



Aloha United Way

In partnership with



HAWAI'I COMMUNITY
FOUNDATION



 **Bank of Hawai'i**

Foundation

ALICE in Hawai'i: 2022 Facts and Figures

November 2022

ALICE 2022 STUDY WEBINAR: UNDERSTANDING THE REPORTING

- Methodology
- Key Findings: High Level Updates since 2018 ALICE Study
- Key Findings: High Level Updates since 2019 Financial Health Pulse Survey
- ALICE Collective Impact Initiative
- Actionable Next Steps



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VP, Community Impact
Aloha United Way

A BRIEF HISTORY



ALICE in Hawai'i: 2022 Facts and Figures



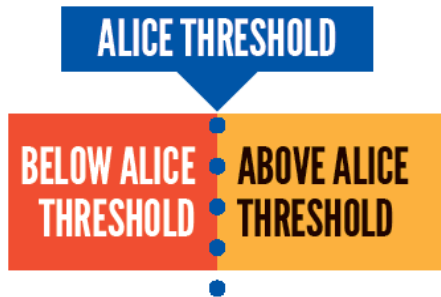
Why now?

- U.S. Census Bureau's 2020 American Community Survey (ACS) a key source for ALICE data was interrupted by the pandemic.
- The need for current data to inform our work
- Understand the aftermath of the COVID-19 pandemic more clearly

Methodology

- 2,391 surveys were completed between July and September 2022 by Anthology Research Group
- Connects changes in resident responses to questions from the 2019 Hawai'i Financial Health Pulse Survey
- Questions were developed with cooperation from both the Financial Health Network and United for ALICE Research Group

Key Terms



Household Survival Budget/ALICE Threshold: The bare-minimum costs of basic necessities (housing, childcare, food, transportation, health care, and a smart phone plan, plus taxes). Costs vary by household composition and location. The average Household Survival Budget in Hawai'i for a single adult is just over \$35,000 and the costs for a family of four (two adults, one infant, one preschooler) is more than \$100,000.

ALICE: Households with income needed to afford the Household Survival Budget. Households below the **ALICE Threshold** are unable to make ends meet and include **both** ALICE and poverty-level households.

Poverty: Households earning below the Federal Poverty Level, which in Hawai'i equates to \$15,630 for a single-person household and \$31,920 for a four-person household.

Key Findings
Set 1

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ALICE THRESHOLD

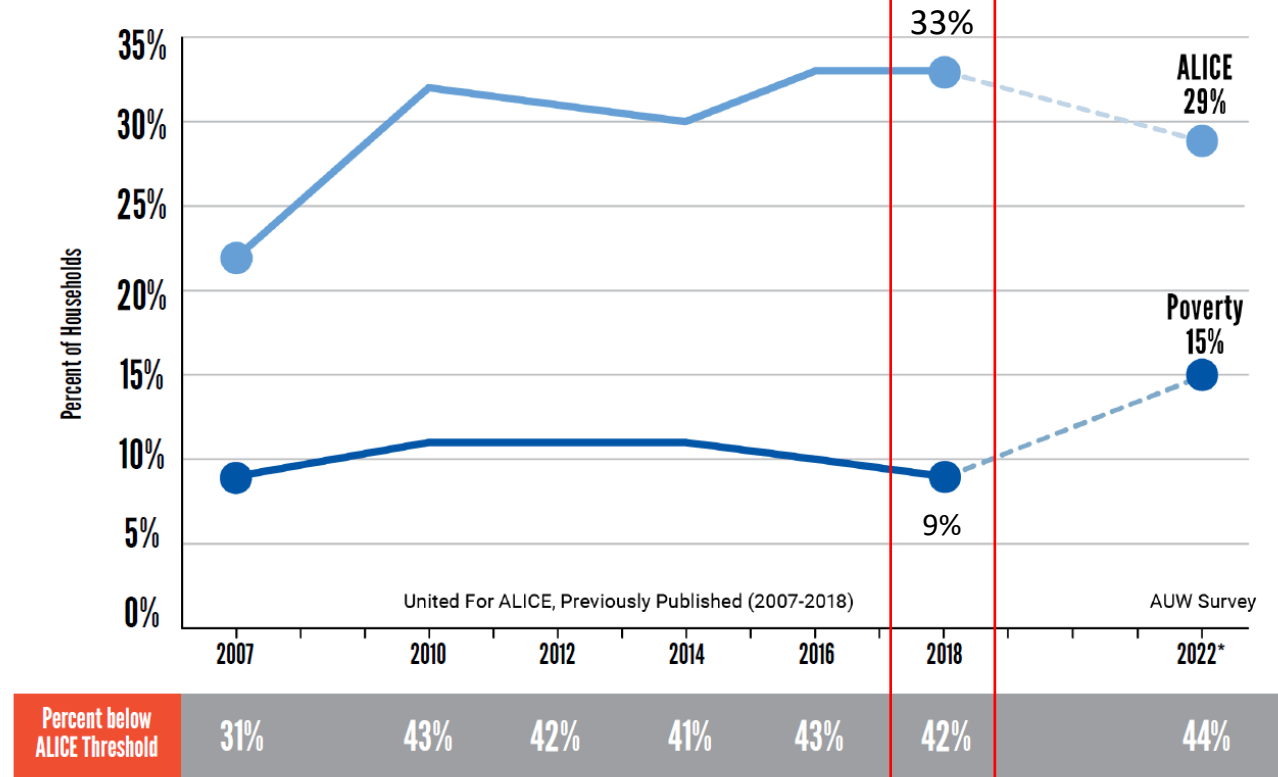
BELOW ALICE
THRESHOLD

ABOVE ALICE
THRESHOLD

MORE PEOPLE ARE AT A TIPPING POINT

More Hawai'i households have
fallen below the ALICE Threshold
(44% in 2022 vs. 42% in 2018).

