Bank of Hawai'i Foundation

Aloha UNITED WAY

UNITED FOR ALICE®

ALICE in Hawai'i:
2026 Facts and Figures

November 2026



Aloha United Way, with generous financial support from the Bank of Hawai'i Foundation and in partnership with United For ALICE, presents the third in a series of comprehensive reports offering a current financial snapshot of Hawai'i's households. This research responds to the ongoing need for timely data that reflects Hawai'i's evolving economic landscape, shaped by the lasting effects of the COVID-19 pandemic and devastating natural disasters, persistent cost-of-living pressures and growing economic uncertainty.

This study of **ALICE** – **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – households provides a unique perspective on financial hardship in Hawai'i, measuring both its prevalence and its day-to-day impacts on island residents. Building on prior research, the study compares household income with the cost of basic necessities to identify households living below the ALICE Threshold, including those who are ALICE and those living below the Federal Poverty Level (FPL).

As the third installment in the *ALICE in Hawai'i: Facts and Figures* series, this report tracks changes since 2022 and 2024, providing important insights into how the financial circumstances and challenges facing Hawai'i households have evolved. It also builds on the 2019 Hawai'i Financial Health Pulse survey, developed by the Financial Health Network and sponsored by the Bank of Hawai'i Foundation and Hawai'i Community Foundation, to track select measures of financial health over time. Together, these studies provide a deeper understanding of the pressures facing residents and the disparities that persist across our communities.

These findings come at a critical moment for Hawai'i. Our communities are facing increasingly severe storms and disasters, alongside federal job losses, reductions in social services and disruptions to funding. For households already struggling to make ends meet, these pressures can quickly turn instability into crisis.

This report must serve as a call to action. We invite policymakers, businesses, nonprofits, philanthropy and community leaders to use these findings to remove barriers to economic stability, strengthen household resilience and make it possible for working families to stay and build a future in Hawai'i.

Sponsor

The Bank of Hawai'i Foundation's commitment to understanding and addressing the financial challenges facing Hawai'i households made this study possible. Through its investment in timely, locally relevant research, the Foundation continues to help deepen our understanding of the economic realities facing families across the state. Bank of Hawai'i is also a valued supporter of Hawai'i's ALICE population through its support of the ALICE Initiative, led by Aloha United Way in partnership with the Hawai'i Community Foundation.

Partners

Aloha United Way and Hawai'i Community Foundation have forged an unprecedented partnership to expand the ALICE Initiative. This strategic alliance reflects both the scale of the challenge facing our community and the conviction that meeting it requires collaboration across sectors and a new way of working together. Together, the two organizations invest more than $1.3 million annually and lead a cohort of 21 nonprofits dedicated to advancing financial stability and economic mobility for households living below the ALICE Threshold.

This report builds on the work of United for ALICE, which is committed to improving the lives of those facing financial struggles in Hawai'i. Aloha United Way is deeply grateful for their support.

Methodology

Anthology conducted a telephone and online survey of full-time Hawai'i residents between May 29, 2026, and August 4, 2026. A total of 1,810 completed surveys were collected during this period. The margin of error for a sample of this size is +/- 2.30 percentage points with a 95 percent confidence level.

ANTHOLOGY FINN PARTNERS

The research methodology for this study is different from the methodology used for United for ALICE Reports, which use U.S. Census Bureau data.

Data Weighting

Based on the disproportionate sampling design and to adjust for varying response rates, overall totals were weighted by gender, age and county using 2024 American Community Survey data from the U.S. Census Bureau, the most recent available. This is consistent with the weighting approach used in previous iterations of this ALICE study.

Key Terms

Household Survival Budget: The bare-minimum costs of basic necessities (housing, childcare, food, transportation, healthcare and a smartphone plan, plus taxes). While costs vary by household composition and location, the current average Household Survival Budget in Hawai'i for a single adult is $45,804 and the costs for a family of four (two adults, one infant, one preschooler) is more than $112,000.

Poverty: Households with income below the Federal Poverty Level (FPL), which in Hawai'i in 2024 – the benchmark used for the ALICE calculations in this report – equates to $17,310 for a single-person household and $35,880 for a four-person household.

ALICE: Asset **L**imited, **I**ncome **C**onstrained, **E**mployed - Households earning above the FPL but below the Household Survival Budget.

ALICE Threshold: The average 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.



EXECUTIVE SUMMARY

The economic environment facing Hawai'i households has changed considerably since 2024. The latest study finds a significant increase in the share of households living below the ALICE Threshold, with financial challenges becoming more widespread across the state. More than half (52%) of Hawai'i households now fall below the threshold, up from 40% in 2024. This represents a substantial reversal from the relative stability observed in previous studies.

Over the past two years, changes in federal spending and employment, shifting conditions in the tourism industry, and the continued recovery from the devastating Maui wildfires have contributed to a challenging economic environment. Rising prices and modest income growth add further pressure to household budgets.

More residents are struggling to make ends meet, food insecurity has increased and fewer households have emergency savings to weather an unexpected expense. At the same time, fewer residents report planning ahead financially, while a growing share of households have considered leaving Hawai'i altogether.

Importantly, financial hardship is not experienced equally across Hawai'i. Households with children, young adults, Native Hawaiians, renters and those with lower levels of educational attainment face disproportionate challenges.

Now in its third installment, ALICE in Hawai'i: Facts and Figures provides an opportunity to look beyond traditional economic indicators to understand the lived experiences of Hawai'i households. By identifying where financial pressures are greatest and how those challenges are changing, this research provides a foundation for informed decisions, targeted support and collaborative efforts to strengthen financial stability across our communities.

Key Findings

FINANCIAL HARDSHIP IS MORE WIDESPREAD

52% of all Hawai'i households now live below the ALICE Threshold, a statistically significant increase from 40% in 2024.

MORE HOUSEHOLDS STRUGGLING TO GET BY

55% of all Hawai'i households describe themselves as just getting by or finding it difficult to get by, up from 48% in 2024. This increases to 74% among households below the ALICE Threshold.

