THE STATE OF ALICE IN NEW YORK

2025 Update on Financial Hardship

UNITED FOR ALICE

UNITED WAY New York State

INTRODUCING ALICE®

ALICE Households

In 2023, based on the Federal Poverty Level (FPL), 14% of New York households were defined as being in poverty. Yet this measure failed to account for an additional 33% of the state's households – more than twice as many – who were also experiencing financial hardship. These households are **ALICE: A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – earning above the FPL, but not enough to afford basic expenses in their communities.

Between ALICE households and households living in poverty, **an estimated 48%* of households in New York were below the ALICE Threshold in 2023.** This rate placed New York 49th among all states and the District of Columbia (with 1st representing the lowest rate of hardship.) Households below the Threshold are forced to make impossible choices – like deciding whether to pay for utilities or a car repair, whether to buy food or fill a prescription.

Households below the ALICE Threshold are in every state and county across the U.S. and represent all demographic groups. Workers below the ALICE Threshold often perform the jobs that keep our economy functioning smoothly – they are child care providers, food service workers, cashiers, personal care aides, delivery drivers, and more. Their stories capture the systemic and structural barriers to financial stability, and the struggles and resilience of families experiencing financial hardship.

ALICE Measures

The ALICE measures were developed by United For ALICE to answer the pressing need for a more accurate picture of financial hardship. The FPL is an outdated instrument that does not consider the wide variation in cost of living by location (except for a slightly higher state-level FPL for Alaska and Hawai'i). As a result, official measures based on the FPL sharply underestimate the true extent of financial hardship in the U.S. And because the FPL is the basis for defining eligibility for many types of public assistance, ALICE households often do not qualify.

Two pillars of the ALICE measures are household costs and income. The ALICE Household Survival Budget calculates the cost of household basics for each county in New York, relying on a wide range of publicly available sources, outlined on page 5. Change over time in the cost of these household basics is tracked in the ALICE Essentials Index.

Household costs are compared to income to determine if households are **below the ALICE Threshold.** For household income, ALICE measures rely on the U.S. Census Bureau's American Community Survey (ACS) – both household tabulated data and individual data from the Public Use Microdata Sample (PUMS) records. To provide additional details on household assets, this Report also includes analysis of the Federal Reserve Board's Survey of Household Economics and Decisionmaking (SHED) (2023).

The data included in this Report spans 2010 to 2023 (latest available). This data does not reflect policy or funding changes that have occurred since, yet it provides an important baseline and context to inform current conversations and decision making.

**In New York in 2023, out of 7,787,200 households, there were 1,120,465 (14.4%) in poverty plus 2,590,349 (33.3%) that were ALICE, totaling 3,710,814 (47.7%) below the ALICE Threshold, which is rounded to 48% in this Report.*

United For ALICE

Launched in 2009 with a study of financial hardship in one New Jersey county, the nonpartisan United For ALICE movement has grown to include 35 states and the District of Columbia. With a commitment to racial and economic justice, United For ALICE and its partners use the ALICE data to give voice to the challenges ALICE households face. Together, they inspire action, strategies, and policies to ensure that all households have enough income for necessities and can save for the future.

In New York, this research is brought to you by United Ways of New York State and is also sponsored by The Business Council of New York State, Inc.. Learn more about how the ALICE data is being used to inform strategies and solutions across our partner states in the ALICE in Action Database.

KEY FINDINGS

Financial hardship: In 2023, of New York's 7.8 million households, 14% (1,120,465) were below the Federal Poverty Level (FPL), and another 33% (2,590,349) were ALICE – households with income above the FPL, but not enough to afford the ALICE Household Survival Budget for their household composition and location. **Combining these two groups, 48% (3,710,814) of households in New York were below the ALICE Threshold** (Figure 1).

The cost of basics: In New York in 2023, the ALICE Household Survival Budget was $35,652 for a single adult and $104,472 for a family of four with two adults, an infant, and a preschooler – much higher than the FPL ($14,580 for an individual and $30,000 for a family of four). Basic costs varied substantially by county.

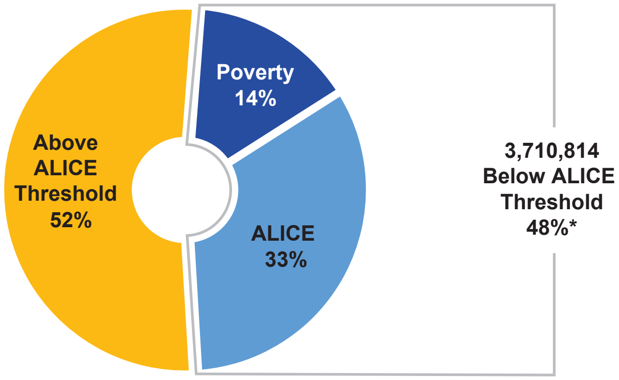
ALICE demographics: There were households below the ALICE Threshold across all demographic groups in New York. However, due to systemic racism, ageism, gender discrimination, and geographic barriers that limit many families' access to resources and opportunities for financial stability, certain groups were more likely to experience hardship. These groups included Black households (63% below the Threshold) and Hispanic households (63%); households headed by people under age 25 (70%) and age 65 and older (57%); single-parent-headed households (77% single-female-headed, 62% single-male-headed); and households in urban areas (48%).

ALICE in the labor force: Of the 20 most common occupations in New York in 2023, eight paid less than $20 per hour. And of all workers in the top 20 occupations, 39% lived in households below the ALICE Threshold, with rates as high as 57% for cashiers and cooks, and 56% for fast food and counter workers.