Households by Income, Hawai'i, 2007 – 2022



*Note: Data for 2007–2018 is from previously published reports by United For ALICE. Data for 2022 was collected by Anthology for this Aloha United Way (AUW) Survey.

2020 ALICE Report

ALICE THRESHOLD

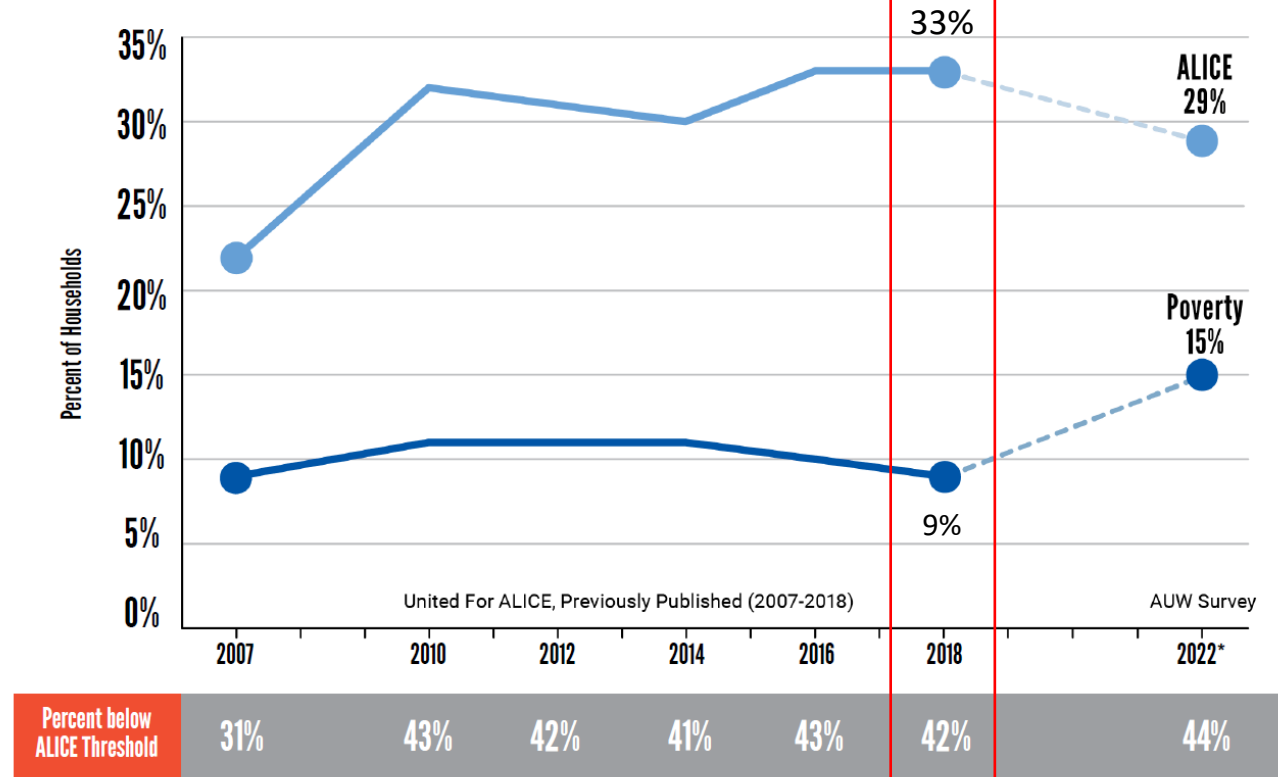
BELOW ALICE THRESHOLD

ABOVE ALICE THRESHOLD

POVERTY SHARPLY INCREASED

There was a sharp increase in the number of households pushed below the poverty line (15% in 2022 vs. 9% in 2018).

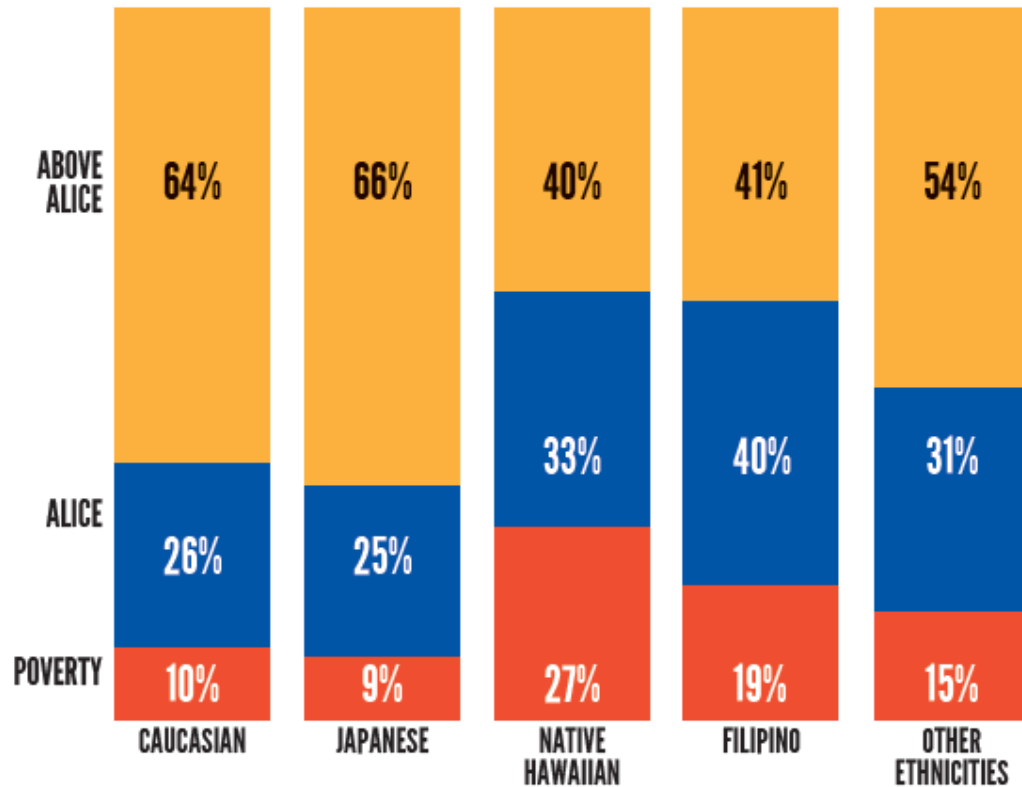
Households by Income, Hawai'i, 2007 – 2022



