



# ALICE

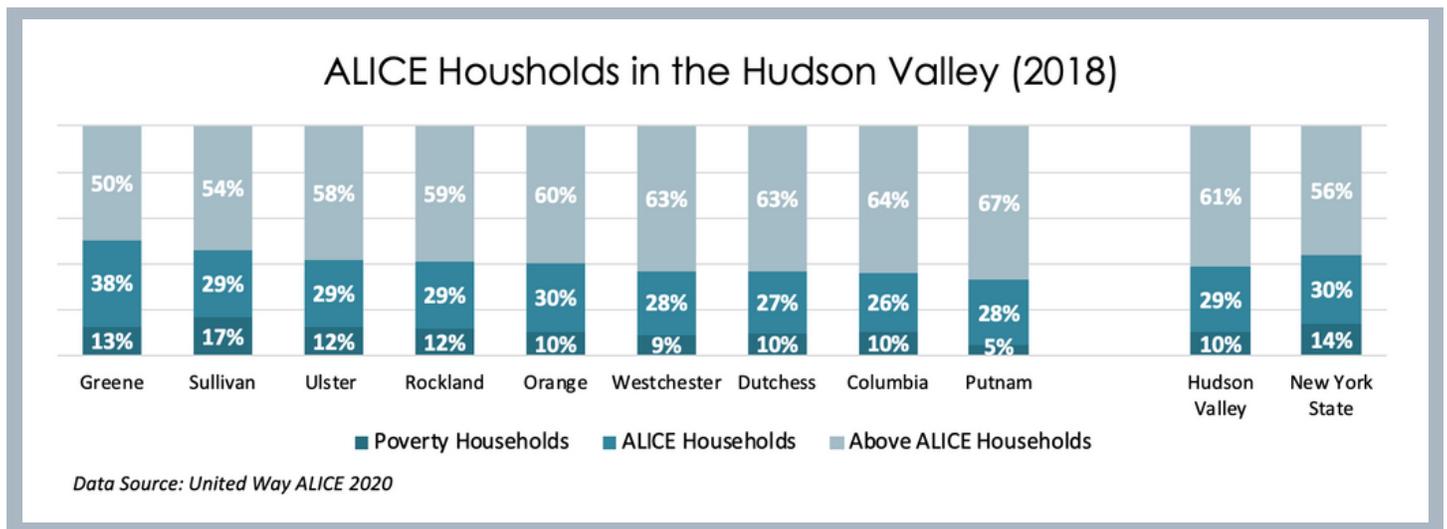
Asset Limited, Income Constrained, Employed

