

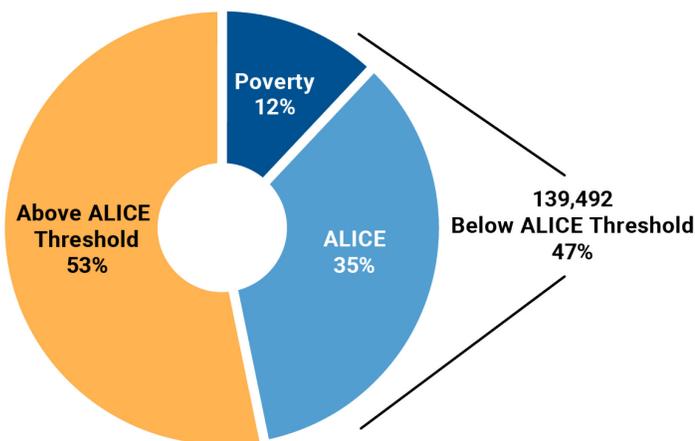
CHILDREN IN FINANCIAL HARDSHIP: HAWAI‘I

The number of children growing up in financial hardship in Hawai‘i has been systematically undercounted. For decades, policymakers and community stakeholders have relied on the outdated Federal Poverty Level (FPL) to understand the extent of financial hardship in their communities. According to the FPL, 12% of children in Hawai‘i (35,307) lived in poverty in 2019. Yet United For ALICE data shows that another 35% (104,185) – almost three times as many – were also growing up in hardship, in households that earned above the FPL but not enough to afford the basics in the communities where they lived.

The reality is that 139,492 children in Hawai‘i – 47% of all children – lived in a household with income below the [ALICE Threshold of Financial Survival](#) in 2019. These households included families in poverty as well as those who were ALICE: Asset Limited, Income Constrained, Employed. ALICE households don’t earn enough to afford the essentials of housing, child care, food, transportation, health care, a smartphone plan, and taxes – the basics needed to live and work in the modern economy. There are children below the ALICE Threshold in [communities across the state \(PUMAs\)](#), at rates ranging from 16% in eastern Honolulu/Kapahulu, to 55% in Hawai‘i, Kalawao, Kauai, and Maui counties, to more than 63% in rural O‘ahu.

Children by Household, Hawai‘i, 2019

Number of Children in Hawai‘i = 299,765



Note: This research uses the U.S. Census Bureau’s American Community Survey Public Use Microdata Samples (PUMS) and focuses on children, whose ALICE status is determined by their household’s income compared to local cost of living. The data does not include children who are unhoused or living in group quarters. In this brief, percentages are rounded to whole numbers for ease of reading, which may result in percentages totaling 99% or 101%. All numbers are presented in the [ALICE Children Data Dashboard](#).

Sources: ALICE Threshold, 2019; U.S. Census Bureau, American Community Survey, PUMS, 2019



KEY FINDINGS

- Nearly half (47%) of children in Hawai‘i lived in households experiencing financial hardship in 2019. While 12% were below the FPL, an additional 35% – almost three times as many – were ALICE.
- While there are children below the ALICE Threshold across all demographic groups, 75% of Native Hawaiian/Pacific Islander children and 54% of Hispanic children in Hawai‘i lived in households with income below the ALICE Threshold in 2019, compared to 39% of Asian children.
- Having working parents or guardians does not guarantee financial stability: 28% of Hawai‘i children in households with two adults in the labor force were still below the ALICE Threshold in 2019.
- Children below the ALICE Threshold often lack access to resources ranging from stable housing and public assistance to education and broadband services. Almost 95,000 children below the ALICE Threshold in Hawai‘i did not participate in SNAP and more than 28,000 had no high-speed internet access at home in 2019.

WHO ARE ALICE CHILDREN?

Children below the ALICE Threshold are those under age 18 living in households with income below the basic cost of living for their communities. In 2019, 19% of children below the ALICE Threshold in Hawai'i were infants (0–2 years), 13% were preschool-age (3–4 years), and 68% were school-age (5–17 years). Children in Hawai'i's struggling households are from all demographic groups; they include children born in the U.S. and abroad, of all abilities and races/ethnicities, living with parents or guardians who are married or single, working or not working. Children in households below the ALICE Threshold live in rural, urban, and suburban areas across the state.