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2020 ALICE Report

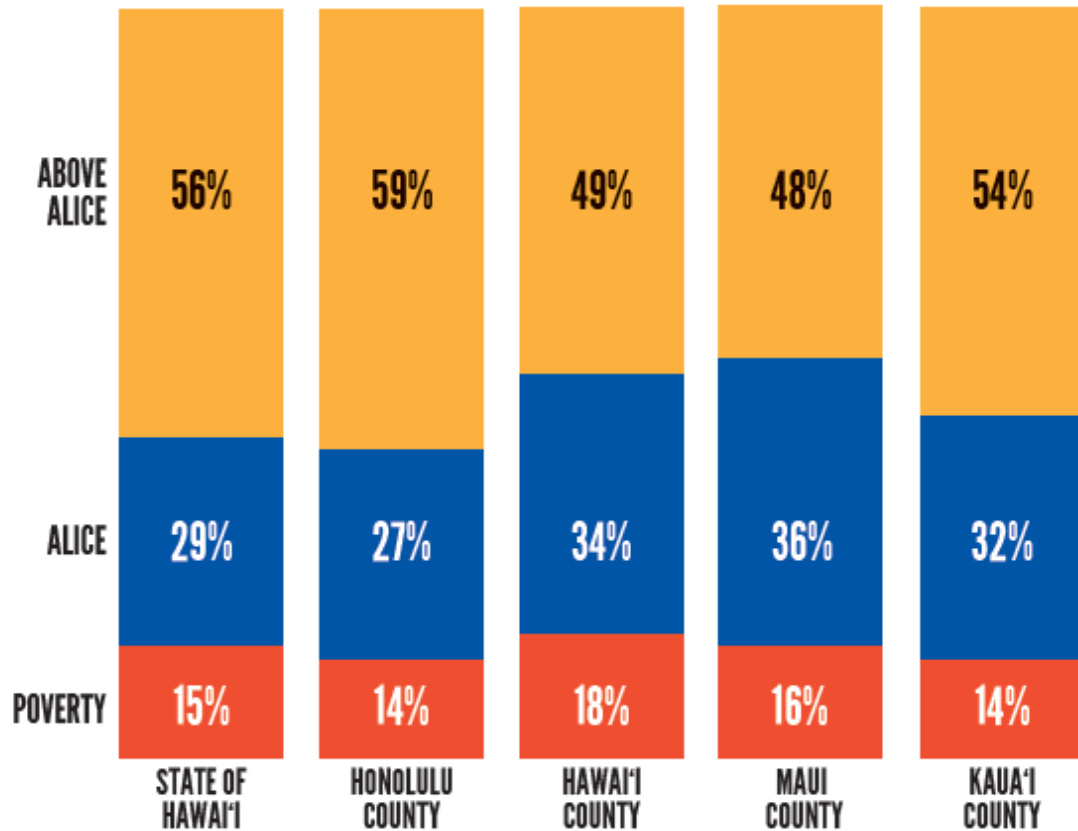
Percentage of ALICE Households by Ethnicity



STRUCTURAL DISPARITIES PERSIST

There are significant disparities by race/ethnicity, household size and households with children that mean some households are much more likely than others to be below the ALICE Threshold.

Percentage by County



STRUCTURAL DISPARITIES PERSIST

There are significant disparities by race/ethnicity, household size and households with children that mean some households are much more likely than others to be below the ALICE Threshold.

Specifically, households below the ALICE Threshold are more likely...

To have children
in the household:

54%

of households with
children are below the
ALICE Threshold.

To live in
larger households:

65%

of households with 3
or more occupants are
below the ALICE Threshold.

To be Native Hawaiian
or Filipino:

A majority of Native
Hawaiian (60%) and
Filipino (59%) residents
fall below the ALICE
Threshold.

To have lower levels of
educational attainment:

65%

of respondents without a
college degree are below
the ALICE Threshold.

To struggle with paying
for basic household expenses:

46%

of households below the
ALICE Threshold are unable to
pay all of their bills on time.

To have insufficient
income:

84%

have combined annual household
income of less than \$75,000,
well below the median income of
\$87,722 as reported by the
Census Bureau for 2020.