FOOD INSECURITY IS INCREASING

37% of all Hawai'i households face food insecurity, up significantly from 28% in 2024. The proportion rises to 55% among households below the ALICE Threshold.

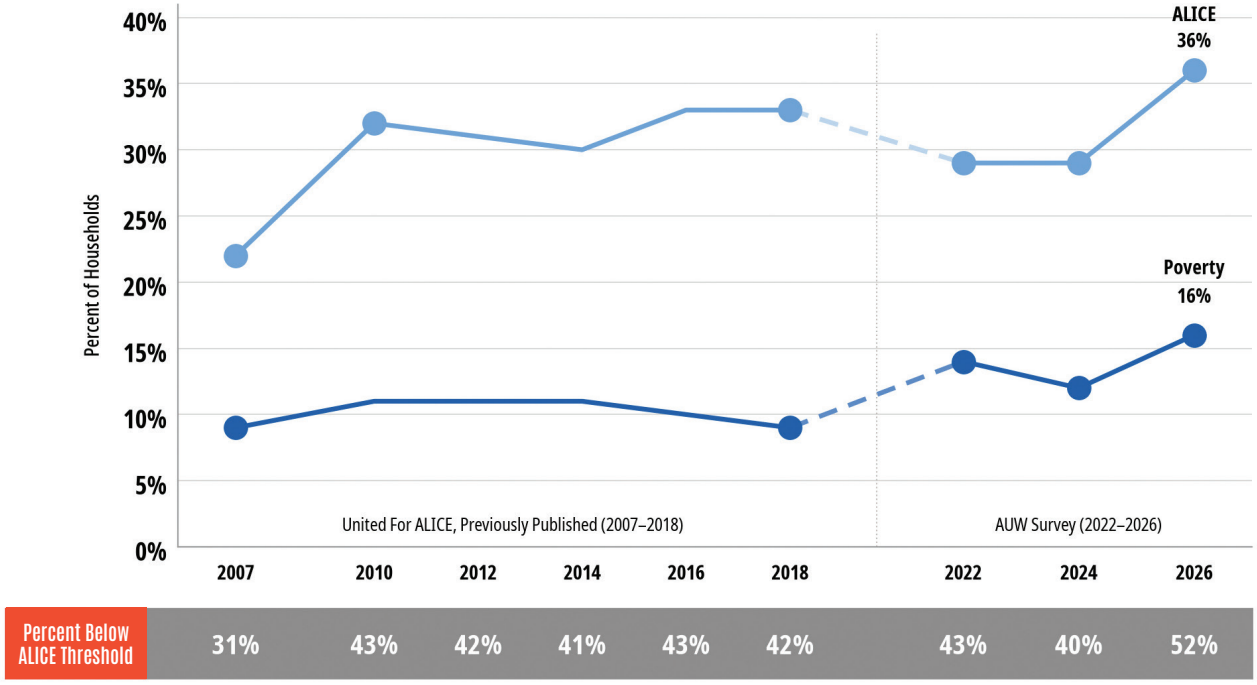
FINANCIAL SAFETY NETS ARE WEAKENING

52% of all Hawai'i households lack emergency savings to cover three months of expenses, up significantly from 43% in 2024. Among households below the ALICE Threshold, 68% lack this financial safety net.

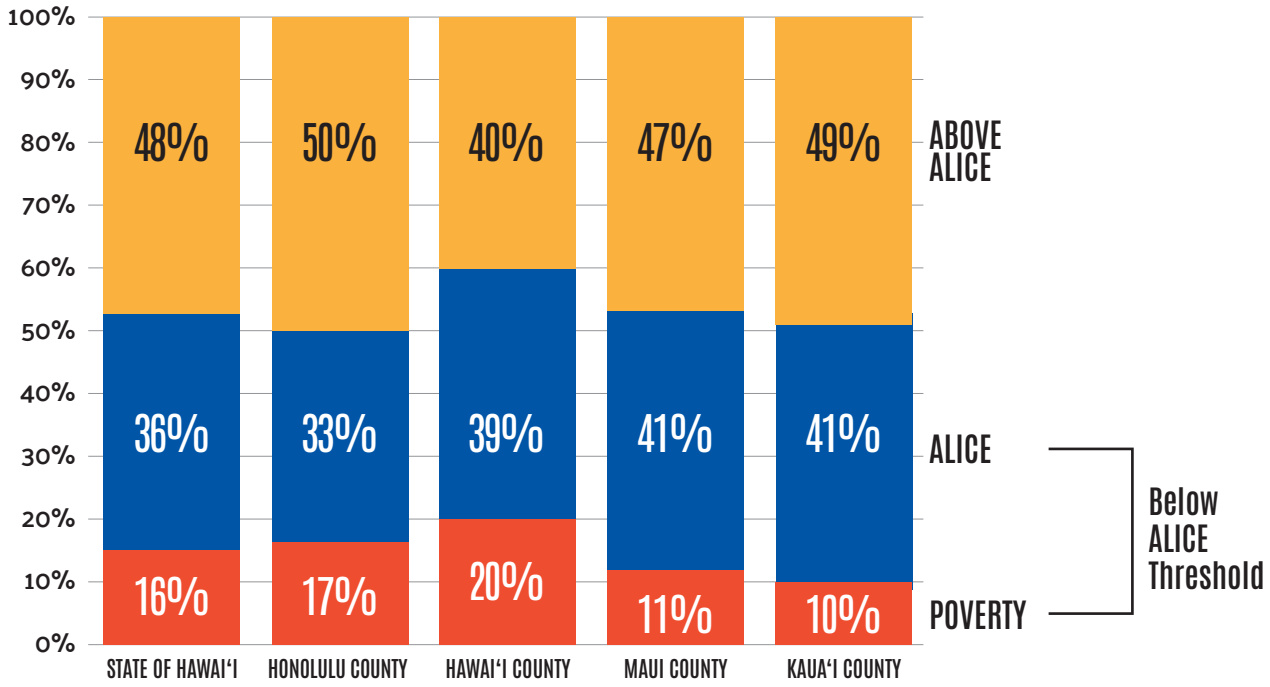
BELOW THE ALICE THRESHOLD

More than half (52%) of Hawai'i households are currently living below the ALICE Threshold, a significant increase from 2024 when 40% of households were struggling to make ends meet. This includes households in poverty as well as households classified as **ALICE**: **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed. ALICE households don't earn enough to afford housing, childcare, food, transportation, healthcare, a smartphone plan and taxes – the basics needed to live and work in the modern economy.

