut)



**Below ALICE Threshold**  
12% ————— 67%

# ALICE IN THE CROSSCURRENTS

2024  
UPDATE

## AN UPDATE ON FINANCIAL HARDSHIP IN CONNECTICUT

In 2022, hardship in Connecticut continued to be shaped by the conflicting economic forces of the pandemic, and remained substantially undercounted by official measures.

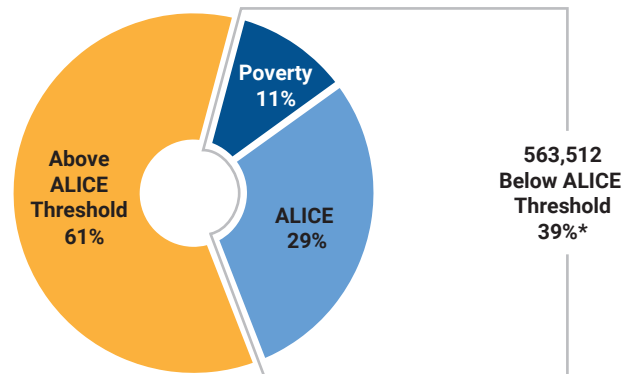
These powerful crosscurrents — COVID-19, inflation, wage growth, and the expansion and expiration of [pandemic public assistance](#) — impacted how many Connecticut households were below the [ALICE Threshold of Financial Survival](#).

Between 2021 and 2022, the number of households in poverty in Connecticut increased by 1,145 (to 11% of all households) and the number of ALICE households increased by 9,657 (to 29% of all households), continuing a decade-long trend in the growth of this population. **In 2022, of the 1,430,904 households in Connecticut, 563,512 — 39%\* — were below the ALICE Threshold.**

With the latest data from the [American Community Survey](#) (2022), the [U.S. Census Bureau's Household Pulse Survey](#) (2023), and the [Federal Reserve Board's Survey of Household Economics and Decisionmaking](#) (SHED) (2022), this Update highlights the conflicting forces that continue to present opportunities for, and barriers to, financial stability in Connecticut.

*\*In Connecticut in 2022, out of 1,430,904 households, there were 151,105 (10.6%) in poverty plus 412,407 (28.8%) ALICE, totaling 563,512 (39.4%) below the ALICE Threshold, which is rounded to 39% in this Report.*

Total Households in Connecticut = 1.4 Million



## KEY TERMS

- **ALICE: Asset Limited, Income Constrained, Employed** — households that earn above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their county. Despite struggling to make ends meet, ALICE households often do not qualify for public assistance.
- **ALICE Household Survival Budget:** Reflects the minimum costs of household necessities in Connecticut (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for different counties and household types
- **ALICE Threshold of Financial Survival:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs, calculated for all U.S. counties
- **Below ALICE Threshold:** Includes households in poverty and ALICE households combined
- **ALICE Essentials Index:** A measure of the average change over time in the costs of essential goods and services



Connecticut United Ways

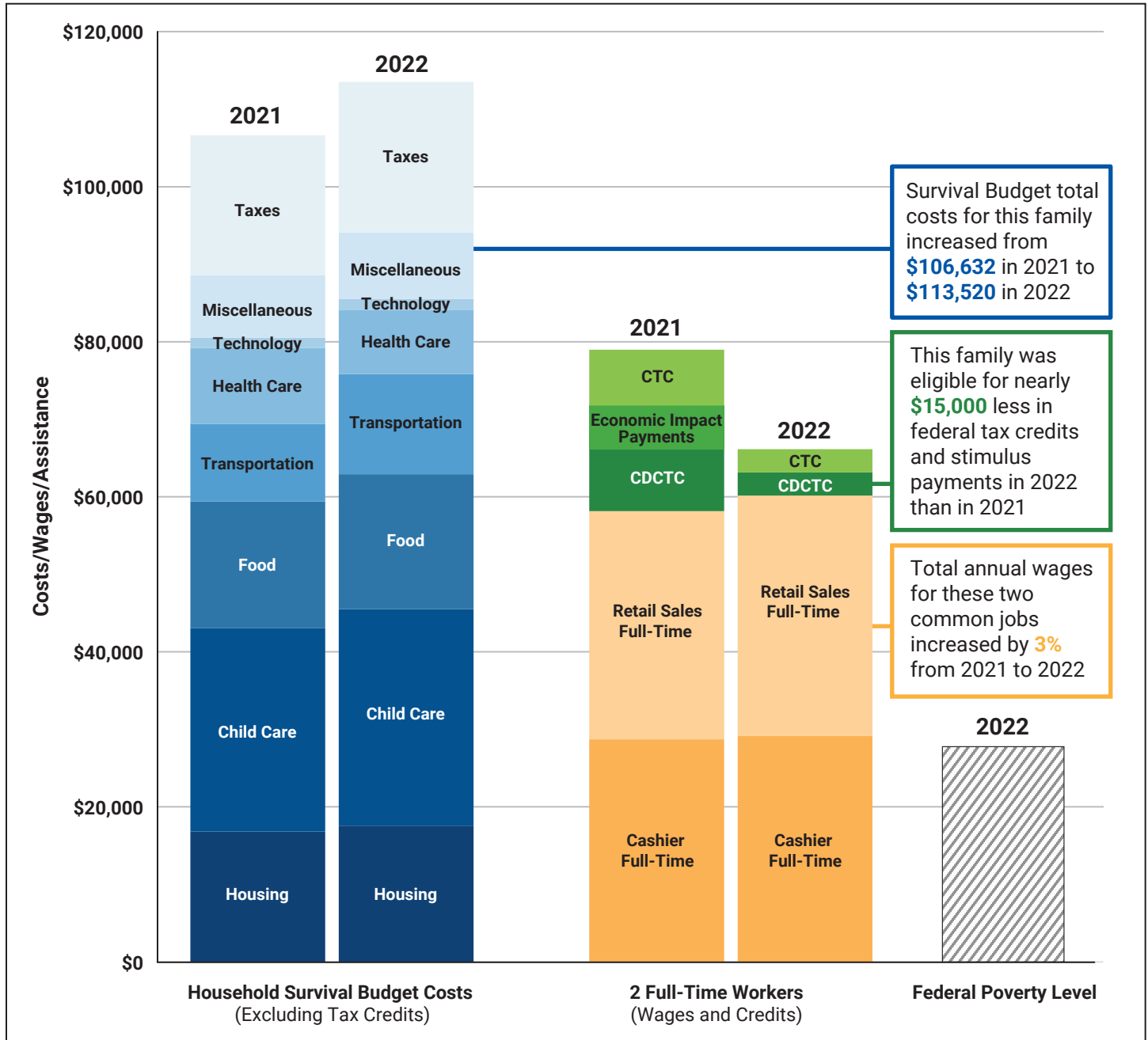
# HOUSEHOLD COSTS, PUBLIC ASSISTANCE, AND WAGES