Race/Ethnicity and Nativity

The children of Hawai'i reflect the racial and ethnic diversity the islands are known for. By total number, the largest group in the state in 2019 – with the largest number of children below the ALICE Threshold – was people of two or more races (83,816 children total and 32,025 below the Threshold). Among those who were one race alone, the largest group was Asian (75,211 children total and 29,329 below the Threshold). Yet when looking at the percentage of children unable to make ends meet by race/ethnicity, two other groups stand out: 75% of Native Hawaiian/Pacific Islander children and 54% of Hispanic children were below the Threshold in 2019, compared to 43% of White children, 39% of Asian children, and 38% of children of two or more races.

Nativity and English-speaking ability also have an impact. Of the 15,034 children in Hawai'i who were born outside the country (5% of children in the state), 62% were below the ALICE Threshold in 2019, compared to 46% for those born in the U.S. Rates were slightly higher for Hawai'i children living in a family with limited English-speaking ability, with 69% below the Threshold, yet that rate was still far below the national rate of 84%.

Disability Status

In 2019, there were nearly 8,500 children with a disability in Hawai'i – 3% of all children in the state. However, this is likely a significant underestimate as the number of [children being served under the Individuals with Disabilities Education Act](#) in the state is substantially higher. Hawai'i children with a disability were more likely to live in households below the ALICE Threshold (62%) than those without a disability (46%). The most common disability, impacting just over 6,000 children age 5 and older, was a cognitive difficulty due to a physical, mental, or emotional issue – having trouble remembering, concentrating, or making decisions.

Having a household member with a disability affects everyone in the family. In 2019 there were nearly 66,000 children in Hawai'i living in a household where someone had a disability, and 53% were below the ALICE Threshold.

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. While the FPL for a family of four in 2019 was \$29,620, the average bare-minimum cost of living for a family in Hawai'i according to the ALICE Household Survival Budget was nearly \$91,000.
- **ALICE Threshold:** Derived from the Household Survival Budget, the average income that a household needs to afford housing, child care, food, transportation, health care, and a smartphone plan, plus taxes. Calculated for various household types for every U.S. state and county.
- **Below ALICE Threshold:** Includes children in both poverty-level and ALICE households combined.

ALICE Children Data Dashboard

Visit the ALICE Children Data Dashboard, to explore data on children living in hardship by:

- State, regional, and local geographies
- Demographic categories including children's age, race/ethnicity, disability, and nativity
- Household characteristics like work status and living arrangements
- Children's access to key resources

Visit UnitedForALICE.org/Focus-Children

Living Arrangements

ALICE children live in all kinds of households – with married or unmarried parents, single parents, grandparents, or guardians. Children are more likely to be below the ALICE Threshold when their families have fewer adults and/or adults with lower earning potential due to systemic [racism](#) and [gender](#) and [age discrimination](#).

Most children in Hawai'i (93%) lived with at least one of their parents (biological or adoptive) in 2019: 64% lived in a household with both parents and 29% in a household with one parent. The largest number of children below the ALICE Threshold were in married-couple households (86,187), although this group had a relatively small share of children below the Threshold (at 40%). The next largest group of children below the Threshold were those in single-female-headed households, and these households had a much higher share of children below the Threshold at 67%. Other arrangements had lower but still substantial percentages of children in struggling households: 49% of children in single-male-headed households and 55% of children in unmarried-couple households were below the Threshold.

In 2019, 27% of Hawai'i's children (80,518) lived in a home with a grandparent (more than double the national average of 13%). Children living with grandparents had lower rates of poverty than children in all households (8% vs. 12%), but they were more likely to be ALICE (40% vs. 35%) – the same trend as for seniors overall.

In addition, there were just over 21,000 children in Hawai'i living in households without their parents in 2019. Ten percent of these children in Hawai'i (2,125) were in [foster care](#) (compared to 7% nationwide). But many more children who lived without their parents were in [arrangements outside of the formal system](#), including households headed by a grandparent or other relatives (15,199), or by nonrelatives (3,750). More than half (57%) of children living without their parents in Hawai'i were below the ALICE Threshold, just under the national rate (62%). The largest number of children below the Threshold living without their parents were Asian (7,904). But a higher percentage of Native Hawaiian/Pacific Islander children living without their parents were below the Threshold (80%) compared to those who were White or Asian (47% and 48%, respectively).