Households by Income, Hawai'i, 2007 – 2026



Percent Below ALICE Threshold	31%	43%	42%	41%	43%	42%	43%	40%	52%



WHO IS BELOW THE ALICE THRESHOLD?

While residents of all ages, races and ethnicities are struggling to make ends meet, financial hardship is not evenly distributed across Hawai'i. Certain groups continue to face disproportionate challenges that increase their likelihood of living below the ALICE Threshold.

Specifically, Households Below the ALICE Threshold Are More Likely ...

To have children in the household

68%

of households with children under 18 are below the ALICE Threshold.

2024: 50%

To have lower levels of educational attainment

71%

of residents without a college degree live below the ALICE Threshold.

2024: 60%

To not own their own home

64%

of renters live below the ALICE Threshold, compared with 40% of homeowners.

2024: 55%

To live on a neighbor island

55%

of neighbor island households fall below the ALICE Threshold, compared with 50% on O'ahu.

2024: 48%

To be Native Hawaiian

74%

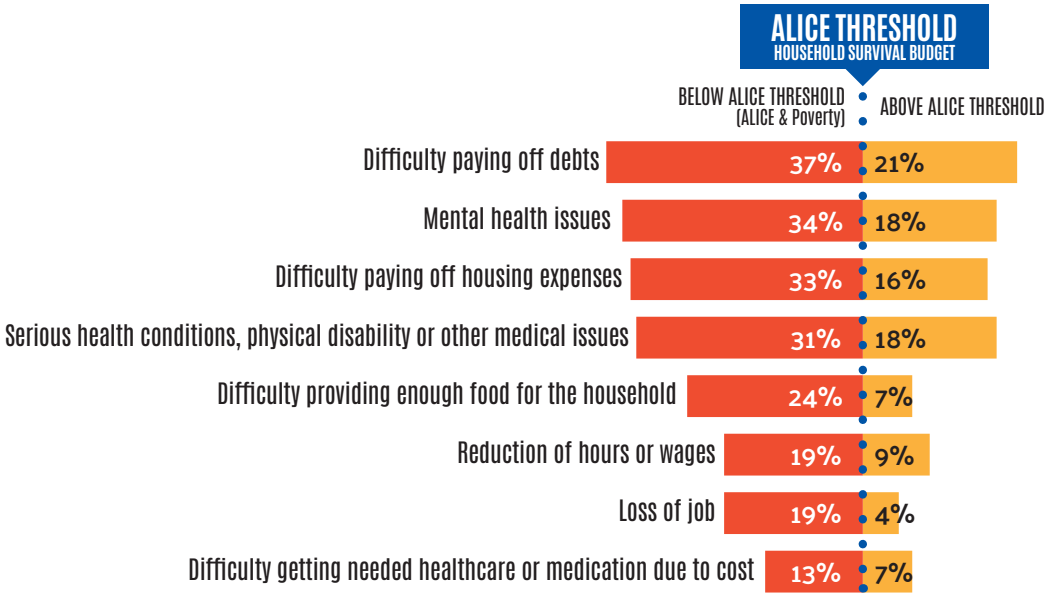
of respondents who identify as Native Hawaiian live below the ALICE Threshold, the highest proportion among the major ethnic groups tested.

More Households Below the ALICE Threshold are Relying on Government Help for Basic Needs.



*In 2024, this response was written as "Medicaid, medical assistance, any government-assistance health plan."

Critical Challenges Facing ALICE Households



YOUNG ADULTS:
Struggling to build a future in Hawai‘i

For many young adults, the cost of living in Hawai‘i presents significant barriers to financial stability. More than half (58%) of residents ages 18-34 live in households earning less than $75,000 annually, compared with 48% statewide. The 2026 study finds that young adults are disproportionately affected by poverty and food insecurity and face greater difficulty covering essential expenses.



More young adults living below the ALICE threshold

64%

Nearly two in three young adults now live in households below the ALICE Threshold, up from 53% in 2024.



Food insecurity hits younger residents harder

56%

More than half of young adults say the food they purchased sometimes or often did not last and they lacked money to buy more.



A greater shortfall each month

$1,000

Among those whose household spending exceeds income, young adults report a median monthly shortfall of $1,000 to cover essential bills.



Struggling to pay every bill on time

45%

Nearly half of young adults report that their household was unable to pay all its bills on time, compared with just 17% of residents ages 65 and older.



Facing the difficult decision to leave Hawai‘i

54%

More than half of young adults live in a household where someone has considered moving out of state in the past 12 months. This compares with 43% of residents ages 50-64.

Reasons for Optimism

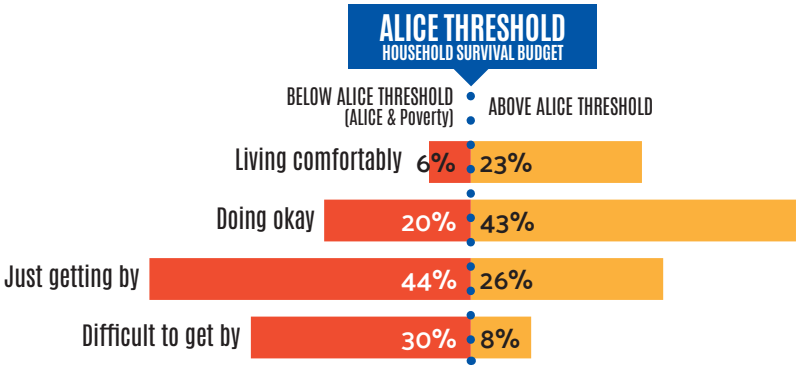
Despite the financial challenges they face today, Hawai‘i’s young adults remain relatively confident about their financial future. Residents ages 18-34 are among those reporting more manageable household debt and, along with seniors, express higher levels of confidence that their households are doing what is needed to meet long-term financial goals, such as buying a home, saving for education or preparing for retirement.

