WORKING HARD BUT STRUGGLING TO SURVIVE

ALICE in Ohio
Integrated Planning Workshop, October 2, 2019
Stephanie Hoopes, PhD
United for ALICE

What we do:

- Driver of innovation for ALICE households since 2007
- Research team developed and updates a set of comprehensive measures of financial hardship
- Data for all 3,000+ counties in U.S.
- ALICE partners convene, advocate, and innovate in their local communities to highlight the issues faced by ALICE households and to generate solutions that promote financial stability

UnitedForALICE.org
Ohio Research Advisory Committee

- Kristi Barnes, Ohio University
- Jason Dodson, County of Summit
- Liz Edmunds D.N.P., R.N., Aultman Health Foundation
- Carla Fitzgerald, Lucas County Dept of Job & Family Service
- isa Hamler-Fugitt, Ohio Association of Foodbanks
- James Hardy, City of Akron
- Bill LaFayette, Ph.D., Regionomics®
- Emily K. Miller, M.S.S.A., Case Western Reserve University
- Eric Rademacher, Ph.D., University of Cincinnati
- Jason Segedy, City of Akron
- Jo’el Y. Thomas-Jones, Consultant, Military Service
42% of households are struggling in Ohio

Households by Income, Ohio, 2016:
- Poverty: 665,480 households, 14%
- Above ALICE Threshold: 2,677,003 households, 58%
- ALICE: 1,286,263 households, 28%

Source: ALICE Threshold, 2016; American Community Survey, 2016
Cost to live in Ohio

Federal Poverty Level

- $11,880 single adult
- $24,300 family

<table>
<thead>
<tr>
<th>Household Survival Budget - All, Ohio, 2016</th>
<th>Single Adult</th>
<th>2 Adults, 1 Infant, 1 Preschooler</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$482</td>
<td>$703</td>
</tr>
<tr>
<td>Child Care</td>
<td>$0</td>
<td>$1,425</td>
</tr>
<tr>
<td>Food</td>
<td>$182</td>
<td>$603</td>
</tr>
<tr>
<td>Transportation</td>
<td>$349</td>
<td>$697</td>
</tr>
<tr>
<td>Health Care</td>
<td>$214</td>
<td>$800</td>
</tr>
<tr>
<td>Technology</td>
<td>$55</td>
<td>$75</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$151</td>
<td>$486</td>
</tr>
<tr>
<td>Taxes</td>
<td>$224</td>
<td>$559</td>
</tr>
<tr>
<td>Monthly Total</td>
<td>$1,657</td>
<td>$5,348</td>
</tr>
<tr>
<td>ANNUAL TOTAL</td>
<td>$19,884</td>
<td>$64,176</td>
</tr>
<tr>
<td>Hourly Wage</td>
<td>$9.94</td>
<td>$32.09</td>
</tr>
</tbody>
</table>

Sources: BLS, 2016—Consumer Expenditure Surveys; Consumer Reports, 2016—Best Low-Cost Cell-Phone; HUD, 2016—Fair Market Rents; IRS, 2016—About Form 1040; Ohio Department of Job and Family Services, 2016; Tax Foundation, 2016; USDA, 2016—Official USDA Food Plans.
Household Survival Budget sources

- **Housing**: HUD’s Fair Market Rent (40th percentile) – Efficiency studio rate for single adult, 2 bedroom for family, includes utilities (excluding phone)

- **Child Care**: Represents cost of registered home-based child-care

- **Food**: Thrifty Level (lowest of four levels) of the U.S. Department of Agriculture (USDA) Food Plans – with regional variation

- **Transportation**: Car expenses include gas and motor oil and other vehicle maintenance expenses from BLS-Consumer Expenditure Survey (CES)

- **Health Care**: Out-of-pocket health care spending for insurance, medical services, prescription drugs, and medical supplies based on region and household income from Consumer Expenditure Survey (CES)

- **Technology**: Basic smartphone plan using Consumer Reports “Best Low-Cost Cell-Phone Plans”

- **Taxes**: Includes federal and state taxes where applicable, as well as SSI and Medicare taxes from IRS Form 1040

- **Miscellaneous**: 10 percent of the total (including taxes) to cover cost overruns
Cost of living outpaces wages

Household Survival Budget Compared to Salary for Top Occupations

ALICE lives across the state

Source: ALICE Threshold, 2016; American Community Survey, 2016
ALICE households are all ages