Household Work Status

The largest driver of a child's financial stability is the employment status of household members. But having working parents or guardians does not guarantee financial stability. In 2019, most children in Hawai'i lived in a household with at least one worker (96%). Children living in households with a single parent or guardian were more likely to be struggling: With one adult working, 68% were below the ALICE Threshold.

Children living in households with two adults were more likely to be financially stable when both adults worked. If one out of two adults were working, 66% of children were below the ALICE Threshold. But even with two adults working, 28% of children were below the Threshold.

66%

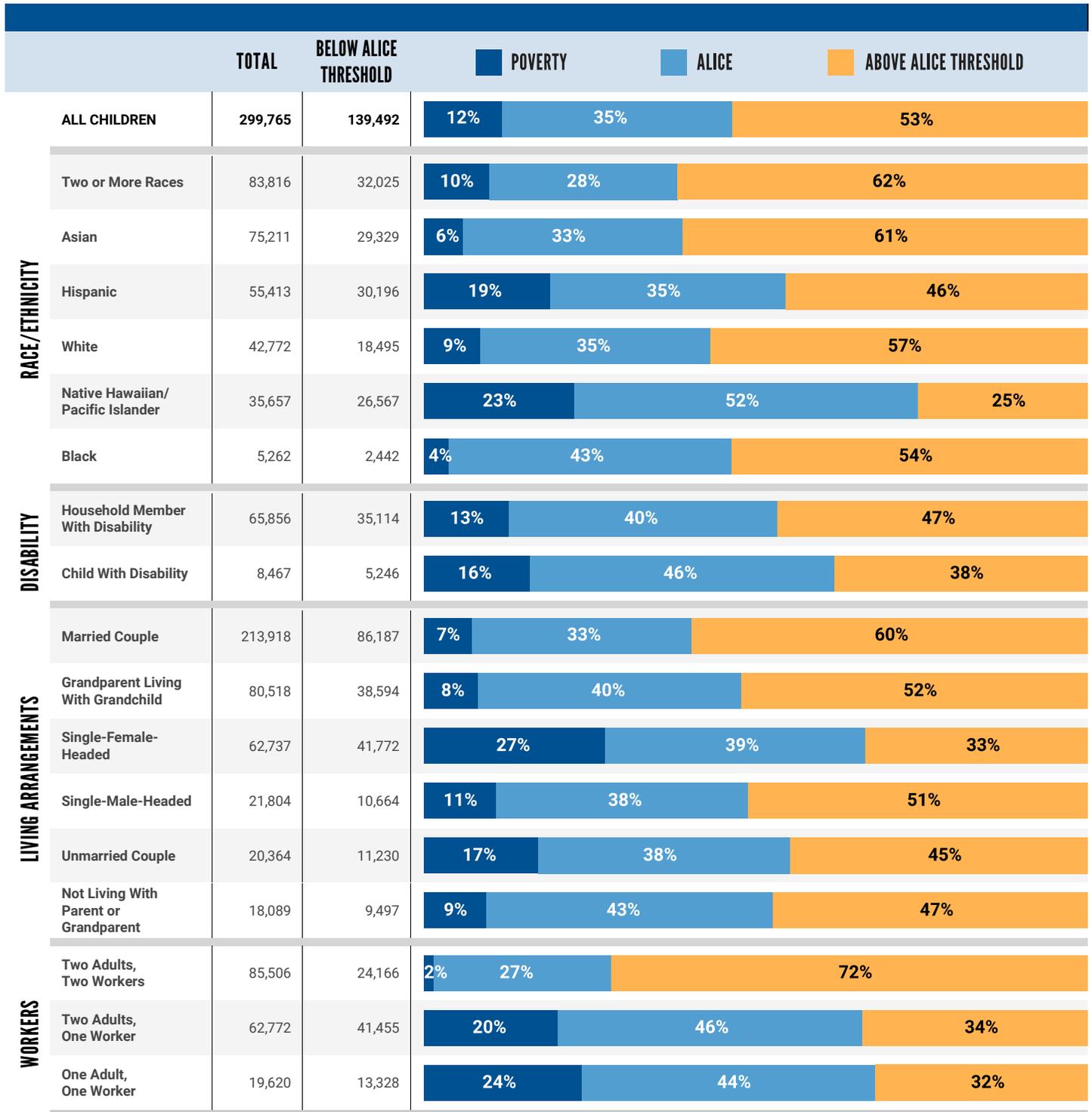
of children with an adult working as a cashier – one of the most common occupations in Hawai'i – were below the ALICE Threshold