PRESSURES ON ALICE HOUSEHOLDS

More Hawai'i households are struggling to make ends meet. Financial pressures are particularly acute for households below the ALICE Threshold, which are more likely to report difficulty getting by, spending beyond their income and relying on others to cover expenses.

Barely Getting By

More than half (55%) of households describe themselves as "just getting by" or "finding it difficult to get by," up from 48% in 2024. This increase is particularly concerning for households below the ALICE Threshold, where almost three quarters (74%) feel this way, compared with 34% of households above the threshold.



HOUSEHOLDS STATEWIDE

2024	2026
48%	55%

Spending Beyond Their Income

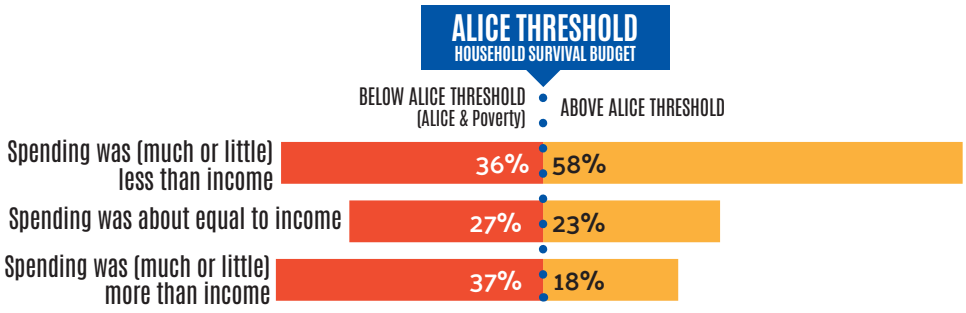
More than one in four (28%) Hawai'i households spent more than their income in the past 12 months, up from 24% in 2024. This increases to 37% among households below the ALICE Threshold, compared with 18% above it.

Across Hawai'i, households spending more than they earn face a median monthly shortfall of $700 to cover essential bills, down from $1,000 in 2024. While the typical deficit has declined, a greater share of Hawai'i households are struggling to balance income and expenses.

Fewer options for ALICE households

$600

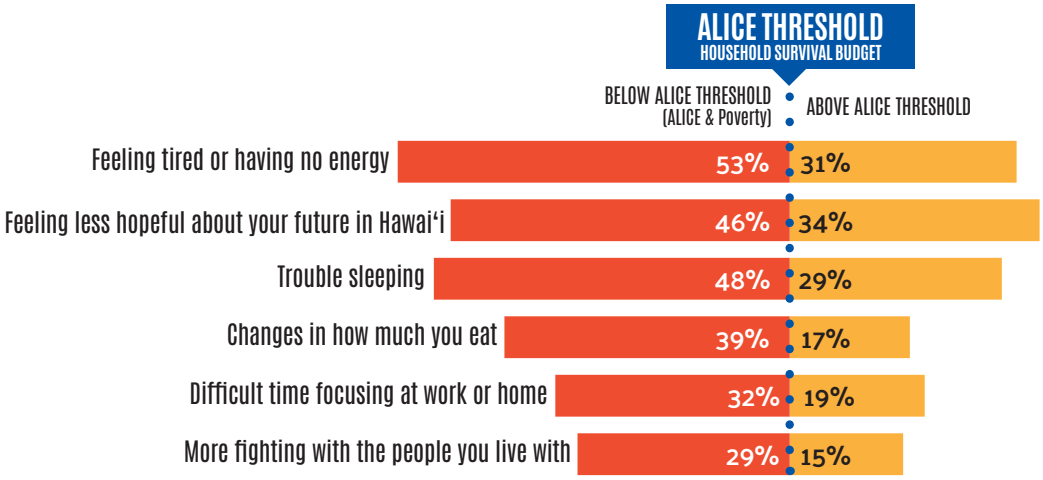
The median amount households below the ALICE Threshold are missing to cover basics like rent, food, and childcare.



THE PERSONAL TOLL OF FINANCIAL STRESS

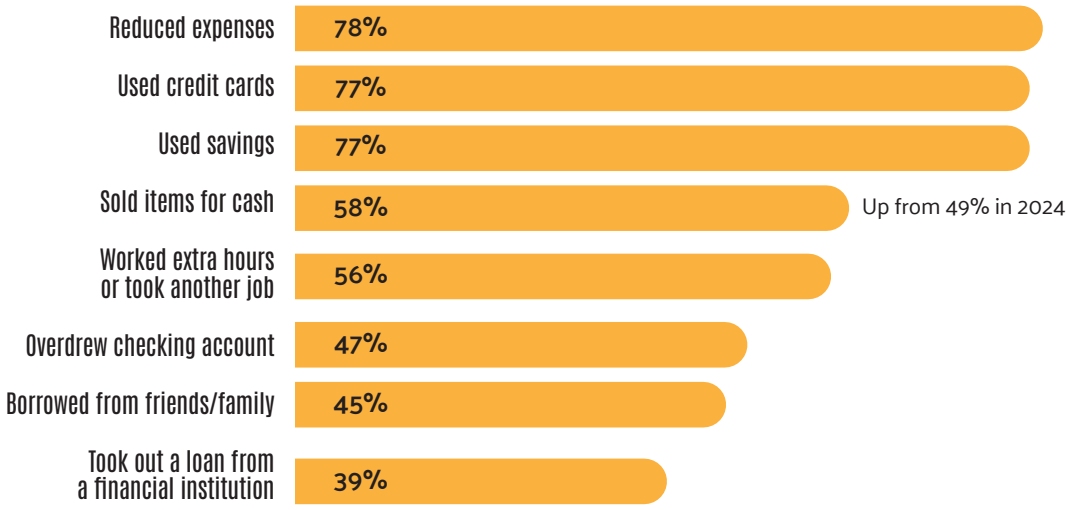
Financial hardship extends beyond a household's ability to pay its bills. More than two in five Hawai'i residents report feeling tired or having no energy (42%) or feeling less hopeful about their future in the state (41%) because of financial concerns in the past year.