Trends in New York: Between 2010 and 2023, the total number of households in New York increased by 8%, the number of households in poverty increased by 10%, and the number of ALICE households increased by 21%. Behind these overall trends, there were important changes in the numbers of families with children and 65+ households. In addition, housing affordability continued to be a challenge, and basic costs continued to outpace wages in low-wage jobs.

Stable households, stronger communities: If all households in New York had enough income to meet their basic needs, not only would households' hardship be eased, but there would be a positive economic impact on the wider community through increased consumer spending and contributions to the tax base.

Figure 1. Nearly Half of New York Households Faced Financial Instability in 2023



Sources: ALICE Threshold, 2010–2023; U.S. Census Bureau, American Community Survey, 2023

**In New York in 2023, out of 7,787,200 households, there were 1,120,465 (14.4%) in poverty plus 2,590,349 (33.3%) that were ALICE, totaling 3,710,814 (47.7%) below the ALICE Threshold, which is rounded to 48% in this Report.*

KEY TERMS

- **ALICE: A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – households with income above the Federal Poverty Level (FPL) but less than the basic cost of living in their county
- **ALICE Household Survival Budget:** Reflects the minimum costs of household necessities (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for all U.S. counties and various household compositions
- **ALICE Threshold:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs, calculated for all U.S. counties
- **Below ALICE Threshold:** Includes households in poverty and ALICE households combined

Data Notes: *The income data used in this Report rely on ACS estimates. The ACS is based on a representative sample of housing units and people; therefore, these estimates have a degree of uncertainty. Some data points are geographic averages, others are one- or five-year averages depending on population size (these are reported in the New York Data Sheet). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%. ALICE analysis includes households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. ALICE analysis includes families and roommates but does not include people who are unhoused or living in group quarters (such as college residence halls, skilled nursing facilities, and military barracks).*

BASIC COSTS: THE ALICE HOUSEHOLD SURVIVAL BUDGET

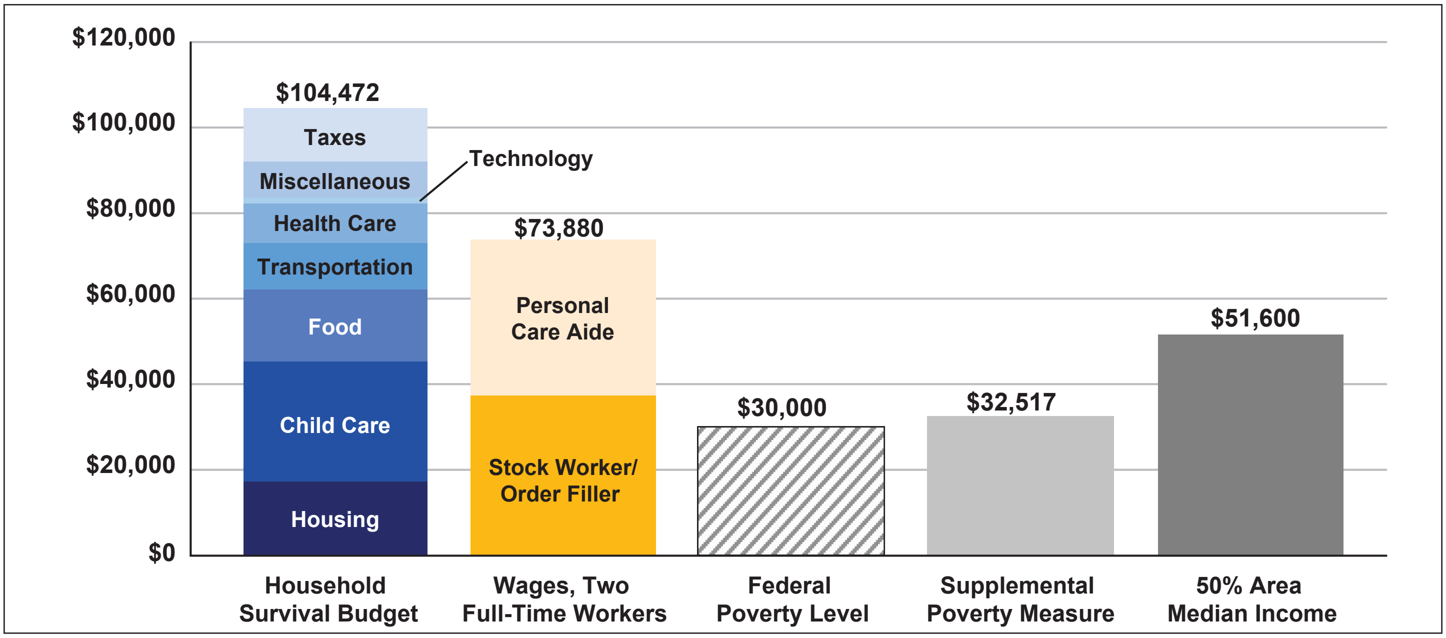
To capture the reality of household costs across New York, **the ALICE Household Survival Budget is calculated for all counties and various household compositions.** This budget reflects the minimum cost to live and work in today's economy. (See the Budget Overview on page 5 and use the ALICE Budget and Income Status Tool for custom budgets by household composition and location.)