While parents and guardians work in every industry and sector, children below the ALICE Threshold are concentrated in families where adults work in occupations with low median hourly wages. And in Hawai'i, there were high rates of children experiencing financial hardship with an adult working in some of the most common occupations in the state. Two-thirds of children with an adult working as a cashier (median wage of \$12.46 per hour) were below the ALICE Threshold. Rates were also high for the next most common occupations – retail salespersons (\$13.67 per hour) and maids and househousekeeping cleaners (\$19.11 per hour) – at 49% and 42%, respectively.

Yet even among children with an adult working in a higher-wage job, such as a carpenter (median wage of \$36.53 per hour), more than half (52%) were below the ALICE Threshold, as household expenses vary by household size, composition, and location.

In addition, 17% of 16- and 17-year-olds in Hawai'i (5,231) were in the labor force in 2019. Of teens living in households with income below the ALICE Threshold, 9% were in the labor force, compared to 22% living in households above the Threshold. While this may seem counterintuitive, it is in line with [research](#) showing youth in low-income households have fewer opportunities and resources needed to work than other teens.

Children by Household Financial Status and Key Demographics, Hawai'i, 2019



Note: Percentages are rounded to whole numbers for ease of reading, which may result in percentages totaling 99% or 101%. The groups shown in this figure overlap across categories (Race/Ethnicity, Disability Status, Living Arrangements, and Workers). All racial categories except Two or More Races are for one race alone. The Hispanic group may include children of any race. "Grandparent Living With Grandchild" includes any arrangement where grandparents live with their grandchild, including where parents or other adults are present. For the Workers category, the number of workers is defined as "workers in the family over the last 12 months" from when the survey was conducted. View more on the [ALICE Children Data Dashboard](#).

Sources: ALICE Threshold, 2019; U.S. Census Bureau, American Community Survey, PUMS, 2019

WHAT RESOURCES DO ALICE CHILDREN LACK?

Many ALICE families earn too much to be eligible for public assistance but still struggle to meet basic needs for their children. ALICE households are much more likely to lack stable housing, quality child care/early education, private health insurance, and home internet access, yet they still don't qualify for many public assistance programs. When these necessities are at risk, there are both [short- and long-term consequences](#) for children below the ALICE Threshold.

Stable Housing

Housing instability has a profound impact on a family and child's overall well-being. Children in families without stable housing face greater risks for [poor physical health](#), [increased family stress](#), [social isolation](#), and [lower academic performance](#). Children living in rented housing units and cost-burdened households are more likely to go through the stress of moving – and ALICE children and children in poverty are more likely to live in both of these types of housing.

Among children below the ALICE Threshold in Hawai'i in 2019, 64% were in families who rented and 36% were in families who owned their home (vs. 28% and 72%, respectively, for households above the Threshold). There were also gaps in homeownership by race and ethnicity both above and below the ALICE Threshold. Below the Threshold, families of Native Hawaiian/Pacific Islander children had the lowest homeownership rate (17%), while families of Asian children had the highest rate (54%). Above the Threshold, the homeownership rate for families of Native Hawaiian/Pacific Islander children was higher (44%), but still substantially lower than for families of Asian children (85%).

64%

of children in renter households below the ALICE Threshold in Hawai'i were rent burdened

Because housing is one of the most expensive items in the Household Survival Budget, it is not surprising that 64% of children in renter households below the ALICE Threshold in Hawai'i paid more than 35% of household income on rent (compared to 14% of children in renter households above the Threshold).

The highest rates of children below the Threshold living in rent burdened households – at more than 75% – were in Moanalua–Pearl City and Ko'olaupoko.

For all children – regardless of whether their family rented or owned – the longer they lived at their place of residence, the more likely they were to have higher income. Both above and below the ALICE Threshold, children in renter households were more likely to have moved in the past year compared to those in owner households (26% vs. 9%).

Education

Quality early-childhood programs have proven to be critical to [healthy child development](#), and to acquiring foundational skills required for a [successful transition to school](#) and [future academic achievement](#). Of all preschool-age children in Hawai'i, 53% were enrolled in preschool in 2019, higher than the national average (49%). Preschool enrollment rates also differed by household financial status: 42% of preschool-age children below the ALICE Threshold in Hawai'i were enrolled in preschool in 2019, compared to 64% of their peers above the Threshold. A smaller difference was seen in kindergarten enrollment (86% of kindergarten-age children below the Threshold vs. 93% above).