Households below the ALICE Threshold are significantly more likely to experience these and other impacts, including trouble sleeping, changes in eating habits and increased tension at home.



Covering The Shortfall

Hawai'i households are drawing on multiple resources to make ends meet. Among those spending more than they earn, reducing expenses, using credit cards and dipping into savings remain the most common ways to cover the shortfall.



A Greater Reliance on Family and Friends

Among households spending beyond their income, those below the ALICE Threshold are significantly more likely to borrow from friends or family to cover their shortfalls (49% versus 35% above the threshold).

IMPACT OF INFLATION

Rising costs continue to put pressure on Hawai'i households, forcing many residents to make difficult choices about how they spend their money. Nearly three in four (73%) report making at least one of the changes tested to cope with higher prices, with those below the ALICE Threshold significantly more likely to cut back on essential expenses or rely on additional financial resources.

Adjusting to Inflation

Purchasing less fresh food is the most common adjustment residents are making to higher prices (43%). Nearly three in 10 (29%) have increased their use of credit cards, loans or pawnshops, while an equal proportion are driving less or changing their mode of transportation. One in four (24%) have taken on additional work or shifts.

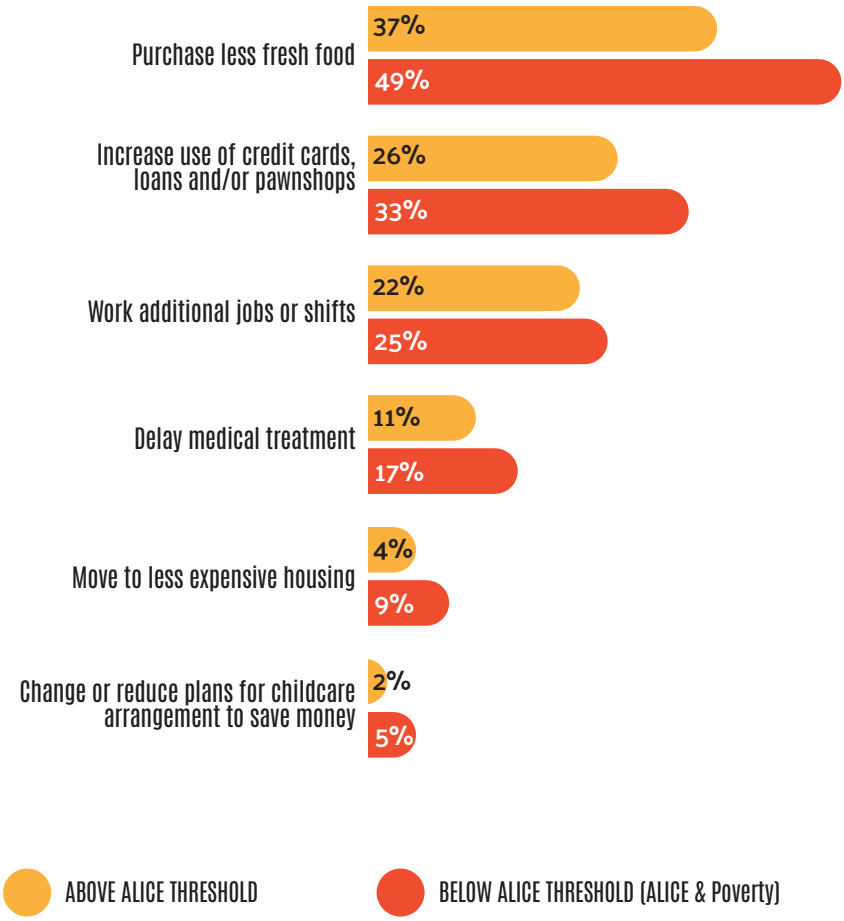
ALICE Households Face Greater Trade-offs

Households below the ALICE Threshold are significantly more likely to make changes that affect their food purchases, access to healthcare and financial resources. Nearly half (49%) are purchasing less fresh food, while one in three (33%) have increased their reliance on credit cards, loans or pawnshops.

Fewer options for ALICE households

21%

of households below the ALICE Threshold report making none of the adjustments tested, compared with 34% of households above the threshold.



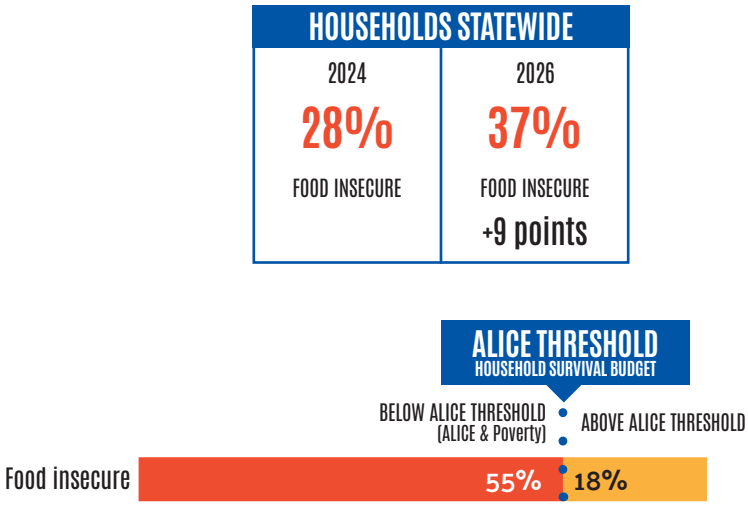
FOOD INSECURITY

Access to enough nutritious food is a basic foundation of household stability and well-being. When families do not have the resources to consistently afford the food they need, the effects can extend beyond the dinner table, adding strain to already stretched household budgets and making it more difficult to maintain financial security.