Figure 2 illustrates the mismatch between costs, wages, and official measures of financial hardship. It includes ALICE Household Survival Budget costs for a New York family with two adults, an infant, and a preschooler (totaling $104,472 annually) and the combined full-time wages of two common New York occupations – a personal care aide and a stock worker/order filler (totaling $73,880 annually). Figure 2 also compares costs and income to three governmental measures of financial hardship:

- **The Federal Poverty Level** (FPL): The FPL relies on an outdated methodology for household costs; it does not account for cost-of-living differences across the continental U.S., or within states; and it is adjusted by the Consumer Price Index, which underestimates inflation in essential costs (as demonstrated by the ALICE Essentials Index). In 2023, the FPL was $14,580 for a single adult and $30,000 for a family of four.
- **The Supplemental Poverty Measure** (SPM): First published by the U.S. Census Bureau in 2011, the SPM is based on the costs of food, clothing, shelter, and utilities. In 2023, the SPM threshold for a renter household with two adults and two children in New York was $32,517.
- **Area Median Income** (AMI): The AMI is the midpoint of income distribution within a geographic area (half of households earn more, half earn less). Percentages of AMI are used for federal housing assistance; very low-income households earn less than 50% of AMI, the typical threshold for Section 8 eligibility. AMI is based on income, not costs, so it does not capture whether households can afford basic expenses. In New York in 2023, for a four-person household, 50% of AMI was $51,600 – higher than the FPL and SPM, but still well below the Household Survival Budget.

Figure 2. Basic Costs Exceeded Wages of Common Jobs and Official Measures of Hardship

Annual Budget, Wages, and Official Measures of Financial Hardship, Family of Four, New York, 2023



Note: Personal care aides monitor the condition of people with disabilities or chronic illnesses and help them with daily living activities. Stock Workers/Order fillers receive, store, and issue merchandise, materials, equipment, and other items from stockroom, warehouse, or storage yard, and may operate power equipment to fill orders.

Sources: ALICE Household Survival Budget, 2023; Bureau of Labor Statistics–Occupational Employment Statistics, 2023; U.S. Census Bureau, Supplemental Poverty Measure, 2023; U.S. Department of Housing and Urban Development, Area Median Income (State Income Limits), 2023.

ALICE Household Survival Budget, New York		State Average Costs, 2023		
	***Budget Item Description and Sources** *(See Methodology for more details)*	**Single Adult, Age 18–64**	**Single Adult, Age 65+**	**2 Adults, 1 Infant, 1 Preschooler**
Housing	110% of Fair Market Rent (FMR) for an efficiency, one-bedroom, or two-bedroom apartment (based on family size), including utilities, adjusted in metro areas using Small Area FMR ***Source:*** *U.S. Department of Housing and Urban Development (HUD)* **Update:** As of 2023, based on HUD's new FMR policy, housing costs are calculated using 110% of FMR, to more accurately reflect the rental market. Small Area FMR is used in metro areas, where rents are higher than 110% of FMR. In prior years, costs used standard FMR and were adjusted in metro areas using ACS housing costs. To avoid reporting artificial rent decreases, 2022 rents are used if higher than 2023 rents.	$1,103	$1,103	$1,437
Child Care	Cost for registered Family Child Care Homes for infants (0–2 years), preschool-age children (3–4 years), and school-age children (5–12 years) ***Source:*** *New York State Child Market Rate Survey Report*	$0	$0	$2,345
Food	USDA Thrifty Food Plan by age, with county variation from Feeding America ***Sources:*** *Feeding America; U.S. Department of Agriculture (USDA)*	$516	$475	$1,400
Transportation	Operating costs for a car (average daily miles by age, cost per mile, license, fees, and insurance), or public transportation where viable ***Sources:*** AAA, Federal Highway Administration, National Association of Insurance Commissioners (NAIC) (car); Consumer Expenditure Survey (CEX) (public transportation) **Update:** The source for insurance premiums changed from the Zebra to NAIC in 2023; rates are similar and updated more frequently. **Note:** Transportation costs were lower in the 2023 budget than 2022 in some counties, largely due to a decrease in both gas prices and average miles traveled.	$401	$346	$899
Health Care	Health insurance premiums based on employer-sponsored plans plus out-of-pocket costs for households with $40,000–$69,999 annual income by age, weighted with the poor-health multiplier. For the ALICE 65+ Budget, cost of Medicare Parts A and B, out-of-pocket costs, plus average out-of-pocket spending for the top five chronic diseases as reported by CMS. ***Sources:*** *Centers for Medicare & Medicaid Services (CMS); CEX (health); Medical Expenditure Panel Survey (MEPS)*	$196	$543	$775
Technology	Basic broadband internet at home and a smartphone plan with unlimited data for each adult in a household ***Sources:*** *Consumer Reports; USTelecom*	$86	$86	$116
Miscellaneous	Cost overruns estimated at 10% of the budget, excluding taxes, to cover one-time unanticipated costs within the other categories	$230	$255	$697
Taxes	Federal payroll taxes (Social Security and Medicare) and federal, state, and local income taxes owed on household income to cover the Survival Budget, as well as the federal Child Tax Credit and the Child and Dependent Care Tax Credit ***Sources:*** *Internal Revenue Service; Tax Foundation; calculated for United For ALICE by the Federal Reserve Bank of Atlanta (FRBA)* **Note:** 2022 tax data was revised by FRBA for this update.	$439	$510	$1,037
	Monthly Total	$2,971	$3,318	$8,706
	Annual Total	$35,652	$39,816	$104,472
	Hourly Full-Time Earnings Needed to Support the Household Survival Budget*	$17.83	$19.91	$52.24