To be working, but with
inconsistent work opportunities:

62%

have members of the household
who work full time

30%

work part-time

29%

are paid hourly

Employment Status

Households below the ALICE Threshold are significantly more likely to have a member of the household who:



Works part-time



Is paid hourly



Works hours that vary



Is unemployed



Is a full-time student



Is a homemaker



Is disabled – unable to work



Works multiple jobs

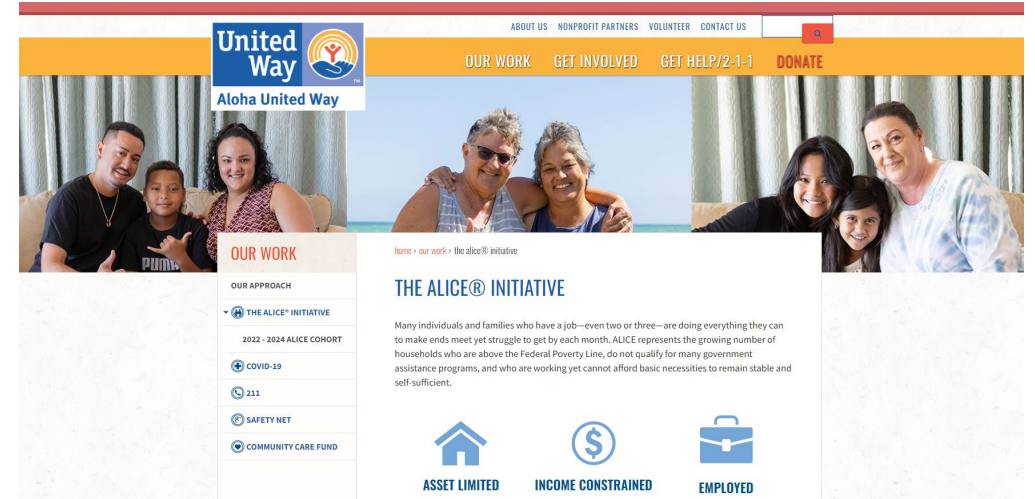
Key Findings
Set 2

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Hawaii Financial Health Pulse: 2019 Survey Results



Research from our Partners

Survey questions for the ALICE in Hawai'i: 2022 Facts and Figures report were guided by the [Hawaii Financial Health Pulse: 2019 Survey Results](#) – a 2019 study that assessed respondents' financial health and wellbeing.

Previous Reports

- [ALICE in Focus: Veterans](#) (2022)
- [ALICE in Focus: People with Disabilities](#) (2022)
- [ALICE in Focus: Children Research Brief](#) (2022)
- [The Pandemic Divide: An ALICE Analysis of National COVID Surveys](#) (2021)
- [ALICE in Hawaii: A Financial Hardship Study](#) (2020)
- [ALICE: A Study of Financial Hardship in Hawaii Full Report](#) (2017)

Key Findings

NEW MINIMUM WAGE CLOSER TO ALICE THRESHOLD

The vast majority of households below the ALICE Threshold (84%) have combined annual household income of less than \$75,000, the equivalent of two full-time wage earners making \$18/hr. each.



ALICE THRESHOLD

The diagram features a blue callout box pointing to a vertical line that separates a red box on the left from an orange box on the right. The red box is labeled 'BELOW ALICE THRESHOLD' and the orange box is labeled 'ABOVE ALICE THRESHOLD'. There are four blue dots along the vertical line, with the top one positioned at the level of the 'ALICE THRESHOLD' label.