[Being a high school graduate prepares teens for future academic and career success](#). Yet in 2019, almost 1,500 Hawai'i children aged 15–17 were not in school. A substantial percentage of these teens (88%) lived in households with income below the ALICE Threshold.



Health Insurance

Access to health insurance is critical to both [wellness](#) and [financial stability](#) for families below the ALICE Threshold and [especially children](#). While most children in Hawai'i had health insurance in 2019 (97%, higher than the national rate of 95%), 4% of children in families with income below the ALICE Threshold did not have coverage. Children in families with income below the Threshold were divided between having public and private insurance (43% and 53%, respectively), while those above the Threshold were overwhelmingly likely to have private insurance (85%).

Children: Hawai'i	Below ALICE Threshold	Above ALICE Threshold
No Insurance	4% (5,079)	2% (3,251)
Public Insurance	43% (60,562)	13% (21,183)
Private Insurance	53% (73,851)	85% (135,839)

Home Internet

The availability of internet access and devices for education has become increasingly essential for young people, yet the [digital divide](#) by income and race/ethnicity persists. In Hawai'i, 97% of children overall had home internet access in 2019, higher than the national rate (95%). However, children below the ALICE Threshold were slightly less likely to have home internet access than those above the Threshold (95% vs. 98%) and considerably less likely to have high-speed internet (80% vs. 90%), which is often essential for work and online learning.

More than
28,000

children below the ALICE Threshold in Hawai'i did not have access to high-speed internet at home

Access varied by location. The percentage of children below the ALICE Threshold without high-speed internet access was highest in central O'ahu and on the Big Island, Maui, Kalawao, and Kauai (at more than 25%).

Public Assistance

For a [variety of reasons](#), public assistance does not reach all children in households that are struggling. While most children in poverty are eligible, ALICE children live in households that often earn too much to qualify for assistance. For example, the income eligibility threshold in Hawai'i for one of the most far-reaching public assistance programs, the [Supplemental Nutrition Assistance Program](#) (SNAP, formerly food stamps), is 200% of the FPL. Even though all children in poverty should be covered by SNAP, in Hawai'i the program was utilized by 60% of children in poverty (21,273) and a mere 23% of children in ALICE households (23,711) in 2019. This left a gap of nearly 95,000 children whose families were struggling to make ends meet but not participating in SNAP.

Nearly
95,000

children below the ALICE Threshold in Hawai'i were struggling but did not participate in SNAP

SNAP coverage of children below the ALICE Threshold varied greatly among states, from 19% in Utah to 53% in West Virginia. At 32%, Hawai'i was in the bottom half of states.



HOW HAVE ALICE CHILDREN FARED DURING THE PANDEMIC?

How a child starts in life impacts their long-term health, wellness, education and career. Family financial stability is one of the strongest [predictors of current and future well-being](#). Financial instability not only contributes to current experiences of [stress, trauma and hardship](#), but it impedes a child's opportunity for [future success](#), including higher education, a higher income, and long-term asset building.

Even before the COVID-19 pandemic, children below the ALICE Threshold experienced the ripple effect of challenges related to their parents' work status, lack of income/savings, and family responsibilities. As shown in our recent report, [The Pandemic Divide](#), households below the Threshold suffered disproportionately during the pandemic, with vulnerabilities caused by longstanding racial inequities ensuring that Black and Hispanic households experienced the greatest hardship across much of the U.S.

Expanding on *The Pandemic Divide*, our analysis of the U.S. Census Bureau's most recent [Household Pulse Surveys](#) (July–October 2021) reveals that **children and households below the ALICE Threshold bear the brunt of the pandemic's physical and emotional toll:**

- **Financial uncertainties:** Because households below the ALICE Threshold with children continue to suffer from loss of employment income and are unable to save, they remain far less confident in their ability to make their next rent or mortgage payment on time. In Hawai'i, just under one third (30%) of families below the Threshold with children were slightly confident, not at all confident, or had deferred their payment compared to 10% of those above the Threshold.
- **Food insufficiency:** Throughout the pandemic, families below the ALICE Threshold with children consistently struggled to afford food. As recently as the fall of 2021, 35% of Hawai'i families below the Threshold with children reported that sometimes or often "children were not eating enough because we just couldn't afford enough food." While this was less common in higher-income households, a substantial 25% of respondents above the Threshold also struggled to afford food for their children. Public assistance filled in only part of the gap. In the fall of 2021, just over half (52%) of students below the Threshold in Hawai'i picked up or ate a free meal at school, received an EBT card to help buy groceries, or had free meals delivered, which means that almost half (48%) did not.