Financial hardship among Connecticut households shifted from 2021 to 2022 based primarily on three factors:

- **Costs:** From 2021 to 2022, the ALICE Household Survival Budget for a single adult in Connecticut increased from \$33,120 to \$34,812, well above the FPL of \$13,590. For a family of four with an infant and a preschooler, the budget (including tax credits) increased from \$91,428 to \$108,324, well above the FPL of \$27,750. Excluding tax credits, costs for a family of four totaled \$113,520 in 2022, up from \$106,632 in 2021. (More data on inflation is available in the [ALICE Essentials Index](#) June 2024 Update.)
- **Public assistance:** Pandemic assistance had the most pronounced effects on families with children. The Economic Impact Payments and the expansions of the Child Tax Credit (CTC) and the Child and Dependent Care Tax Credit (CDCTC) helped many ALICE families through 2021. But this assistance was substantially reduced when the [2021 American Rescue Plan](#) expired, stimulus payments ended, and tax credits reverted to 2020 levels. In 2022, a family of four with an infant and a preschooler in Connecticut was eligible for approximately \$15,000 less in maximum federal tax credits and stimulus payments than in 2021.
- **Wages:** As pandemic assistance wound down, wages increased for most low-wage jobs. For example, median retail sales wages in Connecticut increased from \$14.16 per hour in 2021 to \$14.90 per hour in 2022.



# Comparison of Costs, Public Assistance, and Wages, Family of Four, Connecticut, 2021 and 2022



Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Full-time income is calculated based on 40 hours per week.

Sources: ALICE Threshold, 2021 and 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2021 and 2022; Internal Revenue Service, tax credits—CTC, CDCTC, EITC, 2021 and 2022; U.S. Department of the Treasury, 2022 and 2023.

See page 13 for Household Survival Budget sources and visit [UnitedForALICE.org/Household-Budgets/Connecticut](https://UnitedForALICE.org/Household-Budgets/Connecticut) to see the Household Survival Budget for all counties and for any household composition.

Across the country, between 2019 and 2022, [wages for the lowest-paid jobs increased](#) at a faster rate than at any point since 1979. This was in part due to a [tighter labor market](#) in which workers reevaluated their employment situation in the wake of the pandemic and inflation, and employers had to offer more competitive wages to attract and retain them. Minimum wage increases in some states also contributed to this effect. In Connecticut, the minimum wage increased from \$11.00 per hour in 2019 to \$14.00 per hour in 2022, while the federal minimum wage remained at \$7.25 per hour.

While these increases helped fill the gap when pandemic assistance ended, they were not enough to make up for years of falling behind. In 2022, of the 20 most common occupations in Connecticut as reported by the Bureau of Labor Statistics (BLS), 50% still paid less than \$20 per hour. And of the workers in these 20 most common occupations, 31% were below the ALICE Threshold in 2022. Occupations with the largest share of ALICE workers included personal care aides, nursing assistants, fast food/counter workers, cooks, and stocker/order fillers.