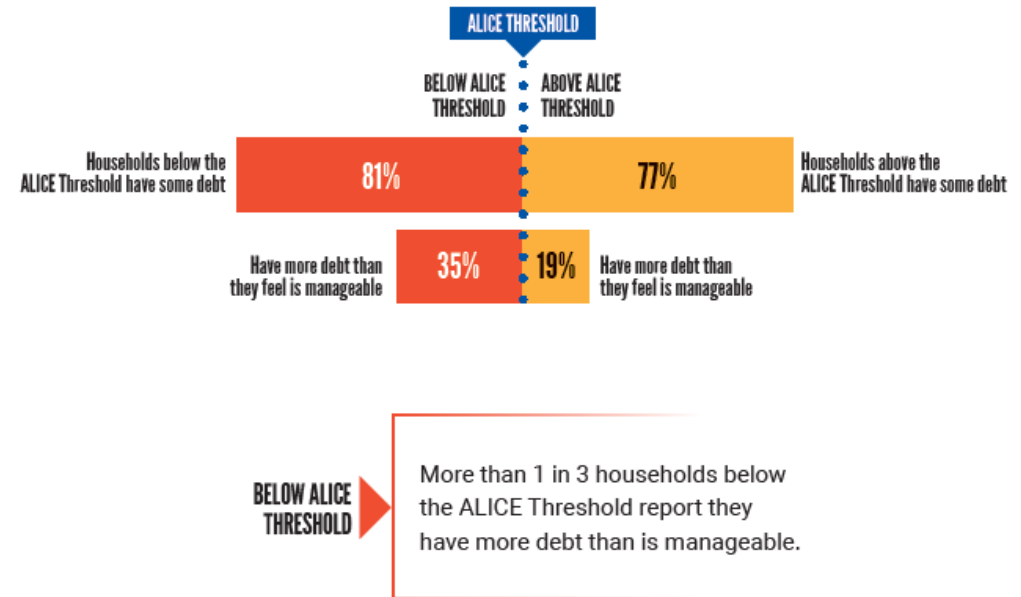
BELOW ALICE
THRESHOLD

ABOVE ALICE
THRESHOLD

Debt Load

RESIDENTS IN DEBT

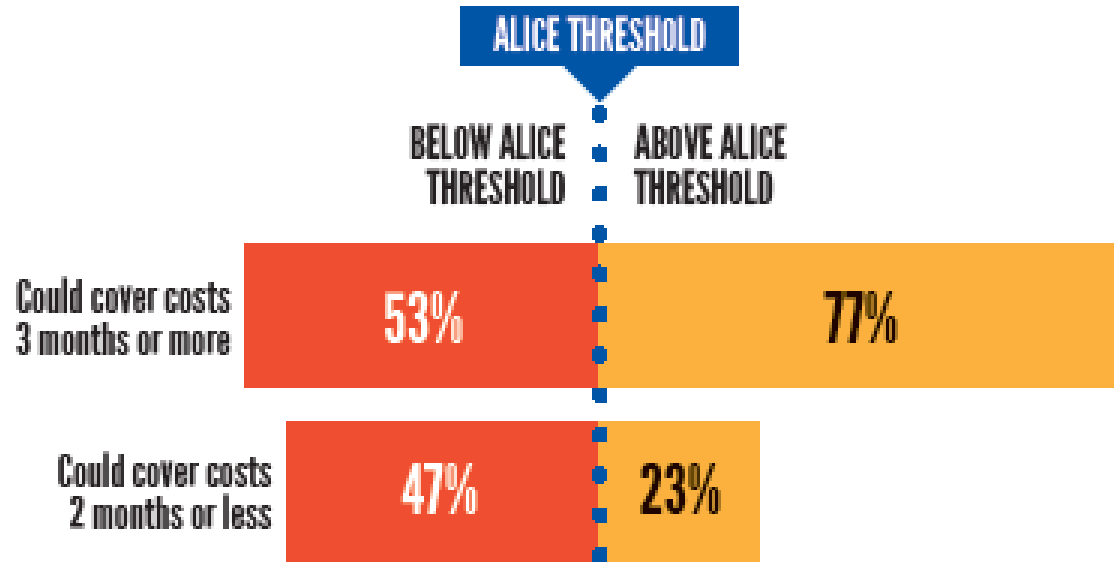
More than 3 in 4 Hawai'i households are carrying debt and 1 in 3 below the ALICE Threshold owe more than is manageable.



Covering Expenses in Crisis

BELOW ALICE THRESHOLD

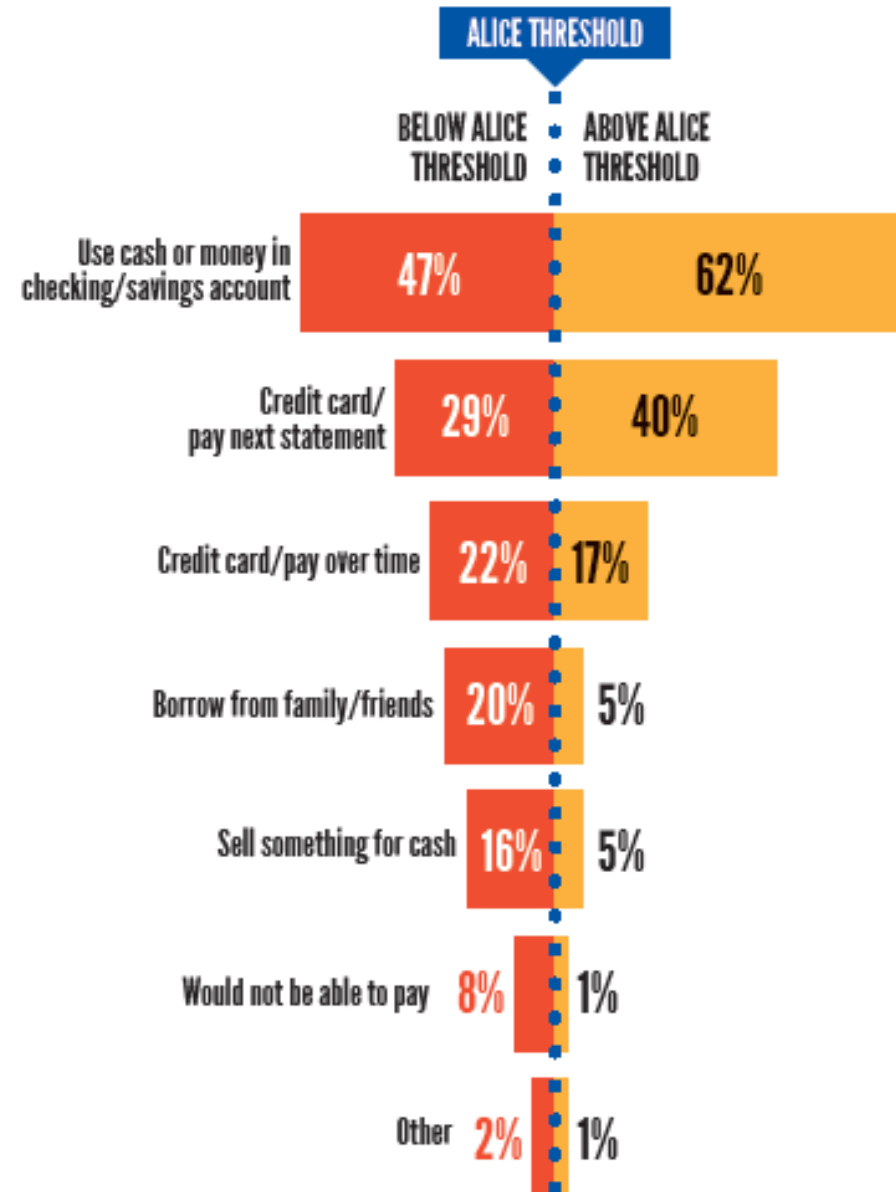
23% Nearly one in four would not have enough money to cover expenses for 4 weeks.



