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# New research: 73% of Wisconsin's Black Children Lived in Financial Hardship Pre-Pandemic

New report and interactive tools reveal that federal poverty data undercounts how many children of all races are growing up amid financial insecurity.

**April 14, 2022 (Kenosha, WI)** – The majority of Wisconsin's Black and Hispanic children — 73% and 57% respectively — lived in households that couldn't afford the basics in 2019, compared to 29% of white children, according to a new report from United Way of Kenosha County (UWKC) and its research partner United For ALICE.

ALICE in Focus: Children reveals the disproportionate impact of financial hardship on the state's Black and Hispanic children, while also challenging the reliance on federal poverty guidelines for eligibility for assistance programs. The report finds traditional measures of poverty have severely undercounted the number of children of all races ages 18 and younger in Wisconsin who are growing up in financially insecure households.

While 12% of all children in the state were deemed in poverty in 2019, the report shows that 26% – more than twice as many – lived in families defined as ALICE (Asset Limited, Income Constrained, Employed). ALICE households earn more than the Federal Poverty Level, but less than what it costs to live and work in the modern economy. Combined, 38% of Wisconsin's children lived in households below the ALICE Threshold, with income that doesn't meet the basic costs of housing, child care, health care, transportation and a smartphone plan.

"Undercounting the number of children who are at risk can have lifelong consequences," says Carolynn Friesch, chief executive officer at UWKC. "Thousands of children are locked out of receiving critical supports for stable housing, food, and quality education, all of which can inhibit healthy child development."

Because ALICE households often earn too much to qualify for public assistance, the report finds that more than 297,000 at-risk children didn't access the Supplemental Nutrition Assistance Program or SNAP. Wisconsin lags behind its neighbors with just 37% of at-risk children enrolled in SNAP, compared with 42% in Illinois, 41% in Michigan and 39% in Iowa.

Other findings from ALICE in Focus: Children include:

• Having two working parents didn't guarantee financial stability: Among households with two working adults, 23% of Wisconsin children were living in families whose income didn't meet the cost of basic needs in 2019.

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## United Way of Kenosha County



- Among households below the ALICE Threshold, families of Black children had the lowest homeownership rate at 9% in comparison with 59% of families of white children.
- Nearly 132,289 children in households earning below the ALICE Threshold had no high-speed internet access at home.

"Having accurate, complete data is the foundation for designing equitable solutions," said United For ALICE National Director Stephanie Hoopes, Ph.D. "COVID-19 hit ALICE families so much harder than others because they struggle to build savings yet often don't qualify for financial assistance."

According to the new research, 32% of Wisconsin families below the ALICE Threshold reported in the fall of 2021 that their children "sometimes or often" didn't have enough to eat, in contrast with 14% of higher income families.

More data is available through the *ALICE in Focus: Children* interactive data dashboard – which provides filters for regional and local geographies, age, race, disability status, living arrangements and household work status. Visit UnitedForALICE.org/Focus-Children.

ALICE in Focus: Children is the first installment in the ALICE in Focus Research Series, which draws from the U.S. Census Bureau's American Community Survey (ACS) Public Use Microdata Samples (PUMS). Each installment in the series will highlight a specific segment within the ALICE demographic. Upcoming topics include people with disabilities and veterans.

## **About UWKC**

United Way of Kenosha County fights for the health, education, and financial stability of every person. For almost 100 years, UWKC has created positive change throughout Kenosha County by mobilizing the caring power of the community, improving lives, and striving for lasting, positive transformation. Through partnerships and collaborations, UWKC both supports local initiatives with an annual community investment process and manages programs such as Readers are Leaders, Volunteer Income Tax Assistance, SingleCare Prescription Discounts and more.

#### **About United For ALICE**

United For ALICE is a driver of innovation, research and action to improve life across the country for ALICE (Asset Limited, Income Constrained, Employed) and for all. Through the development of the ALICE measurements, a comprehensive, unbiased picture of financial hardship has emerged. Harnessing this data and research on the mismatch between low-paying jobs and the cost of survival, ALICE partners convene, advocate and collaborate on solutions that promote financial stability at local, state and national levels. This grassroots ALICE movement, led by United Way of Northern New Jersey, has spread to 24 states and includes United Ways, corporations, nonprofits and foundations in Arkansas, Connecticut, Delaware, Florida, Hawai'i, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Michigan, Mississippi, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Virginia, Washington, Washington, D.C., West Virginia and Wisconsin; we are United For ALICE. For more information, visit: UnitedForALICE.org.