**Represents the earnings needed at 40 hours/week, 50 weeks/year to support the annual total, including taxes.*

FINANCIAL HARDSHIP BY DEMOGRAPHIC GROUP

There are households below the ALICE Threshold across New York, and they reflect a wide range of demographics and household types (Figure 3). However, some groups had a higher rate of financial hardship in 2023, a result of factors including systemic racism, ageism, gender discrimination, and geographic barriers that limit many families' access to resources and opportunities for financial stability:

- **Age:** In 2023, the youngest and oldest households had the highest rates of financial hardship: 70% of households headed by someone under age 25 and 57% of households headed by someone age 65 and over lived below the ALICE Threshold in New York. By comparison, rates were lower for those in their prime working years, with 42% of households headed by people age 25–44 and 43% of households headed by those age 45–64 living below the Threshold.
- **Race/ethnicity:** Rates of financial hardship differed substantially by race/ethnicity in New York. In 2023, the largest number of households below the ALICE Threshold were White (1.8 million), making up 40% of all White households. Hispanic households were the next largest group below the Threshold (806,302), yet they made up 63% of all Hispanic households. There were 677,767 Black households below the Threshold, making up 63% of all Black households. In addition, 55% of households headed by someone of Two or More Races and 49% of Asian households were below the Threshold. Other, smaller groups also had high rates of hardship: 62% of American Indian/Alaska Native households and 59% of Native Hawaiian/Pacific Islander households were below the Threshold.
- **Household type:** In 2023, 44% of single or cohabiting households without children headed by someone under age 65 – the most common household type – were below the ALICE Threshold in New York. Among families with children, 42% were below the Threshold. And longstanding disparities in financial hardship by household type remained: 77% of single-female-headed families and 62% of single-male-headed families were below the Threshold, compared to 27% of married-parent families.
- **Location:** In 2023, the percentage of households below the ALICE Threshold continued to vary by region in 2023: 56% in New York City counties (Bronx, Kings, New York, Queens, and Richmond); 39% in the counties surrounding New York City (Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester); and 42% across the rest of the state (all remaining counties).

  By county, the percentage of households below the Threshold was highest in Bronx County at 74% and lowest in Nassau County at 33%. Hardship varied even within counties: For example, in Nassau County, the percentage of households below the Threshold ranged from 57% in ZIP code 11096 (Inwood) to 16% in ZIP code 11568 (Old Westbury).

INTERACTIVE ALICE DATA

ALICE data is available online by race/ethnicity, age of householder, household type, county, county subdivision, census designated place, ZIP code, and legislative district. See all available geographies and more on the ALICE Mapping Tool.

Figure 3. Financial Hardship Varied Substantially by Demographic Group

Key Demographic Groups, New York, 2023

	Total	Below ALICE Threshold	Poverty / ALICE / Above ALICE Threshold
ALL HOUSEHOLDS	**7,787,200**	**3,710,814**	14% / 33% / 52%
AGE			
Under 25 Years	228,047	159,495	33% / 37% / 30%
25 to 44 Years	2,470,273	1,038,108	13% / 29% / 58%
45 to 64 Years	2,837,575	1,225,362	12% / 31% / 57%
65 Years and Over	2,251,305	1,287,849	16% / 41% / 43%
RACE/ETHNICITY			
American Indian/Alaska Native	33,451	20,830	15% / 47% / 38%
Asian	617,365	300,899	10% / 38% / 51%
Black	1,070,237	677,767	17% / 47% / 37%
Hispanic	1,276,306	806,302	16% / 47% / 37%
Native Hawaiian/Pacific Islander	3,293	1,935	13% / 46% / 41%
Two or More Races	624,413	343,972	12% / 43% / 45%
White	4,539,137	1,799,780	7% / 32% / 60%
HOUSEHOLD TYPE			
Married With Children	1,232,820	332,040	8% / 19% / 73%
Single-Female-Headed With Children	462,508	357,114	39% / 38% / 23%
Single-Male-Headed With Children	150,328	92,503	23% / 39% / 38%
Single or Cohabiting, Under 65, no Children	3,690,239	1,641,308	12% / 33% / 56%
RURAL/URBAN			
Rural	648,602	286,334	15% / 30% / 56%
Urban	7,138,598	3,424,480	14% / 34% / 52%
REGION			
Counties Surrounding NYC	1,734,747	669,597	8% / 31% / 61%
New York City	3,394,750	1,914,930	18% / 38% / 44%
Rest of State	2,657,703	1,126,287	14% / 29% / 58%

Note: The groups shown in this figure are based on head of household and overlap across categories. Within the race/ethnicity category, all racial categories except Two or More Races are for one race alone. Race and ethnicity are overlapping categories; in this Report, the American Indian/Alaska Native, Asian, Black, Native Hawaiian (includes other Pacific Islanders), and Two or More Races groups may include Hispanic households. The White group includes only White, non-Hispanic households. The Hispanic group may include households of any race. Because household poverty data is not available for the American Community Survey's race/ethnicity categories, annual income below $15,000 is used as a proxy. Counties are defined as rural or urban based on the USDA's designation of metropolitan or non-metropolitan at the census tract level. Counties with 50% or more of the population in metropolitan tracts are designated as urban; those with 50% or more of the population in non-metropolitan tracts are designated as rural.