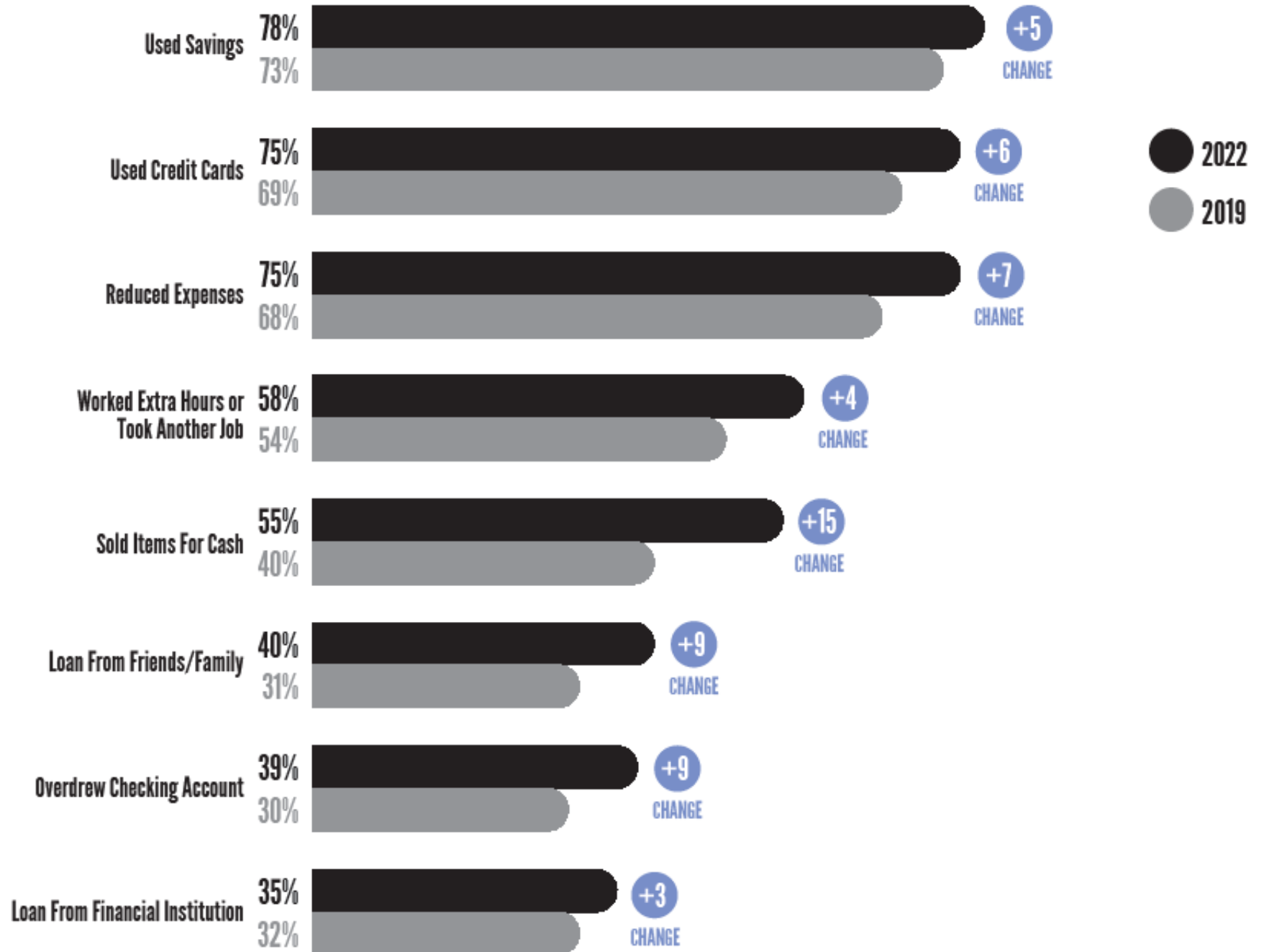
Covering Expenses in Crisis

BELOW ALICE THRESHOLD

8% Nearly one in ten would not be able to pay at all for such an expense.



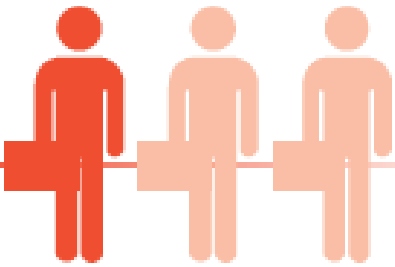
Coping with Debt: Financial Health Pulse Data



Importance of Credit Score



As a household struggles to make ends meet, one of the first negative impacts can be to a billpayer's credit score. Low credit scores directly limit access to loans and credit cards, and may mean households use other means to cover the essentials.



**BELOW ALICE
THRESHOLD** 

One in three of those below the ALICE Threshold don't know their credit score.



Statewide, the percentage of residents who rate their own credit score as "poor" has nearly doubled, from 5% in 2019 to 9% in 2022.