- **Interrupted learning:** The pandemic has disrupted student learning for two years, and children in households below the ALICE Threshold have been disproportionately affected. The most immediate way to compensate for disrupted K–12 schooling is to attend summer academic programs. In the summer of 2021, Hawai'i children below the ALICE Threshold were more likely to have attended such programs (23% vs. 16% above the Threshold), reinforcing the research that shows [children from low-income households are more likely to have experienced a loss of learning](#).
- **Delayed or missed health care:** Children below the ALICE Threshold were less likely to have had preventive health care; in the fall of 2021, 47% of Hawai'i households below the Threshold with children had to miss, delay, or skip their child's preventive check-up in the last 12 months, compared to 35% of those above the Threshold. Forgoing or postponing care caused some children to go without routine vaccinations, screenings, and ongoing care for chronic health conditions.
- **The Child Tax Credit:** Forty-two percent of Hawai'i households below the ALICE Threshold with children were still not receiving the advance Child Tax Credit in the fall of 2021, [for numerous reasons](#) such as a parent not having filed a recent tax return or a child not having a Social Security number. The immediate need for the additional income is evident from the ways Hawai'i families who did receive the advance Child Tax Credit used it: Those below the ALICE Threshold were more likely to use it to pay off debt than those above the Threshold (41% vs. 30%), and were less likely to save it (29% vs. 36%).

42%

of Hawai'i households below the ALICE Threshold with children still had not received the advance Child Tax Credit in the fall of 2021

ALICE IN FOCUS: CHILDREN – KEY INDICATORS BY STATE, 2019

State	Total	Household Income Status			Rent Burden	Preschool	Internet	SNAP
	Number of Children	% Poverty	% ALICE	% Below ALICE Threshold	% Below ALICE Threshold Paying 35% or More on Rent	% Preschool-Age Enrolled in School	% Below ALICE Threshold with High-Speed Internet Access	% Below ALICE Threshold Participating in SNAP
United States	72,723,350	16%	33%	49%	53%	49%	69%	36%
Alabama	1,084,431	21%	32%	53%	41%	45%	56%	40%
Alaska	177,930	12%	33%	45%	50%	47%	59%	32%
Arizona	1,635,592	18%	33%	51%	46%	42%	64%	36%
Arkansas	696,534	23%	32%	55%	39%	48%	57%	31%
California	8,857,941	15%	41%	56%	59%	51%	73%	29%
Colorado	1,250,988	10%	40%	50%	51%	52%	78%	22%
Connecticut	725,789	13%	29%	42%	65%	67%	77%	37%
Delaware	203,357	15%	33%	48%	56%	54%	72%	34%
D.C.	127,468	20%	34%	54%	54%	84%	75%	49%
Florida	4,219,941	17%	39%	56%	61%	53%	71%	38%
Georgia	2,498,618	19%	38%	57%	50%	51%	69%	35%
Hawai'i	299,765	12%	35%	47%	64%	53%	80%	32%
Idaho	448,452	12%	33%	45%	47%	33%	68%	28%
Illinois	2,809,314	15%	26%	41%	56%	56%	69%	42%
Indiana	1,566,776	16%	28%	44%	48%	41%	63%	31%
Iowa	719,042	14%	25%	39%	45%	47%	62%	39%
Kansas	698,097	15%	30%	45%	48%	50%	71%	26%
Kentucky	996,896	21%	28%	49%	44%	36%	66%	38%
Louisiana	1,084,053	26%	31%	57%	53%	51%	60%	45%
Maine	245,182	12%	36%	48%	37%	51%	76%	40%
Maryland	1,328,582	12%	35%	47%	57%	50%	76%	32%
Massachusetts	1,345,145	11%	34%	45%	55%	59%	78%	35%
Michigan	2,134,523	17%	27%	44%	52%	47%	68%	41%
Minnesota	1,299,381	10%	26%	36%	52%	48%	74%	29%
Mississippi	696,324	27%	27%	54%	45%	60%	51%	42%
Missouri	1,363,714	16%	32%	48%	43%	46%	64%	36%
Montana	225,787	17%	27%	44%	45%	38%	67%	37%
Nebraska	472,477	11%	29%	40%	37%	47%	77%	31%
Nevada	689,628	18%	34%	52%	59%	37%	72%	30%
New Hampshire	256,279	7%	32%	39%	45%	58%	82%	27%
New Jersey	1,926,659	12%	29%	41%	59%	70%	75%	31%
New Mexico	472,259	24%	32%	56%	47%	48%	56%	48%
New York	3,995,206	17%	35%	52%	58%	60%	69%	36%
North Carolina	2,288,488	19%	32%	51%	47%	46%	67%	39%
North Dakota	176,687	9%	24%	33%	27%	32%	62%	30%
Ohio	2,566,933	18%	28%	46%	46%	47%	71%	42%
Oklahoma	948,484	20%	30%	50%	47%	45%	57%	39%
Oregon	859,939	13%	35%	48%	49%	43%	74%	38%
Pennsylvania	2,615,510	17%	27%	44%	54%	43%	73%	47%
Rhode Island	202,058	12%	31%	43%	52%	49%	77%	44%
South Carolina	1,107,123	19%	36%	55%	45%	43%	62%	37%
South Dakota	213,617	13%	29%	42%	33%	42%	74%	38%
Tennessee	1,507,924	20%	35%	55%	46%	41%	67%	36%
Texas	7,380,301	19%	34%	53%	52%	44%	63%	37%
Utah	926,458	10%	31%	41%	53%	45%	76%	19%
Vermont	112,768	9%	33%	42%	45%	69%	78%	39%
Virginia	1,852,456	12%	35%	47%	54%	50%	72%	29%
Washington	1,660,090	11%	32%	43%	51%	50%	78%	34%
West Virginia	357,343	19%	29%	48%	38%	32%	71%	53%
Wisconsin	1,260,851	12%	26%	38%	48%	45%	72%	37%
Wyoming	134,190	10%	25%	35%	40%	32%	68%	20%