## Labor Characteristics of Most Common Occupations, Connecticut, 2019–2022

Most Common Occupations	Total Employment, 2022 (BLS)	Percent of Workers Below ALICE Threshold, 2022 (ACS PUMS)	Median Hourly Wage, 2022 (BLS)	Percent Change in Wage, 2019–2022 (BLS)
General and Operations Managers	42,090	10%	\$58.58	-9%
Personal Care Aides	41,230	54%	\$16.19	27%
Retail Salespersons	39,620	33%	\$14.90	12%
Cashiers	37,480	40%	\$16.04	36%
Registered Nurses	34,290	9%	\$45.77	17%
Stocker and Order Fillers	33,520	43%	\$17.31	29%
Customer Service Representatives	30,140	30%	\$20.46	13%
Driver/Sales Workers and Truck Drivers	29,600	35%	\$20.16	0%
Fast Food and Counter Workers	28,880	47%	\$14.08	18%
First-Line Supervisors of Office and Administrative Support Workers	26,670	20%	\$30.85	1%
Laborers and Movers, Hand	26,350	41%	\$17.30	18%
Office Clerks, General	25,890	22%	\$19.63	8%
Elementary and Middle School Teachers	25,420	11%	\$38.37	1%
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	24,640	31%	\$24.03	5%
Teaching Assistants	24,250	38%	\$23.38	28%
Waiters and Waitresses	22,650	37%	\$16.52	45%
Financial Managers	19,540	4%	\$75.88	7%
Nursing Assistants	19,390	49%	\$17.63	8%
Cooks	19,330	47%	\$17.69	19%
Secondary School Teachers	16,800	9%	\$38.82	2%

Note: BLS = Bureau of Labor Statistics; ACS PUMS = American Community Survey Public Use Microdata Sample. Occupation titles and percent of workers below the ALICE Threshold come from ACS PUMS. ALICE Threshold status is determined by comparing workers' household income to the Household Survival Budget for their household composition and location. Employment and wage numbers are from BLS and are matched to the closest PUMS occupation title (which are generally broader than those in BLS).

Sources: ALICE Threshold, 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2022; U.S. Census Bureau, American Community Survey, PUMS, 2019 and 2022

To see the most common occupations for workers below the ALICE Threshold in your community, visit [UnitedForALICE.org/ALICE-EVD](https://UnitedForALICE.org/ALICE-EVD). For more data on jobs by hourly wages and full-time, part-time, and hourly work schedules, visit [UnitedForALICE.org/Labor-Force/Connecticut](https://UnitedForALICE.org/Labor-Force/Connecticut).