in the Hudson Valley

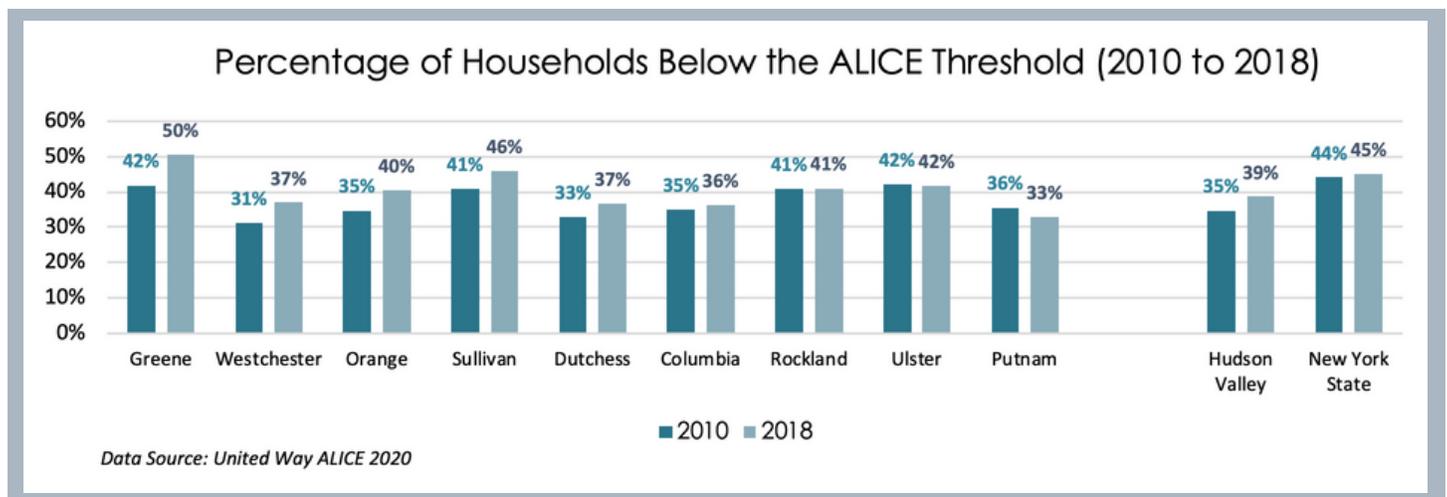
HUDSON VALLEY PATTERN *for* PROGRESS

The ALICE project by United Way is an effort to quantify and describe the number of households that are struggling financially but not typically captured by traditional measures of poverty. ALICE stands for Asset Limited, Income Constrained, Employed. In other words, “ALICE households” represent working families who earn enough to be above the federal poverty line, but are still struggling to afford basic living essentials.

The most recent data from the ALICE project, released in August 2020, shows that many households in the Hudson Valley are struggling to make ends meet. In the nine-county region of the Hudson Valley, 39% of households are below the ALICE threshold including 10% that are below the federal poverty line. Within the Hudson Valley, the rural counties of Greene and Sullivan have the highest percentage of households below the ALICE threshold. In fact, among all counties in New York State, Greene County has the 5th highest percentage of households below the ALICE threshold, and Sullivan County has the 9th highest.



The ALICE data shows that the number households with financial struggles is increasing. The percentage of households in the Hudson Valley below the ALICE threshold has increased from 35% in 2010 to 39% in 2018. Within the Hudson Valley, Greene County experienced the largest increase in the percentage of households below the ALICE threshold, jumping from 42% in 2010 to 50% in 2018. Putnam County was the only county in the region with a decrease in the percentage of households below the ALICE threshold.





The ALICE project calculates a Household Survival Budget as well as a Household Stability Budget. The Survival Budget is based on extremely conservative costs for housing, childcare, food, transportation, health care, technology costs, and taxes with an overall 10% for miscellaneous expenses. An example of how these two budgets differ is food costs. The food costs in the Survival Budget are based on the Thrifty Level (the lowest of four levels) of the USDA Food Plans. The food costs in the Stability Budget are calculated based on the USDA Moderate Level Food Plan (second of the four levels). The Thrifty Food Plan meets nutritional requirements but includes foods that require a significant amount of preparation time and skill. Households with limited time may not be able to meet their nutritional needs within the Thrifty Level budget. The estimated healthcare costs are lower in the Stability Budget based on an assumption that higher income households are in better health.

<b>ALICE Household Survival Budget for Two Adults and Two in Child Care</b>									
	Columbia	Dutchess	Greene	Orange	Putnam	Rockland	Sullivan	Ulster	Westchester
Housing	\$951	\$1,091	\$918	\$1,353	\$2,110	\$2,226	\$948	\$1,155	\$1,687
Child Care	\$1,542	\$1,485	\$1,292	\$1,771	\$2,438	\$2,438	\$1,292	\$1,771	\$2,438
Food	\$870	\$861	\$973	\$916	\$1,100	\$910	\$772	\$910	\$992
Transportation	\$834	\$757	\$834	\$834	\$303	\$303	\$834	\$834	\$303
Health Care	\$705	\$705	\$705	\$705	\$705	\$705	\$705	\$705	\$705
Technology	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Miscellaneous	\$591	\$592	\$566	\$681	\$828	\$817	\$544	\$654	\$755
Taxes	\$928	\$947	\$867	\$1,159	\$1,544	\$1,509	\$809	\$1,090	\$1,345
Monthly Total	\$6,496	\$6,513	\$6,230	\$7,494	\$9,103	\$8,983	\$5,979	\$7,194	\$8,300
Annual Total	\$77,952	\$78,156	\$74,760	\$89,928	\$109,236	\$107,796	\$71,748	\$86,328	\$99,600
<b>Hourly Wage</b>	<b>\$38.98</b>	<b>\$39.08</b>	<b>\$37.38</b>	<b>\$44.96</b>	<b>\$54.62</b>	<b>\$53.90</b>	<b>\$35.87</b>	<b>\$43.16</b>	<b>\$49.80</b>