**In New York in 2023, out of 7,787,200 households, there were 1,120,465 (14.4%) in poverty plus 2,590,349 (33.3%) that were ALICE, totaling 3,710,814 (47.7%) below the ALICE Threshold, which is rounded to 48% in this Report.*

Sources: ALICE Threshold, 2023; U.S. Census Bureau, American Community Survey, 2023

ALICE IN THE LABOR FORCE

Workers below the ALICE Threshold increasingly bear the brunt of economic change and uncertainty as the workforce shifts to incorporate new technology and automation and as employers increase reliance on non-standard work arrangements – like hourly paid work, part-time employment, and gig work. These arrangements make it easier to reduce work hours or cut employment altogether when the economy ebbs (which happened to a large degree during the COVID-19 pandemic) and expand them when demand increases (which happens seasonally for a range of industries such as hospitality, recreation, and retail sales).

In 2023, of the 20 most common occupations in New York as reported by the Bureau of Labor Statistics (BLS), eight still paid less than $20 per hour. And of the workers in these 20 occupations, 39% were living in households below the ALICE Threshold. Occupations with the largest share of workers in households below the Threshold included cashiers (57%), cooks (57%), fast food and counter workers (56%), personal care aides (52%), and security guards (52%) (Figure 4).

Figure 4. A Large Share of Workers in the 20 Most Common Occupations Were Below the ALICE Threshold

Labor Characteristics, Most Common Occupations, New York, 2023

Most Common Occupations	Total Employment (BLS)	Percent of Workers Below ALICE Threshold (ACS PUMS)	Median Hourly Wage (BLS)
Personal Care Aides	566,160	52%	$17.52
Retail Salespersons	228,150	39%	$17.33
Janitors and Building Cleaners	227,700	50%	$18.86
General and Operations Managers	212,770	13%	$60.74
Fast Food and Counter Workers	199,530	56%	$16.50
Registered Nurses	188,060	14%	$50.27
Cashiers	178,710	57%	$19.21
Customer Service Representatives	149,580	41%	$22.18
Elementary and Middle School Teachers	149,160	17%	$40.26
Teaching Assistants	148,860	49%	$20.80
Stocker Workers and Order Fillers	137,380	45%	$18.00
Delivery Driver/Sales Workers	137,270	41%	$22.79
Office Clerks	137,130	38%	$20.88
Maintenance and Repair Workers	132,590	26%	$24.83
Waiters and Waitresses	130,190	49%	$19.97
Secretaries and Administrative Assistants	129,840	33%	$23.06
Security Guards and Gambling Surveillance Officers	122,100	52%	$20.48
Accountants and Auditors	119,150	13%	$48.60
Cooks	115,240	57%	$18.24
Software Developers	105,460	6%	$69.94

Note: BLS = Bureau of Labor Statistics; ACS PUMS = American Community Survey Public Use Microdata Sample. This figure includes all workers with income from these occupations (full-time, part-time, and freelance). ALICE Threshold status is determined by comparing workers' total household income to the ALICE Household Survival Budget for their household composition and location.

Sources: ALICE Threshold, 2023; Bureau of Labor Statistics–Occupational Employment Statistics, 2023; U.S. Census Bureau, American Community Survey, PUMS, 2023

The Labor Landscape

Full- and part-time work: Though the majority of adults in New York were working in 2023 and most households had at least one worker, only 21% of the population age 16 and over had the security of a full-time job with a salary. Of those in the labor force (blue bars in Figure 5), two-thirds (66%) were paid hourly and/or worked part time. Workers who are paid by the hour are more likely to have fluctuations in income due to schedule changes and variable hours, and they are less likely to receive benefits, such as health insurance, paid time off, family leave, or retirement plans.

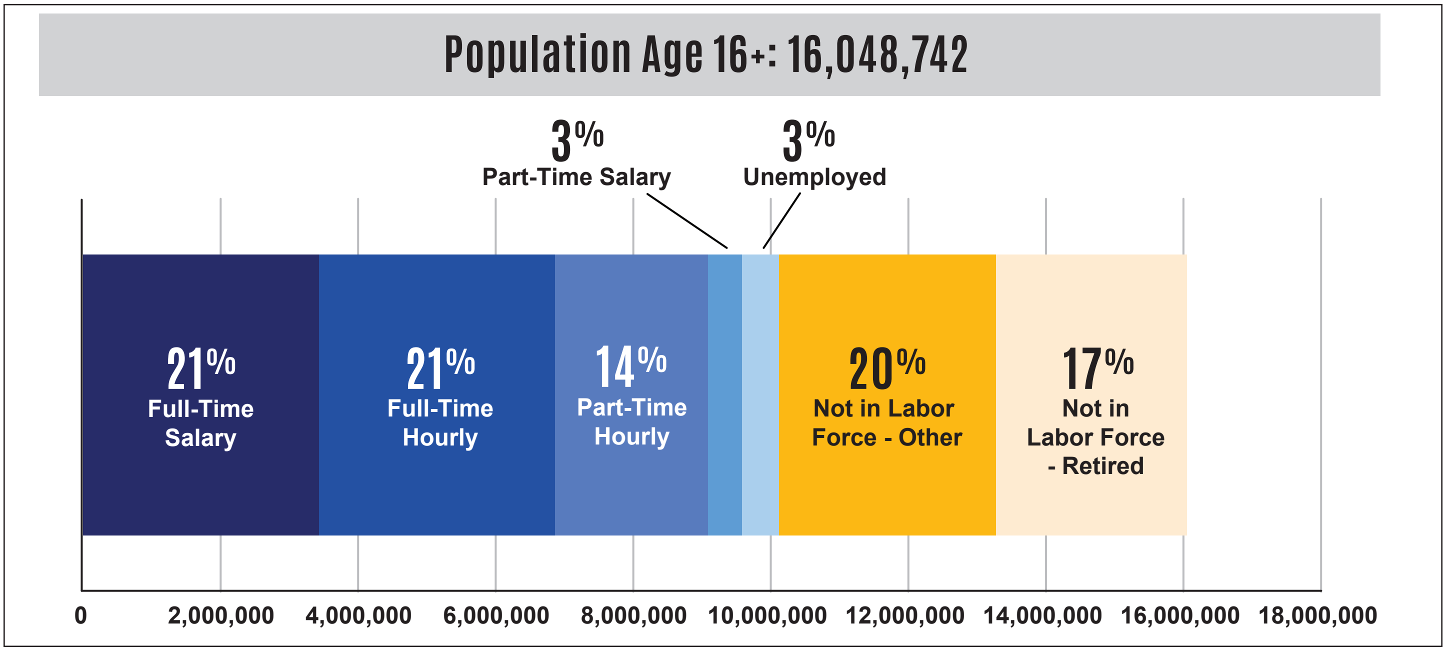
Unemployment: In 2023, 3% of New Yorkers age 16 and over were unemployed – not currently working but looking for work in the prior four weeks (light blue bar in Figure 5). The unemployment rate for workers below the ALICE Threshold in different parts of the state is often notably higher than the official rate. To see more data on workers below the ALICE Threshold in your community, visit UnitedForALICE.org/ALICE-EVD.