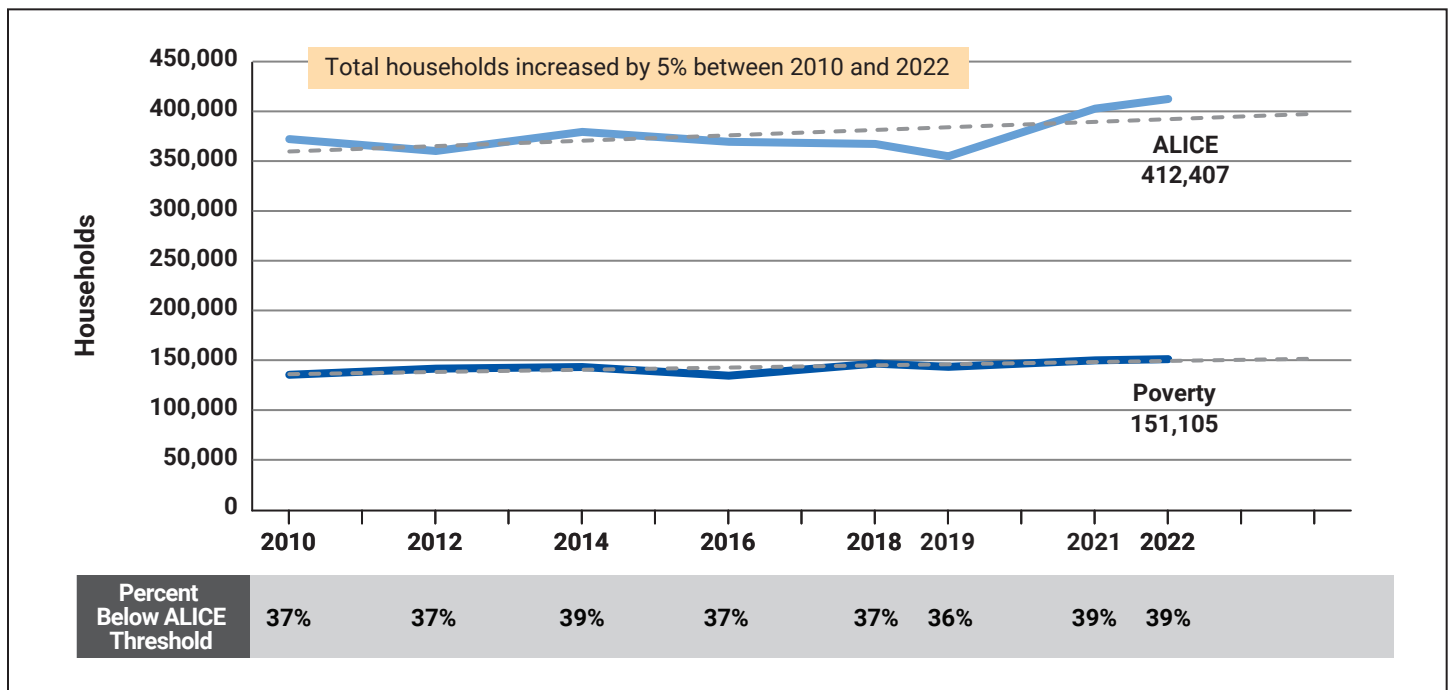
# Financial Hardship Over Time

Despite some ups and downs in rates of financial hardship since the end of the Great Recession (2010–2022), the trend is clear: **The number of ALICE households in Connecticut has continued to rise.** During this period, the total number of households in the state increased by 5%, households in poverty increased by 12%, and the number of ALICE households increased by 11%. Although there was some improvement in the overall rate of financial hardship in Connecticut in 2019, this gain was lost during the pandemic. In 2022, 11% (151,105) of all households were below the FPL, and 29% (412,407) of all households were ALICE – a combined 39% (563,512) of households struggling to make ends meet.

Narrowing the focus to the period around the COVID-19 pandemic, the number of households below the ALICE Threshold increased from 498,278 in 2019 to 563,512 (a new high) in 2022. And the rate of financial hardship in Connecticut rose from 36% of households below the ALICE Threshold in 2019 to 39% in 2021 and 2022.

This consistent trend – a growing number of households that are struggling financially, often ineligible for public assistance, and undercounted by official measures – represents a major vulnerability in our economic system. It also suggests that overall social and economic policies are falling short in addressing the root causes of financial instability.

## Households by Income, Connecticut, 2010–2022



Note: The gray dashed trend lines in this figure highlight the general direction of the point-in-time data for the years shown. These lines indicate whether the numbers of ALICE and Poverty-Level households have been generally increasing, decreasing, or remaining flat. However, the ALICE and Poverty trend lines are not statistically significant, and caution should be used when making predictions.

Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022

To see additional data on financial hardship over time in Connecticut, visit [UnitedForALICE.org/Connecticut](https://UnitedForALICE.org/Connecticut).

# SPOTLIGHT ON ALICE DEMOGRAPHICS

## Families With Children

While recent attention has focused on the rising [Supplemental Poverty Rate](#) for children following the expansion and reversal of Child Tax Credits during and after the pandemic, longer-term trends — specifically, the decline in total families with children and the rise in ALICE households — tell a more nuanced story.

The number of households with children in Connecticut has been declining (down 10% from 2010 to 2022). This trend is driven by married-parent households, which fell in number from 283,419 in 2010 to 246,906 in 2022 (down 13%), and single-female-headed households, which fell from 100,615 in 2010 to 89,865 in 2022 (down 11%). At the same time, the

number of single-male-headed households increased from 25,012 in 2010 to 30,531 in 2022 (up 22%).

While overall in Connecticut, the number of households with children and the number of households with children in poverty has been declining over the past decade, the number of single-parent ALICE households with children has increased. By 2022, 33% of families with children in Connecticut were below the ALICE Threshold. And longstanding disparities in financial hardship by household type remained: 73% of single-female-headed families and 54% of single-male-headed families were below the ALICE Threshold in 2022, compared to 15% of married-parent families.

## Households With Children, Connecticut

	Married-Parent	Single-Female-Headed	Single-Male-Headed
<b>Percent Change 2010 to 2022</b>			
Total Households	▼ Decreased 13%	▼ Decreased 11%	▲ Increased 22%
Households in Poverty	▼ Decreased 16%	▼ Decreased 19%	▼ Decreased 5%
ALICE Households	▼ Decreased 7%	▲ Increased 9%	▲ Increased 44%
<b>Percent Below ALICE Threshold, 2022</b>	<b>15%</b>	<b>73%</b>	<b>54%</b>

*Note: Poverty rates for families with children differ from rates for individual children, in part due to different surveys and in part because there are often multiple children in a single household, which can accentuate swings.*

*Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022*

### THE COST OF CHILD CARE

Child care remains one of the highest Survival Budget costs for households with children, and the [child care system](#) is still feeling the impact of the COVID-19 pandemic. Provider shortages and lack of affordable care present fewer options for parents. According to the October 2023 Household Pulse Survey, when families in the [New England Census Region](#) (which includes Connecticut) were asked what they did when child care was closed, unavailable, or unaffordable, the most common responses for respondents below the ALICE Threshold were to cut work hours (40%), to take unpaid leave (35%), or to supervise one or more children while working (24%).