NEXT STEPS

There's a lot more to be done to change the trajectory for ALICE children. Visit UnitedForALICE.org to learn more, then share this data with stakeholders in your community.

Learn more with:

- The [ALICE Children Data Dashboard](#), to dig deeper into related topics, demographics, and sub-state geographies
- [Resources related to children and financial hardship](#), including the references linked in this Research Brief, as well as additional resources that offer important context and even deeper analysis
- [The Pandemic Divide: An ALICE Analysis of National COVID Surveys](#) (2021) and other resources on the ALICE and COVID-19 webpage, to see the impacts of the pandemic on ALICE
- [On Uneven Ground: ALICE and Financial Hardship in the U.S.](#) (2020), to learn about the trends that contributed to a growing number of ALICE households even before the pandemic
- The [ALICE Wage Tool](#), to explore wage levels by geography and occupation

Connect with stakeholders:

- [Contact your local United Way](#) for support and volunteer opportunities
- [See members of the committees that support this work](#), including the ALICE in Focus National Research Advisory Committee for Children, and the ALICE in Focus National Leadership Committee for Children
- Find your state and federal representatives and see ALICE household data by legislative district with our [ALICE Legislative District Tool](#)
- Advocate for more accurate data collection by the [U.S. Census Bureau](#) for children who have been [historically undercounted](#), including (but not limited to) young children, children of color, children with disabilities, and children in low-income households

United For ALICE is a driver of innovative research and action around financial hardship. The data and analysis are shared with United Ways, corporations, foundations, government, and nonprofits, to inform policy and promote positive change.

United For ALICE partners with [Aloha United Way](#) to bring the ALICE research to Hawai'i, and this work is sponsored by:



Aloha United Way



HAWAI'I COMMUNITY
FOUNDATION



KAMEHAMEHA SCHOOLS®

The **ALICE in Focus Series** utilizes ALICE measures – the Household Survival Budget and the ALICE Threshold – to analyze the U.S. Census Bureau's American Community Survey (ACS) Public Use Microdata Samples (PUMS). Each "Focus" in the series highlights a different demographic group. For more details about the methodology for the ALICE in Focus Series, go to UnitedForALICE.org/Methodology.