For Immediate Release



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New research: 67% of Virginia'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.

Fredericksburg, VA – The majority of Virginia's Black and Hispanic children — 67% and 69% respectively — lived in households that couldn't afford the basics in 2019, compared to 36% of white children, according to a new report from Rappahannock United Way 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 Virginia 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 35% – almost three times 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, 47% of Virginia'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," said Sarah Walsh, Chief Impact Officer at Rappahannock United Way. "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 620,000 at-risk children didn't access the Supplemental Nutrition Assistance Program or SNAP. Virginia lags behind its neighbors with just 29% of at-risk children enrolled in SNAP, compared with 32% in Maryland and 53% in West Virginia.

Other findings from ALICE in Focus: Children include:

- Having two working parents didn't guarantee financial stability: 27% of Virginia children lived in a home with two working adults whose income didn't meet the cost of basic needs in 2019.
- Among households below the ALICE Threshold, families of Black children had the lowest homeownership rate at 26% in comparison with 57% of families of white children.

 Nearly 243,000 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, 35% of Virginia 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 16% of higher income families.

More localized (county/city) 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 Rappahannock United Way

Celebrating over 80 years in our community, Rappahannock United Way is a local nonprofit serving Fredericksburg, Spotsylvania, Stafford, King George and Caroline. Rappahannock United Way's vision is a community where individuals and families achieve their potential through Education, Financial Stability and Healthy Living. Together, we can create opportunities for a better tomorrow. Learn more at www.RappahannockUnitedWay.org

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.

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