# Households Headed by People Age 65 and Over

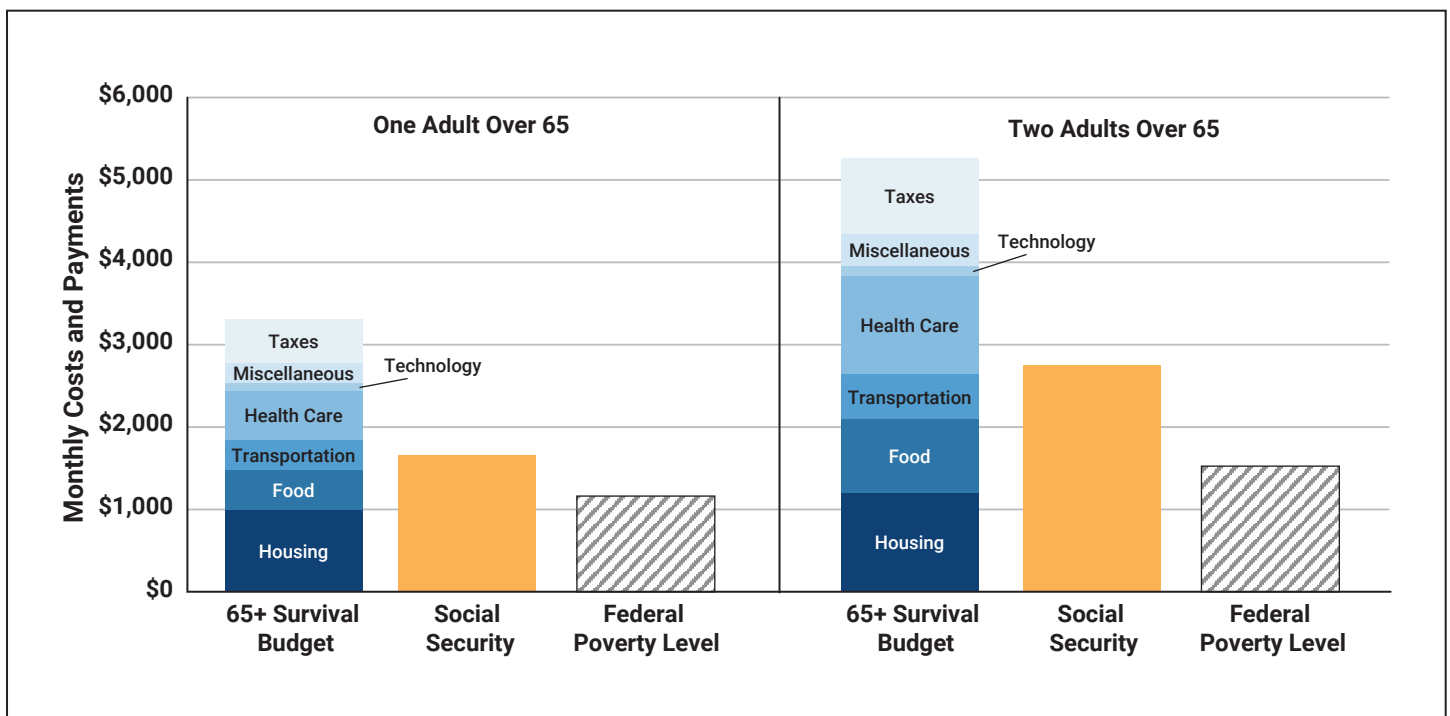
With the [aging of the Baby Boomer generation](#), households headed by people age 65 and over are the fastest-growing age group in Connecticut (up 32% between 2010 and 2022). They are also the age group with the most substantial increase in the number of households below the ALICE Threshold (up 18% during the same period).

In 2022, 49%—nearly half—of Connecticut’s 65+ households were below the ALICE Threshold (198,579). While Social Security helps [reduce the rate of poverty for households headed by older adults](#) (11% in Connecticut in 2022), benefits have not been enough to help bring older adults to financial

stability. As a result, for more than a decade, a substantial number of these households have been ALICE (38% in 2022). In 2022, monthly costs for the ALICE 65+ Survival Budget for one adult in Connecticut were \$1,656 more than the [average Social Security payment](#) of \$1,657.

With increasing costs and insufficient retirement savings, many older adults have needed to continue working. In 2022, nearly 163,500 people age 65 and over living below the ALICE Threshold in Connecticut did not have retirement savings beyond Social Security, and over 27,500 were working.

## Monthly ALICE 65+ Survival Budget Total, Average Monthly Social Security Payments, and the Federal Poverty Level, Connecticut, 2022



Note: See page 13 for a breakdown of monthly ALICE 65+ Survival Budget costs.

Sources: ALICE 65+ Survival Budget, 2022 (see the ALICE [Methodology](#) for details); Social Security Administration, 2022



# Black, Hispanic, and Indigenous Households

Rates of financial hardship differ substantially by race/ethnicity in Connecticut due to [persistent systemic racism, discrimination](#), and [geographic barriers](#) that limit many families' access to resources and opportunities for financial stability. In 2022, 59% of Hispanic, 58% of Black, as well as 48% of households headed by someone of Two or More Races, were below the ALICE Threshold in Connecticut, compared to 34% of White and 31% of Asian households. Rates of financial hardship were also disproportionately higher among smaller Indigenous populations in the state: 72% of Native Hawaiian/Pacific Islander households and 59% of American Indian/Alaska Native households were below the Threshold in 2022. These disparities were mirrored in the workforce and in access to health care:

- **Health:** According to the Federal Reserve SHED (October 2022), in the [New England Census Region](#), 41% of Hispanic and 38% of Black respondents below the ALICE Threshold reported that during the previous year they went without health care (prescription medicine, seeing a doctor, mental health care, or dental care) because they couldn't afford it, compared to 24% of White respondents below the Threshold.
- **Employment:** Black and Hispanic workers were more likely than White workers to experience [disruption in employment](#) during the pandemic. And gaps in employment persisted: By the fourth quarter of 2023, in Connecticut, the [unemployment rate](#) for Black (5.7%) and Hispanic (5.2%) workers was higher than the rate for White workers (3.0%).