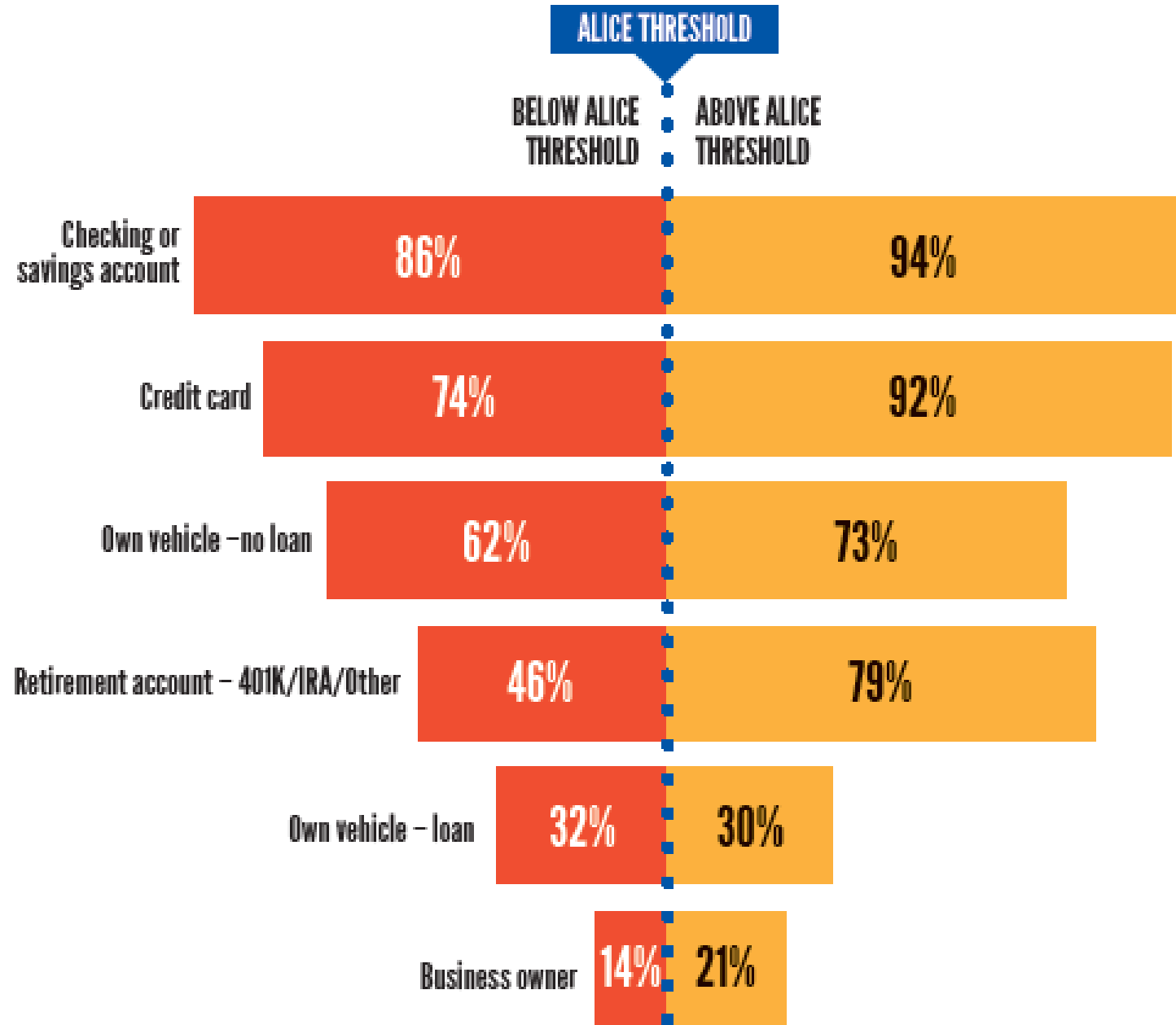


Those below the ALICE Threshold have much lower confidence in their credit score, with 36% rating it "fair" or "poor."

Financial Assets

BELOW ALICE THRESHOLD

More than one in three (35%) are not at all or only slightly confident they have enough insurance in case of an emergency, compared to 17% among Above ALICE.