Food Insecurity is Increasing Statewide

Food insecurity is becoming more widespread across Hawai'i. More than one in three (37%) households report that the food they purchased sometimes or often did not last and they lacked money to buy more, up significantly from 28% in 2024.

Among households below the ALICE Threshold, more than half (55%) face food insecurity, compared with 18% of households above the threshold.



Some Residents Face Greater Food Insecurity

Food insecurity disproportionately affects several segments of the community, with young adults, Native Hawaiian residents and households with children all reporting rates well above the 37% statewide average. Native Hawaiian residents face particularly elevated levels of food insecurity, followed closely by young adults.



56%
FOOD INSECURE
Young adults ages 18 - 34



59%
FOOD INSECURE
Native Hawaiian residents



48%
FOOD INSECURE
Households with children

FINANCIAL SURVIVAL

Unexpected emergencies or even a modest expense can have a major impact on Hawai'i households. Those below the ALICE Threshold are more likely to experience these hardships and have fewer financial resources available to weather a crisis.

Unexpected Financial Emergency

More than one in three (36%) Hawai'i households experienced an unexpected emergency that caused financial hardship in the past 12 months. Those below the ALICE Threshold are significantly more likely to have experienced such hardship (44%) than households above the threshold (27%).



Households without a Rainy-day Fund

More than half (52%) of Hawai'i households do not have enough money set aside to cover three months of expenses in case of sickness, job loss, an economic downturn or other emergencies, up significantly from 43% in 2024.

Among households below the ALICE Threshold, more than two in three (68%) lack this financial safety net, compared with 34% of those above the threshold.

HOUSEHOLDS STATEWIDE	
2024	2026
43%	52%
	+9 points

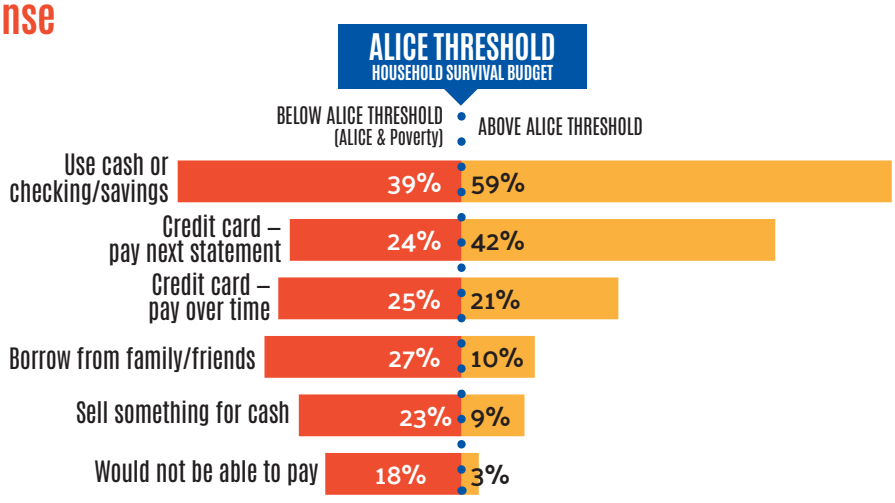
BELOW ALICE THRESHOLD

The share of households without a rainy-day fund increased from 61% in 2024 to 68% in 2026.

Paying an Unexpected $400 Expense

Fewer Hawai'i households can cover even a modest unexpected expense. One in 10 (11%) would be unable to pay a surprise $400 bill, nearly double the 6% reported in 2024.

The challenge is particularly acute for those below the ALICE Threshold, where 18% would be unable to pay the bill at all, compared with just 3% of households above the threshold. Those below the threshold are also significantly more likely to borrow from friends or family or sell personal belongings to cover the expense.



BELOW ALICE THRESHOLD

11% → 18%

The share unable to afford an unexpected $400 expense increased by seven percentage points since 2024.

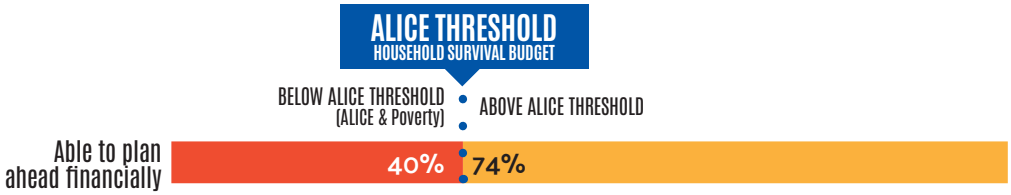
FINANCIAL PLANNING

Financial planning helps households set priorities, manage risk and prepare for the future. Yet, as financial pressures mount, fewer Hawai'i households report planning ahead, and those below the ALICE Threshold continue to face significant disparities in the financial resources available to them.

Planning for the Future

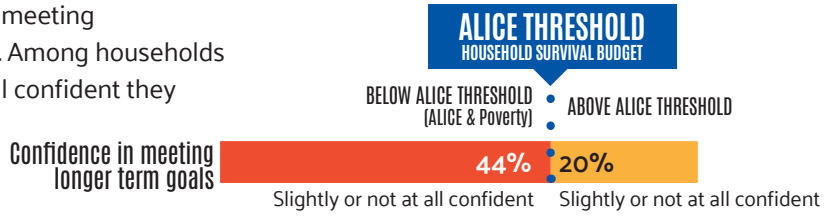
The share of Hawai'i households that report planning ahead financially has declined sharply, from 71% in 2024 to 56% in 2026. Among households below the ALICE Threshold, just 40% agree that they plan ahead financially, down from 58% in 2024. This compares with 74% of households above the threshold in 2026.

HOUSEHOLDS STATEWIDE	
2024	2026
71%	56%
	-15 points



Meeting Longer-Term Goals

Despite the decline in financial planning, confidence in meeting long-term financial goals remains relatively unchanged. Among households below the ALICE Threshold, 44% are slightly or not at all confident they are doing what is needed to meet goals such as buying a home, saving for education or preparing for retirement, compared with 43% in 2024.