Households by Age - All, Ohio, 2016

Total Households

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Under 25</th>
<th>25 to 44</th>
<th>45 to 64</th>
<th>Over 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>192,096</td>
<td>1,428,776</td>
<td>1,826,170</td>
<td>1,181,704</td>
</tr>
<tr>
<td>Percent</td>
<td>41%</td>
<td>26%</td>
<td>27%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: ALICE Threshold, 2016; American Community Survey, 2016
ALICE households are all Race/Ethnicities

Source: ALICE Threshold, 2016; American Community Survey, 2016
ALICE households are all families

Source: ALICE Threshold, 2016; American Community Survey, 2016
ALICE households over time

Households by Income, 2010 to 2016 - All, Ohio

Total Households

- 2010: 4,532,571 (25% ALICE, 61% at risk, 14% other)
- 2012: 4,552,162 (24% ALICE, 60% at risk, 15% other)
- 2014: 4,595,301 (26% ALICE, 59% at risk, 15% other)
- 2016: 4,628,746 (28% ALICE, 58% at risk, 14% other)

Source: ALICE Threshold, 2016; American Community Survey, 2016
Jobs ≠ sustainable wage

Source: BLS, 2016—Occupational Employment Statistics
ALICE workers keep the economy running

- ALICE workers are “Maintainers”
- They care for the workforce and build and maintain the infrastructure

### Top 20 Occupations by Employment and Wage

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Number of Jobs</th>
<th>Median Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Sales</td>
<td>37,050</td>
<td>$10.07</td>
</tr>
<tr>
<td>Food Prep, including Fast Food</td>
<td>35,520</td>
<td>$9.15</td>
</tr>
<tr>
<td>Cashiers</td>
<td>33,750</td>
<td>$9.17</td>
</tr>
<tr>
<td>Truck Drivers</td>
<td>32,640</td>
<td>$18.24</td>
</tr>
<tr>
<td>Office Clerks, General</td>
<td>27,260</td>
<td>$12.57</td>
</tr>
<tr>
<td>Laborers and Movers, Hand</td>
<td>24,580</td>
<td>$11.50</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>24,380</td>
<td>$27.68</td>
</tr>
<tr>
<td>General and Operations Managers</td>
<td>20,630</td>
<td>$31.64</td>
</tr>
<tr>
<td>Nursing Assistants</td>
<td>18,040</td>
<td>$11.21</td>
</tr>
<tr>
<td>Stock Clerks and Order Fillers</td>
<td>17,920</td>
<td>$10.96</td>
</tr>
<tr>
<td>Waiters and Waitresses</td>
<td>17,870</td>
<td>$9.12</td>
</tr>
<tr>
<td>Janitors and Cleaners</td>
<td>16,320</td>
<td>$9.79</td>
</tr>
<tr>
<td>Customer Service Representatives</td>
<td>15,760</td>
<td>$14.16</td>
</tr>
<tr>
<td>Personal Care Aides</td>
<td>15,250</td>
<td>$9.54</td>
</tr>
<tr>
<td>Secretaries and Administrative Assistants</td>
<td>15,240</td>
<td>$13.64</td>
</tr>
<tr>
<td>First-Line Supervisors of Office Workers</td>
<td>14,630</td>
<td>$21.51</td>
</tr>
<tr>
<td>Assemblers and Fabricators</td>
<td>14,370</td>
<td>$13.24</td>
</tr>
<tr>
<td>Sales Representatives</td>
<td>14,000</td>
<td>$24.21</td>
</tr>
<tr>
<td>First-Line Supervisors of Retail Sales</td>
<td>12,810</td>
<td>$15.76</td>
</tr>
<tr>
<td>Licensed Practical and Vocational Nurses</td>
<td>12,350</td>
<td>$18.15</td>
</tr>
</tbody>
</table>

Source: BLS, 2016—Occupational Employment Statistics
ALICE is one emergency from crisis

Costly car repair

Can’t get to work

Lose job

Can’t pay rent/mortgage

Homeless

“The ability to borrow in an emergency does as much to reduce hardship as tripling family income”

- McKernan, Ratcliffe, Shanks, 2011
How ALICE measures have been used

**Awareness**
- Media
- Education

**Strategic planning**
- Community groups – schools and colleges, food banks
- Foundations

**Program eligibility**
- Health services
- Childcare vouchers

**Policy**
- State and local government – EITC, minimum wage, sick leave
- Businesses – wages, training, childcare
How does Ohio compare?

- In 2016, Ohio had the 21\textsuperscript{th} highest percentage of households with income below the ALICE Threshold compared to other states.
- New Mexico had the highest with 49 percent.
- North Dakota had the lowest with 32 percent.