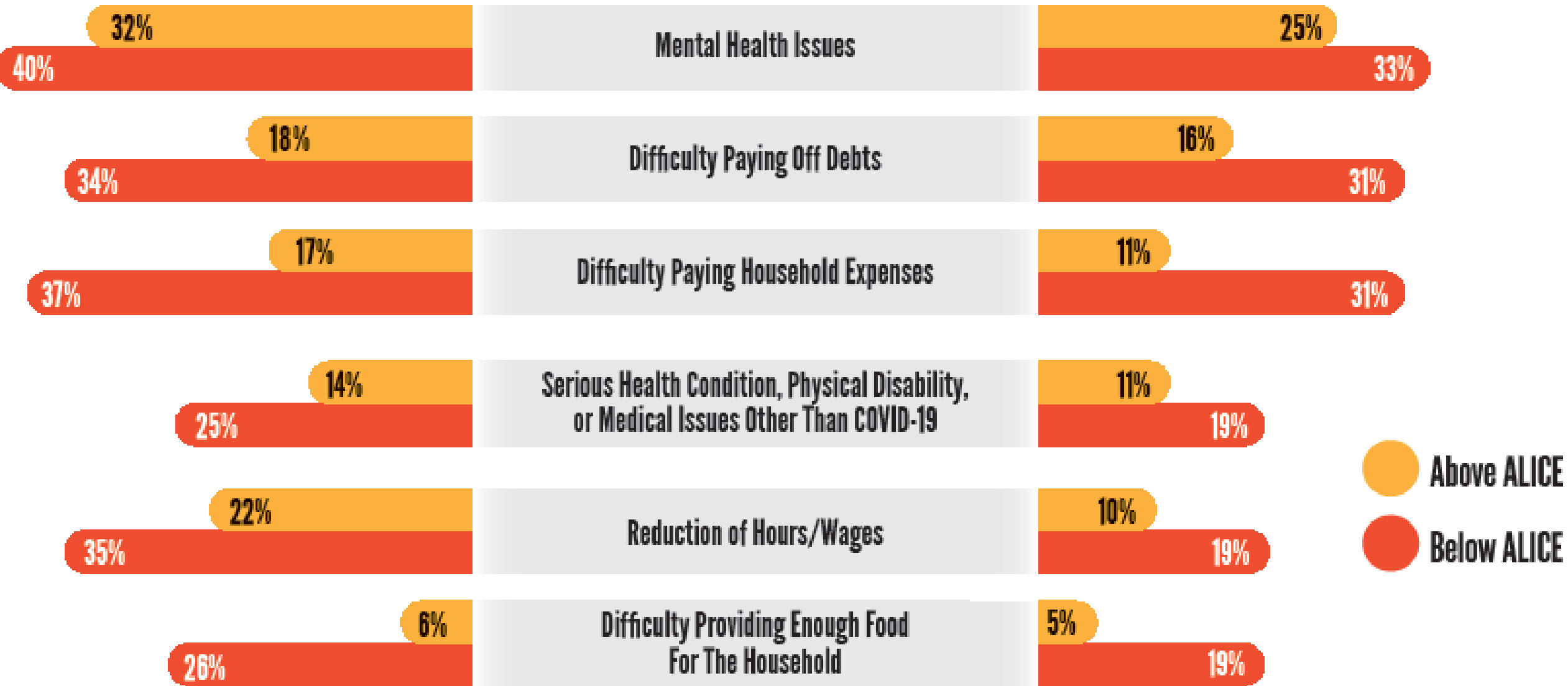
Key Findings
Set 3

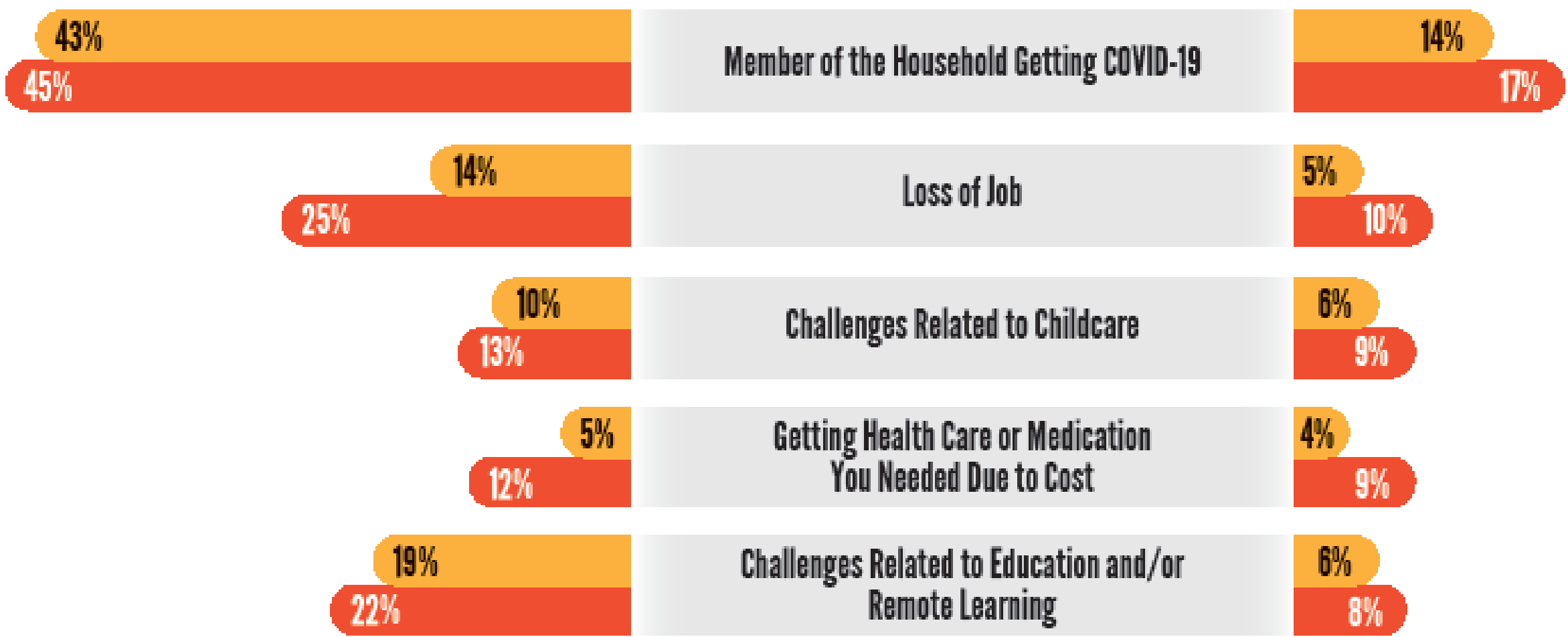
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EXPERIENCED DURING THE PANDEMIC

STILL A CHALLENGE AT THE TIME OF THE SURVEY





● Above ALICE
● Below ALICE

Top Issues Faced by County Residents



KAUA'I COUNTY

25%

Serious health condition, physical disability, or medical issue other than COVID-19

23%

Mental health issues (e.g., depression or anxiety)

17%

Difficulty paying off debts (e.g., car payments or credit card bills)



HONOLULU COUNTY

29%

Mental health issues (e.g., depression or anxiety)

22%

Difficulty paying off debts (e.g., car payments or credit card bills)

19%

Difficulty paying housing expenses (e.g., rent, mortgage, utilities)



MAUI COUNTY

24%

Difficulty paying off debts (e.g., car payments or credit card bills)

23%

Difficulty paying housing expenses (e.g., rent, mortgage, utilities)

21%

Mental health issues (e.g., depression or anxiety)



HAWAI'I COUNTY

31%

Mental health issues (e.g., depression or anxiety)

25%

Difficulty paying off debts (e.g., car payments or credit card bills)

24%

Difficulty paying housing expenses (e.g., rent, mortgage, utilities)

Huliau: We are at a turning point.

Financial Stability & Savings

- Safety Net supports to navigate short-term setbacks
- More widespread and equitable access to financial services and credit.
- Address unmanageable debt
- Asset building, savings, financial planning.

Policy

- Discourage predatory lending
- Increase homeownership, stabilize housing, and prioritize local residents
- Health & wellness access
- Childcare
- Savings & Asset-building
- Safety net supports to mitigate benefit cliffs

Partnerships

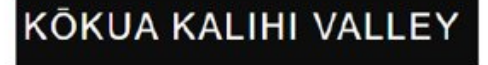
- Establish robust education-to-workforce pipeline
- Access to financial services and credit
- Financial planning and education
- Mental health and stress management

2022-2024 ALICE Cohort

Financial Stability & Savings



Safe & Affordable Housing + Financial Stability & Savings



CATHOLIC CHARITIES HAWAII

Safe & Affordable Housing



Mahalo nui loa for your support.



Visit auw.org/alice-initiative for the complete report and more information about the ALICE Initiative