Out of the labor force: Another 37% of New Yorkers age 16 and over were out of the labor force in 2023 (gold bars in Figure 5), including those who were retired (17%) and those who were out of the labor force for other reasons, such as disability, health issues, caregiving responsibilities, or student status (20%).

For more data on the labor landscape and occupations in your state, visit UnitedForALICE.org/Labor-Force/New York.

Figure 5. Less Than One-Fourth of People Worked Salaried, Full-Time Jobs

Labor Status, Population Age 16 and Over, New York, 2023



Note: Data for full- and part-time jobs is only available at the national level; these national rates (approximately 50% of full-time workers and 82% of part-time workers paid hourly) have been applied to the total state workforce to calculate the breakdown shown in this figure. Full-time represents a minimum of 35 hours per week at one or more jobs for 48 weeks per year.

Sources: Federal Reserve Bank of St. Louis, 2023; U.S. Census Bureau, American Community Survey, 2023

SPOTLIGHT ON SAVINGS AND ASSETS

When households are not earning enough to cover basic costs, their ability to save for emergencies, retirement, or other future needs is greatly hindered. According to the Federal Reserve Board's Survey of Household Economics and Decisionmaking (SHED), in 2023, respondents below the ALICE Threshold in the Census Middle Atlantic Division (which includes New York) were far less likely than those above the Threshold to have savings that could cover three months of expenses in the event of an emergency (41% vs. 74%), or to have retirement assets (47% vs. 91%). Additionally, non-retirees below the Threshold were less likely to say that their retirement savings plan was on track (12%, vs. 40% above the Threshold).

TRENDS IN NEW YORK

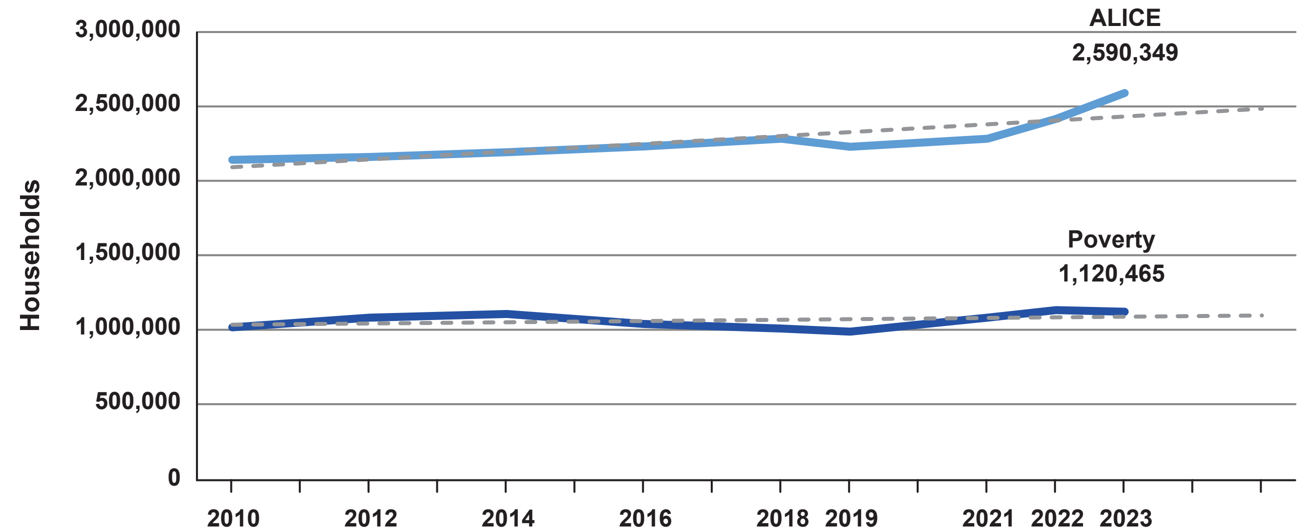
Over the last decade, the number of ALICE households in New York has continued to rise. Despite minimum wage increases, wages have failed to keep up with the cost of household basics. When prices increase faster than wages, purchasing power decreases. This is especially challenging for ALICE households that are already struggling to make ends meet.