# Household Financial Status and Key Demographics, Connecticut, 2022

	Total	Below ALICE Threshold	<span style="color: #0056b3;">■</span> Poverty <span style="color: #4f81bd;">■</span> ALICE <span style="color: #f4a460;">■</span> Above ALICE Threshold
<b>ALL HOUSEHOLDS</b>	1,430,904	563,512	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>11%</span> <span>29%</span> <span>61%</span> </div>
<b>AGE</b>			
Under 25 Years	42,967	30,277	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>31%</span> <span>39%</span> <span>30%</span> </div>
25 to 44 Years	434,182	155,694	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>11%</span> <span>25%</span> <span>64%</span> </div>
45 to 64 Years	544,704	178,962	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>9%</span> <span>24%</span> <span>67%</span> </div>
65 Years and Over	409,051	198,579	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>11%</span> <span>38%</span> <span>51%</span> </div>
<b>RACE/ETHNICITY</b>			
American Indian/ Alaska Native	3,348	1,969	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>13%</span> <span>46%</span> <span>41%</span> </div>
Asian	57,178	17,600	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>7%</span> <span>24%</span> <span>69%</span> </div>
Black	143,508	82,701	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>14%</span> <span>44%</span> <span>42%</span> </div>
Hispanic	207,124	121,393	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>14%</span> <span>44%</span> <span>41%</span> </div>
Native Hawaiian/ Pacific Islander	556	401	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>36%</span> <span>36%</span> <span>28%</span> </div>
Two or More Races	88,106	42,154	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>11%</span> <span>37%</span> <span>52%</span> </div>
White	971,410	330,582	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>6%</span> <span>28%</span> <span>66%</span> </div>
<b>HOUSEHOLD TYPE</b>			
Married With Children	246,906	37,604	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>4%</span> <span>12%</span> <span>85%</span> </div>
Single-Female- Headed With Children	89,865	65,827	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>31%</span> <span>42%</span> <span>27%</span> </div>
Single-Male-Headed With Children	30,531	16,553	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>14%</span> <span>40%</span> <span>46%</span> </div>
Single or Cohabiting, Under 65, no Children	654,551	244,949	<div style="display: flex; justify-content: space-between; width: 100%;"> <span>10%</span> <span>28%</span> <span>63%</span> </div>

*Note: The groups shown in this figure are based on head of household and overlap across categories. Within the race/ethnicity category, all racial categories except Two or More Races are for one race alone. Race and ethnicity are overlapping categories; in this Report, the American Indian/Alaska Native, Asian, Black, Native Hawaiian (includes other Pacific Islanders), and Two or More Races groups may include Hispanic households. The White group includes only White, non-Hispanic households. The Hispanic group may include households of any race. Because household poverty data is not available for the American Community Survey's race/ethnicity categories, annual income below \$15,000 is used as a proxy. In Connecticut in 2022, out of 1,430,904 households, there were 151,105 (10.6%) in poverty plus 412,407 (28.8%) ALICE, totaling 563,512 (39.4%) below the ALICE Threshold, which is rounded to 39% in this Report.*

Sources: ALICE Threshold, 2022; American Community Survey, 2022

# ALICE REMAINS IN THE CROSSCURRENTS

Many ALICE households face [ongoing distress](#) because they have not recovered from the Great Recession, debt accumulation, a job loss, or other major challenges. Many are working hard and still struggling to find safe housing, quality child care, nutritious food, accessible health care, and reliable transportation that they can afford. Rising wages and pandemic assistance mitigated some of the financial impact of business disruptions, a health crisis, and rising inflation that characterized the past few years. Yet 39% of households in Connecticut were still struggling in 2022 – [ranking](#) Connecticut 20<sup>th</sup> among all states and the District of Columbia in financial hardship (with 1<sup>st</sup> representing the lowest rate of hardship). Insights from the Federal Reserve SHED and Household Pulse Survey help explain why:



## Inflation is Hitting ALICE Harder

- **The cost of basics** is increasing faster than the overall rate of inflation, as reported by the [ALICE Essentials Index](#). And it has gotten harder for ALICE to keep up with bills than at the height of the pandemic. According to the Household Pulse Survey, 58% of households below the ALICE Threshold in Connecticut reported that it was somewhat or very difficult to pay for usual items such as food, rent or mortgage, car payments, and medical expenses in October 2023, up from 50% in August 2020.
- **Housing costs** are on the rise in some parts of the state, and the impact is greater for those who were already struggling financially. According to the SHED, in 2022, 40% of households below the ALICE Threshold in Connecticut reported that their rent or mortgage had increased in the prior 12 months (compared to 29% of households above the Threshold).