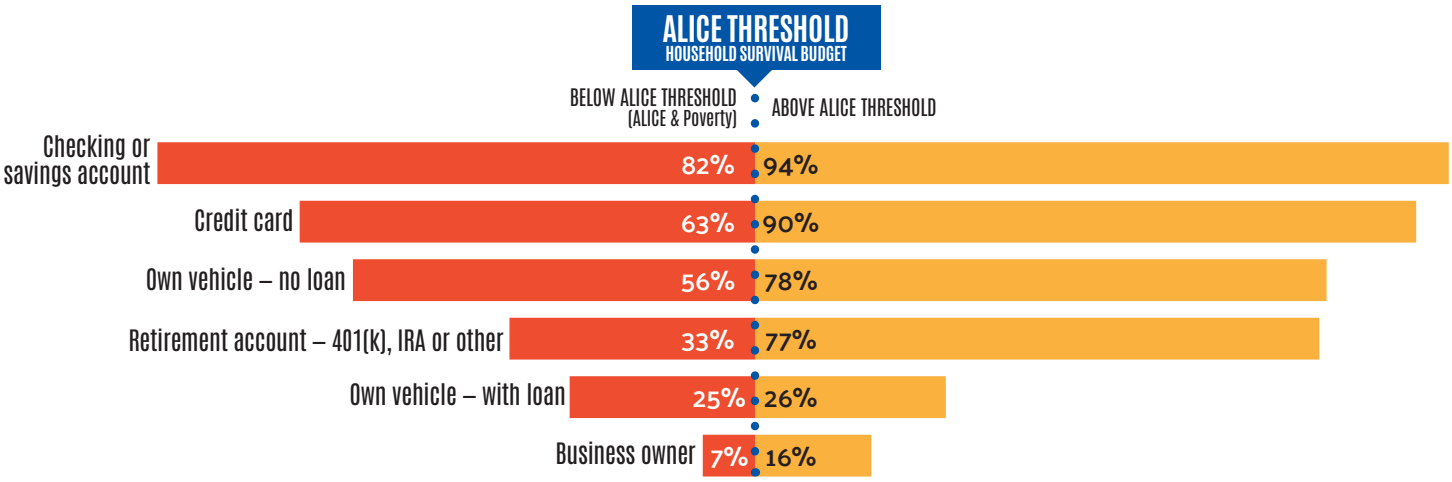


Households below the threshold remain significantly less confident than those above it.

Resources to Support Financial Health

The disparity between households below and above the ALICE Threshold persists when it comes to access to financial products and assets. Retirement accounts show one of the largest gaps: Just 33% of households below the threshold have a member with a retirement account, compared with 77% of those above it.

Percentage of households with at least one member owning each product or asset.

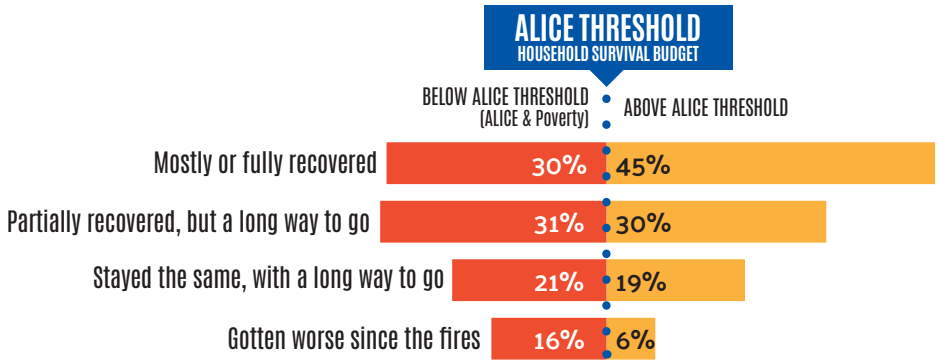


MAUI COUNTY – The Long Road to Recovery

More than three years after the devastating August 2023 wildfires, Maui residents continue to face significant financial and personal challenges. While some indicators show improvement, recovery from the fires has been particularly difficult for households already struggling to make ends meet.

Recovery Remains Uneven

Recovery has been particularly challenging for those households that were impacted in some way by the fires. Among households below the ALICE Threshold, just 30% report being mostly or fully recovered, compared with 45% of households above the threshold. Another 16% of those below the threshold say their household's situation has gotten worse since the fires, compared with 6% above it.



ALICE Households Face a Longer Recovery

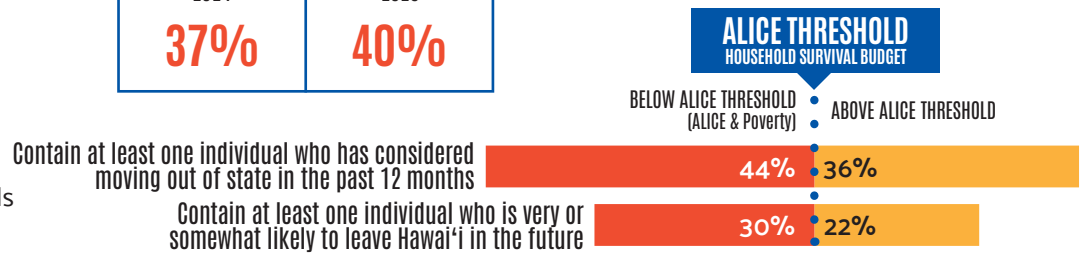
37% of fire-affected households below the ALICE Threshold report that their situation has either remained unchanged, with a long way to go or gotten worse since the fires. By comparison, this number falls to 25% of households above the threshold.

FACING THE DIFFICULT DECISION TO LEAVE HAWAI‘I

The number of Hawai‘i households with someone considering leaving the state continues to grow. Two in five (40%) report that someone in their household has considered moving out of state in the past 12 months, up from 37% in 2024. Households below the ALICE Threshold are significantly more likely to have someone who has considered leaving.