Between 2010 and 2023, the total number of households in New York increased by 8%, the number of households in poverty increased by 10%, and the number of ALICE households increased by 21%.

From 2010 to 2019 the rate of financial hardship in New York remained relatively stable, improving slightly in 2019. Post-pandemic, the percentage of households below the ALICE Threshold in New York has continued to climb, reaching a high of 48%, nearly half of all households, in 2023 (Figure 6). It will be important to track these trends in the coming years to see if they continue or shift direction.

Figure 6. ALICE Households Grew, Outpacing Growth in Households in Poverty

Number of Households by Income, New York, 2010–2023



Percent Below ALICE Threshold	2010	2012	2014	2016	2018	2019	2021	2022	2023
	44%	45%	45%	45%	45%	43%	44%	46%	48%

Note: The gray dashed trend lines in this figure highlight the general direction of the point-in-time data for the years shown. These lines indicate whether the numbers of ALICE and poverty-level households have been generally increasing, decreasing, or remaining flat. The ALICE trend line is statistically significant at p<0.004; however, the Poverty trend line is not statistically significant, and caution should be used when making predictions.

Sources: ALICE Threshold, 2010–2023; U.S. Census Bureau, American Community Survey, 2010–2023

Families with children: The total number of households with children under age 18 in New York declined from 2010 to 2023, falling 12%. During the same period, the number of New York households with children living below the ALICE Threshold also declined (down 8%). Single-female-headed households with children had the most significant drop in the number of households below the Threshold (down 17%), while the number of married and single-male-headed households remained relatively flat (both up 1%).

Older Americans: With the aging of the Baby Boomer generation, households headed by people age 65 and over were the fastest-growing age group in New York (up 40% between 2010 and 2023). They were also the age group with the most substantial increase in the number of households below the ALICE Threshold (reaching 57% of all 65+ households in 2023).

Wages: Across the country, wages increased from 2018 to 2023, growing fastest in 2022. In 2023, wage growth slowed yet remained above pre-pandemic levels. While wage increases help households cover costs, they have generally not been enough to make up for years of falling behind. For example, in 2010, retail sales workers – selling goods ranging from clothes to appliances to cars – earned a median wage of $10.47 per hour ($21,770 annually for full-time work) in New York. This worker's household fell $13,847 short of the annual Household Survival Budget for a family with one adult and one school-age child ($35,617). By 2023, the median wage for this occupation increased by 66%, to $17.33 per hour ($36,040 annually, full-time). Yet the annual Household Survival Budget for one adult and one school-age child also grew (to $52,500), leaving these essential workers $16,460 short of covering basic costs – even further behind than they were in 2010.

Housing: Housing costs continued to challenge for all households below the ALICE Threshold. In 2023, 26% of all renter households below the Threshold in New York paid 30% to 49% of their income on housing. An additional 44% paid half of their income or more. **Combined, 70% of all renter households below the Threshold in New York were rent burdened** (paying 30% or more of their income on rent and utilities), the same rate as in 2021. For homeowners below the Threshold, 61% were housing burdened (paying 30% or more of their income on homeowner costs including mortgage payments, utilities, and homeowner's insurance), up slightly from 60% in 2021.

HEAR ALICE VOICES

ALICE is speaking. Are we listening? Visit ALICEvoices.org to hear firsthand insights from ALICE workers and families – or tell your own story.

STABLE HOUSEHOLDS, STRONGER COMMUNITIES

Households below the ALICE Threshold play a vital role in their communities – as neighbors, family members, and civic participants. They also contribute to their local economies – as workers, consumers, and taxpayers. Yet these households, over 3.7 million in New York, did not earn enough to cover basic costs in 2023.

This is not a new problem. The share of households below the ALICE Threshold in New York has varied only slightly for more than a decade, persisting through shifting economic conditions and the COVID-19 pandemic, and across political administrations.

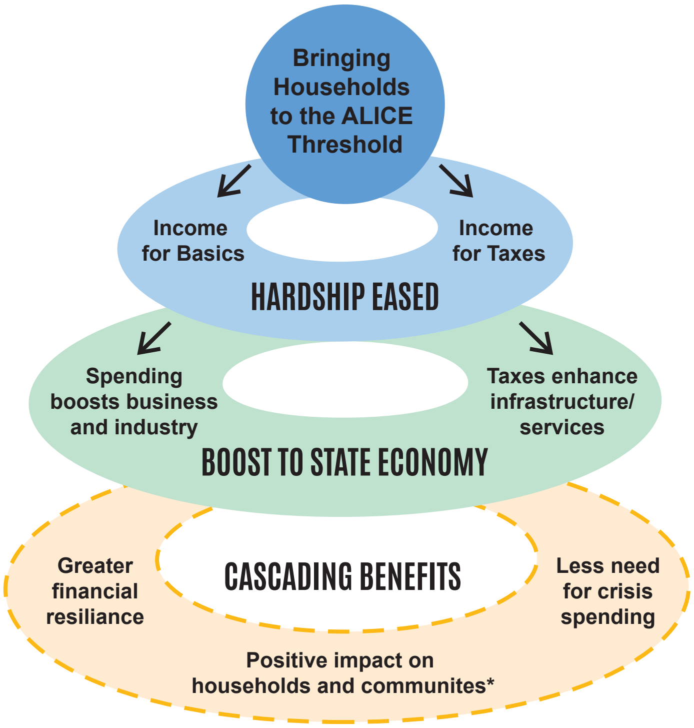
This is not a small problem. In New York, 48% of all households were below the ALICE Threshold in 2023. These households face day-to-day challenges of trying to make ends meet, while also being more vulnerable to the impacts of crises, both widespread (i.e., natural disasters, public health emergencies) and personal (from unexpected car repairs to major health issues). And while isolated interventions can help ameliorate some of these challenges, the core issue remains: There is a wide gap between households' income and what they need to make ends meet.