## Changes in Public Assistance Impact ALICE

- **Food assistance:** Increased need for food assistance was a hallmark of the pandemic. Food pantries experienced a substantial increase in [demand for services](#), and Supplemental Nutrition Assistance Program (SNAP) [eligibility criteria broadened and monthly payments increased](#) (through February 2023). In 2022, the need remained high, with one in six Americans (49 million) [receiving private charitable food assistance](#) – down from the height of the pandemic, but still up markedly from 40 million in 2019. In part due to the SNAP income eligibility level in Connecticut (185% of the FPL), public food assistance was not accessible to all households who were struggling financially: Only 44% all of Connecticut households in poverty and 20% all of ALICE households participated in SNAP in 2022.
- **Rent:** With rising costs, the return to more restricted [rental assistance](#) options and the end of both [state](#) and [federal](#) eviction bans, many Connecticut households continued to struggle to pay their rent. In 2022, 69% of Connecticut households below the ALICE Threshold were rent burdened (paying more than 30% of their income on rent) and 44% were severely rent burdened (paying more than 50% of their income on rent). According to the Household Pulse Survey in October 2023, 21% of renter households below the ALICE Threshold were behind on rent.

Among all eligible people, estimated [SNAP participation rates were higher](#).

# ALICE is Less Prepared for Crises and Retirement
















- **ALICE struggles to save:** According to the SHED, only 38% of households below the ALICE Threshold had emergency savings (or rainy day funds) that would cover their expenses for three months in the event of sickness, job loss, economic downturn, or another emergency in 2022, compared to 67% of those above the Threshold.
- **Medical debt and additional hardship:** Medical debt generally reflects [poorer health](#) and lower rates of health care coverage, and can lead to [lower credit scores](#) and [additional financial hardship](#). Additionally, the [consequences of medical debt](#) are not experienced equally; those with lower incomes and people of color are more likely than their counterparts to be contacted by collection agencies and denied future care.
- **Financial hardship impedes retirement savings:** According to the SHED, in 2022 while 27% of all retired adults and 39% of non-retired adults above the ALICE Threshold in Connecticut reported that their retirement savings plan was currently on track, only 13% of those below the Threshold reported the same.
- **Financial hardship takes a toll on mental health:** The negative impact of financial stress on mental health has been [well established](#). According to the Household Pulse Survey, 19% of respondents below the ALICE Threshold in Connecticut reported feeling nervous, anxious, or on edge nearly every day over the prior two weeks in October 2023, nearly twice the rate of those above the Threshold, 10%.

This research shows a clear trend in our communities and our economy: Financial hardship is widespread, and it is not going away. The current system is not working for ALICE. The narrative in this Update helps make the case for innovative, cross-sector change in Connecticut and across the U.S. The data, tools, and resources on the [United For ALICE](#) website can equip business, government, education, and nonprofit leaders to make data-informed decisions that address the root causes of financial hardship. Collaborative effort at all levels — local, state, and federal — will be needed to change the trajectory for ALICE households.



# ALICE ONLINE

Visit [UnitedForALICE.org](https://UnitedForALICE.org) to explore interactive data and resources. Click the icons below to get started.

 <p><b>Interactive Maps</b> Data at the state, county, municipal, and ZIP-code levels</p>	 <p><b>ALICE Demographics</b> Information about ALICE households by age, race/ethnicity, household type, and location</p>	 <p><b>County Reports</b> An in-depth look at ALICE data, county by county</p>
 <p><b>Data Sheet</b> Spreadsheet of ALICE data over time and by location</p>	 <p><b>ALICE Household Budgets</b> ALICE Household Survival and Stability Budgets for the state and one or more counties</p>	 <p><b>ALICE Essentials Index</b> Key data on the increase in the cost of household basics over time</p>
 <p><b>Legislative District Tool</b> ALICE data by legislative district, including state upper and lower chambers and congressional districts</p>	 <p><b>National Overview</b> National ALICE data and a comparison of financial hardship across U.S. states</p>	 <p><b>Economic Viability Dashboard</b> Key data on the local economic conditions that matter most to ALICE households: Work, Housing, and Community Resources</p>
 <p><b>Research Advisory Committees</b> Information about the members and role of these critical groups</p>	 <p><b>ALICE Methodology</b> Overview of the sources and calculations used in the ALICE research</p>	 <p><b>Equity for ALICE</b> Creating equity for ALICE by illustrating how structural racism and systemic barriers limit life outcomes, and working to remove those barriers so that all people can participate fully in all aspects of our social and economic systems</p>
 <p><b>ALICE Voices</b> Are you ALICE? Use this tool to share your story</p>	 <p><b>ALICE in Action</b> Programs, practices, and policy changes implemented by partners across the United For ALICE network</p>	 <p><b>ALICE Videos</b> Videos that highlight the ALICE research and partner network</p>

# ALICE RESEARCH & METHODOLOGY

The ALICE Household Survival Budget calculates the cost of household essentials for each county in Connecticut and relies on a wide range of public data sources, listed below. For household income, the ALICE measures rely on the U.S. Census Bureau’s American Community Survey (ACS) – both household tabulated data and individual data from the Public Use Microdata Sample (PUMS) records. Household costs are compared to household income to determine if households are below the ALICE Threshold. The latest [ALICE Methodology](#) review was completed in the summer of 2023. Methodology enhancements include:

- **Health care costs:** A “poor health multiplier” is used to capture the additional costs lower-income households incur for being in poor or fair health. Based on the latest research, out-of-pocket costs in the health care line item are increased by 19% (a more conservative estimate than the 30% used in prior years).