<b>ALICE Household Stability Budget for Two Adults and Two in Child Care</b>									
	Columbia	Dutchess	Greene	Orange	Putnam	Rockland	Sullivan	Ulster	Westchester
Housing	\$1,311	\$1,728	\$1,245	\$1,619	\$1,759	\$2,228	\$1,131	\$1,301	\$2,512
Child Care	\$2,333	\$2,350	\$1,833	\$2,350	\$3,033	\$3,033	\$1,833	\$2,350	\$3,033
Food	\$1,850	\$1,986	\$2,012	\$1,961	\$2,251	\$1,952	\$1,696	\$1,914	\$2,080
Transportation	\$1,260	\$1,161	\$1,260	\$1,161	\$730	\$730	\$1,260	\$1,260	\$730
Health Care	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609	\$609
Technology	\$145	\$145	\$145	\$145	\$145	\$145	\$145	\$145	\$145
Miscellaneous	\$1,018	\$1,110	\$946	\$1,094	\$1,218	\$1,251	\$891	\$1,043	\$1,315
Savings	\$1,018	\$1,110	\$946	\$1,094	\$1,218	\$1,251	\$891	\$1,043	\$1,315
Taxes	\$2,669	\$3,121	\$2,358	\$3,096	\$3,657	\$3,810	\$2,238	\$2,855	\$4,042
Monthly Total	\$12,213	\$13,320	\$11,354	\$13,129	\$14,620	\$15,009	\$10,694	\$12,520	\$15,781
Annual Total	\$146,556	\$159,840	\$136,248	\$157,548	\$175,440	\$180,108	\$128,328	\$150,240	\$189,372
<b>Hourly Wage</b>	<b>\$73.28</b>	<b>\$79.92</b>	<b>\$68.12</b>	<b>\$78.77</b>	<b>\$87.72</b>	<b>\$90.05</b>	<b>\$64.16</b>	<b>\$75.12</b>	<b>\$94.69</b>

The above tables show the two different ALICE budget scenarios for a family of four with two adults and two children in need of childcare for the nine Hudson Valley counties. For every county in the region, the Survival Budget sets the minimum hourly wage at more than twice that of New York's 2020 minimum wage of \$12.50. Two working parents who earn minimum wage would not be able to meet basic household needs of a family of four without reliance on government subsidy or by working more than 40 hours each week.

Within the Stability Budget, the required hourly wage is nearly 40% to 50% higher than the wage in the Survival Budget. Households with stable budgets must make at the least five times the New York State hourly wage.

The Stability Budget calculates the same expenses so that households are "more financially stable", have "less austere standards of living", and have 10% set aside for savings. Households without any savings are unable to weather unexpected job loss, the closure of schools, and other unforeseen costs.

Another important omission from the Survival Budget is within the technology costs. The Stability Budget allows for an internet subscription, while the Survival Budget does not. During the pandemic, households without internet subscriptions have significantly less access to public education, work opportunities, community and civic debate and decision-making, health care and other aspects of modern life.

In the nine counties of the Hudson Valley, childcare is the highest cost for households with two children (taxes are the highest cost in the Stability Budget because income levels are higher). For young families struggling to make ends meet, high childcare costs may push them to delay or forgo having children. As Pattern has reported in the past, the region's population is aging and this demographic shift will have significant economic and social implications. Affordable childcare options are a key piece in attracting and retaining young families.

The ALICE project shines a light on an often-overlooked segment of the population who do not meet official definitions of poverty but are still financially insecure. It is important to recognize that a significant number of households in the Hudson Valley are in this position. These households are particularly vulnerable to financial stressors such as an unexpected expense, job loss, or the COVID-19 pandemic. ALICE households include our Essential Workers, the people who fix our cars, pack and drive trucks to deliver goods to your doorstep, check us through the grocery store register, prepare our food, pick up the trash, clean our offices, repair our roads, and take care of us when we are sick. We count these people on every day.