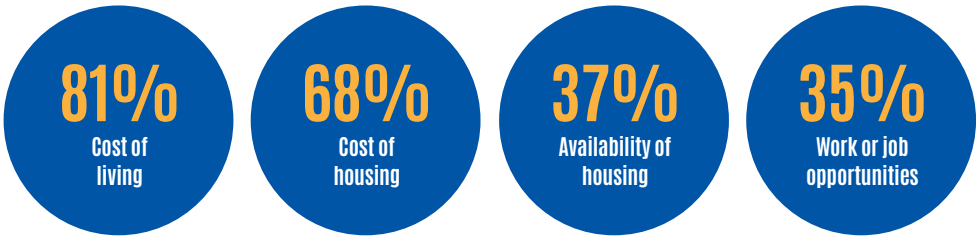
HOUSEHOLDS STATEWIDE

2024	2026
37%	40%



Drivers of Outward Migration

The high cost of living and housing continue to be the primary reasons residents consider leaving Hawai‘i.



HOUSING AVAILABILITY: AN ADDED CHALLENGE FOR ALICE

Among households considering leaving Hawai‘i, those below the ALICE Threshold are significantly more likely to cite the availability of housing as a reason (40% versus 32% of households above the threshold).

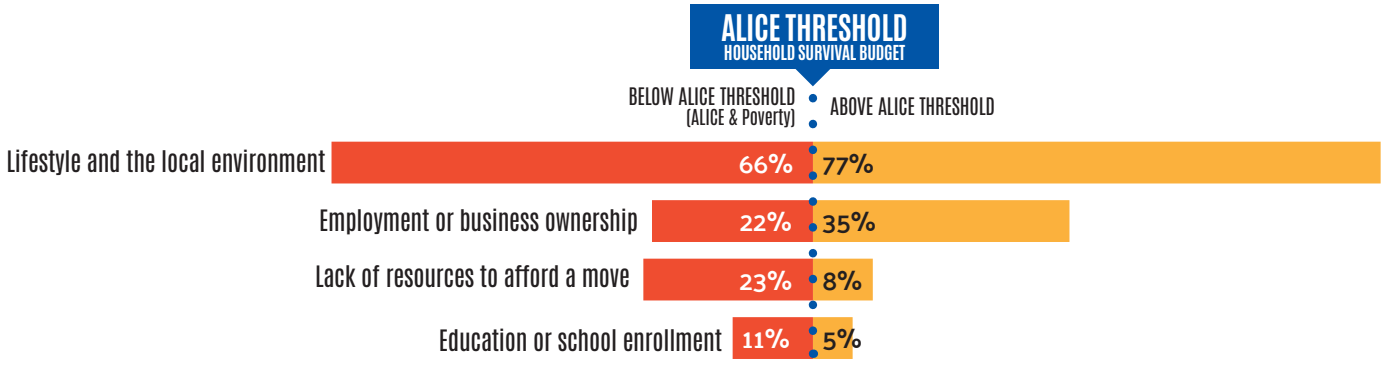
What Keeps Residents in Hawai‘i?

Among households where no one considered leaving Hawai‘i in the past year, residents point to a mix of lifestyle, family and community connections as the primary reasons they remain in the state.



FOR SOME, STAYING IS NOT ENTIRELY A CHOICE.

Households below the ALICE Threshold are nearly three times as likely to say a lack of resources to afford a move is one reason they remain in Hawai‘i (23% compared with 8% of households above the threshold).



Pūpūkāhi i holomua: United, we move forward.

The numbers in this report tell a difficult story, but they do not have to tell our future.

Hawai'i is moving in the wrong direction when more than half of our households are pushed further from financial stability. This must be a catalyst for collective action, with policymakers, businesses, nonprofits, philanthropy and community leaders sharing responsibility for our working households.

Business as usual and incremental change won't match this urgency. We must rethink the systems, policies and investments that enable working families to survive and build stable lives here.

With common purpose, we can change course, if we choose to act now.

Move Beyond Managing Hardship

For too long, policy has focused on managing economic hardship rather than changing conditions that create it. Hawai'i must pursue proven, scalable strategies that reduce household costs, strengthen family stability and foster economic mobility.

- Lower family costs by preserving tax credits, providing targeted relief for households with children, and scaling free tax preparation (VITA) so every eligible family claims the credits they've earned.
- Protect families' health and stability with paid family and medical leave and affordable, accessible healthcare backed by a strong provider workforce.
- Innovate new economic stability and mobility pathways through flexible supports that resolve immediate household needs and build long-term financial security.
- Build a workforce that meets Hawai'i's needs by investing in sectors that create economic opportunity while addressing critical community needs.

Grow an Economy Rooted in Hawai'i's Needs

Job creation and economic growth alone will not resolve ALICE hardship. Growth must produce jobs that allow people to afford Hawai'i's cost of living.

We recommend targeted investment in sectors critical to community needs: healthcare, education, childcare, food production, social services, public transit, housing and energy. These jobs must remain rooted in local communities because they allow Hawai'i to function, care for our people and prepare for our future. If this work is essential, our economy should value and compensate it accordingly.

The goal is not just keeping people working, but growing an economy where working people can afford to stay.

Investing in Hawai'i's safety net and building an economy serving our residents' needs are essential to our resilience. It helps us withstand economic downturns and disasters, slows outmigration and ensures our keiki thrive, our kūpuna are cared for and working people – the engine of our islands – can build the lives they deserve here at home.

The ALICE Initiative

The ALICE Initiative unites cross-sector partners to strengthen programs, services and policies that help working households achieve lasting economic security. By investing in financial stability, workforce opportunity, housing access and systems change, the Initiative works to close the gap between what families earn and what it costs to live in Hawai'i.

Aloha United Way · Hawai'i Community Foundation · Friends of Hawaii Charities, Inc. · Bank of Hawai'i Foundation · Hawai'i Pacific Health · Kapi'olani Pali Momi Straub Benioff Wilcox · HEI · hmsa · Pettus Foundation · SERVCO · Aloha United Way Women United