- **Broadband added:** To reflect the finding that the majority of Americans now [have home broadband](#), basic broadband internet has been added to technology costs. The smartphone plan has been updated to include an unlimited (albeit less expensive than the previous 10GB version) smartphone plan for each adult in the household.
- **Determining ALICE status:** For 2021 and years prior, the ALICE Threshold was rounded to the nearest ACS income bracket (e.g., Threshold of \$32,500 corresponded to bracket \$30,000–\$34,999; **all** households in that bracket were below the ALICE Threshold). Starting this year (2022 data), the Threshold is calculated in proportion to where it falls within the bracket (e.g., if Threshold is \$32,500, **half** of households in the bracket are below the Threshold).

ALICE Household Survival Budget, Connecticut, 2022			
	Single Adult (Age 18–64)	Single Adult (Age 65+)	2 Adults, 1 Infant, 1 Preschooler
<b>Monthly Costs</b>			
Housing – Rent	\$832	\$832	\$1,154
Housing – Utilities	\$163	\$163	\$310
Child Care	-	-	\$2,329
Food	\$532	\$491	\$1,450
Transportation	\$424	\$360	\$1,074
Health Care	\$195	\$600	\$693
Technology	\$86	\$86	\$116
Miscellaneous	\$223	\$253	\$713
Tax Before Credits	\$446	\$528	\$1,621
<b>Monthly Total</b>	<b>\$2,901</b>	<b>\$3,313</b>	<b>\$9,460</b>
<b>ANNUAL TOTAL Before Tax Credits</b>	<b>\$34,812</b>	<b>\$39,756</b>	<b>\$113,520</b>
Tax Credits (CTC and CDCTC)	\$0	\$0	(\$5,196)
<b>ANNUAL TOTAL With Tax Credits</b>	<b>\$34,812</b>	<b>\$39,756</b>	<b>\$108,324</b>
<b>Full-Time Hourly Wage</b>	<b>\$17.41</b>	<b>\$19.88</b>	<b>\$54.16</b>

Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Percent change is pre-tax. Full-time hourly wage represents the wage needed at 40 hours per week to support the annual total, with credits. For the family of four, this represents the combined wage needed for two workers. Many households incur higher costs, especially for housing, as units may not be available at Fair Market Rent.

Sources: AAA, 2022; Agency for Healthcare Research and Quality, 2022; American Community Survey, 2022; Bureau of Labor Statistics, 2022—Consumer Expenditure Surveys; Bureau of Labor Statistics, 2022—Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2023—Medicare - Chronic Conditions; Centers for Medicare & Medicaid Services, 2020—Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2023; Connecticut Office of Early Childhood, 2022; Federal Reserve Bank of Atlanta—Policy Rules Database; Federal Highway Administration, 2017; Feeding America, 2023; Frank, 2022; Internal Revenue Service, 2022; Medicare.gov; The Zebra, 2022; U.S. Department of Agriculture, 2022—Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2022—Fair Market Rents; USTelecom, 2022.

To view ALICE Household Survival Budgets for all counties and for any household composition, visit [UnitedForALICE.org/Household-Budgets/Connecticut](https://UnitedForALICE.org/Household-Budgets/Connecticut).

**Data Notes:** The income data used in this Update rely on ACS estimates. The ACS is based on a representative sample, rather than all housing units and people; therefore, these estimates have a [degree of uncertainty](#). Some data points are geographic averages, others are one- or five-year averages depending on population size (see the [Data Sheet](#) for details). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%. ALICE analysis includes households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. ALICE analysis does not include people who are unhoused or living in group quarters.

# ABOUT UNITED FOR ALICE AND OUR PARTNERS

*ALICE in the Crosscurrents: An Update on Financial Hardship in Connecticut* is brought to you by [Connecticut United Ways](#) in partnership with [United For ALICE](#), a driver of innovative research and action around financial hardship for ALICE households. With a commitment to [racial and economic justice](#), United For ALICE and United Ways across Connecticut share this work with foundations, government, corporations, and other nonprofits to inform policy and promote positive change for ALICE households. The grassroots ALICE movement, developed by United Way of Northern New Jersey, has spread to 31 states and the District of Columbia. Learn more about the ALICE movement [here](#).

To create the ALICE Reports, our [team of researchers](#) works with [Research Advisory Committees](#) composed of experts from our partner states. This work is guided by our rigorous [methodology](#), which is updated biennially with experts from across our Research Advisory Committees.

United For ALICE partners with [Connecticut United Ways](#) to bring this research to Connecticut.



## Connecticut United Ways

To learn more about how you can get involved in advocating and creating change for ALICE in Connecticut, contact **Lisa Tepper Bates** at [Lisa.TepperBates@ctunitedway.org](mailto:Lisa.TepperBates@ctunitedway.org)

To access interactive ALICE data and resources for Connecticut, go to [UnitedForALICE.org/Connecticut](https://UnitedForALICE.org/Connecticut).

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