But what if all households had enough income to cover their basic needs? In New York, bringing all households to the ALICE Threshold would have taken $136.2 billion in 2023. Working to meet this gap through coordinated effort and investment from multiple sectors, including government, nonprofit, business, and philanthropy, would change the trajectory for New Yorkers who are struggling financially – and it would also benefit the state economy.

This matters for all of us. Households below the ALICE Threshold are more likely to spend than to save additional income, so this income would largely go back into the economy as households spend to cover costs and pay additional taxes.

Increased spending in the local economy has a multiplier effect. Mark Zandi, Chief Economist at Moody's Analytics, estimates economic multipliers for additional household income spending on food (1.57), utilities (1.27), and other necessities (1.42). For instance, every dollar spent on food spurs an additional 57 cents in business growth in the retail, agriculture, trucking, and rail freight industries.

There are also economic multipliers for the additional income taxes that households below the ALICE Threshold would pay. Zandi estimates economic multipliers for tax revenue spent on aid to state and local governments (1.27) and transportation infrastructure (1.23), meaning that every dollar households below the Threshold pay in additional taxes would fuel even more in state and local investments.



** See Figure 7 for additional details/sources related to the benefits of meeting basic needs.*

Beyond these economic contributions, there are cascading benefits of meeting basic needs in New York (Figure 7). If all households are on a more solid financial footing, communities can look beyond crisis spending and poverty alleviation toward broader community well-being. For example, funding that went toward emergency housing or food assistance could be redirected to create more affordable housing and locally grown food systems for the long term. Funding could also be used to enhance opportunities for civic engagement, arts, and recreation. Together, these investments can improve physical and mental health and overall quality of life – not just for ALICE families, but for entire communities and the state as a whole.

Figure 7. Cascading Benefits of Meeting Basic Needs

If households have sufficient income for…	Benefits for ALICE Households	Benefits for the Wider Community
Safe, Affordable Housing	Improved physical and mental health through safer environments and reduced stress; improved educational performance and outcomes for children; greater stability for household members; a means to build wealth and racial equity for homeowners	Expanded and updated housing stock, reduced systemic housing inequities; lower health care costs; reduced homelessness; increased opportunities for jobs and more money spent in local communities
Quality Child Care and Education	Increased labor force participation, lifetime earnings and retirement security for women; health benefits for children, school readiness, improved educational attainment and graduation rates; improved performance in higher education; higher lifetime earnings	Reduced racial/ethnic inequalities in learning and development; positive health, education, and economic outcomes for children and families; stronger community economies; more homebuyers and higher property values through availability of quality child care
Adequate Food	Decreased food insecurity; improved health (especially for children and adults age 65 and over); decreased likelihood of developmental delays and behavioral problems in school	Lower health care costs; improved school and workplace productivity; less spending on emergency food services; greater equity by gender, race/ethnicity and immigration status
Reliable Transportation	Decreased transportation insecurity; improved access to work/job opportunities, school and child care, health care and social services, food/retail markets, and support systems (friends, family, faith communities)	Improved air quality and reduced gasoline consumption/carbon emissions; increased economic opportunity through returns on investment; a more diverse labor market; decreased income disparities; more integrated neighborhoods
Quality Health Care	Better mental and physical health (including increased life expectancy); improved access to preventive care; fewer missed days of work and school; decreased need for emergency services; lower share of income spent on health	Decreased health care spending and strain on emergency services; reduced racial/ethnic disparities in insurance coverage and access to care; fewer communicable diseases; improved workplace productivity; decreased wealth-health gap; better outcomes during health crises
Reliable Technology	Improved access to job opportunities; expanded access to health information and telemedicine services; increased job and academic performance	Closing the "digital divide" in access to technology by income; increased economic development; increased connectivity and social inclusion that helps reduce social, economic, and political disparities
Savings	Ability to withstand emergencies without impacting long-term financial stability; greater asset accumulation over time (e.g., interest on savings; ability to invest in education, property, or finance a secure retirement)	Less spending on public services to cover basic needs like health care, food, and housing — especially for unexpected or emergency expenses

We All Have a Role to Play

Our vision is a country where ALICE families not only have sufficient income to afford the basics but can also save and invest in their future. This is a vision not only for ALICE, but for the nation as a whole. The information presented in this Report can help stakeholders prioritize economic prosperity for all. We all have a role to play:

Community members:

- Raise awareness of ALICE through ALICE news and videos or share your experiences
- Connect with your local United Way for advocacy, support, and volunteer opportunities
- Advocate for the continuation of current government datasets (e.g., American Community Survey, Fair Market Rents). Consistent data over time is crucial for informed decision-making, effective policy implementation, and accountability.

Policymakers and nonprofits:

- Explore ALICE by district using the Legislative District Tool
- Map ALICE by location to pinpoint need and identify gaps in community resources
- Use interactive tools from the Federal Reserve Bank of Atlanta (which use ALICE budgets), including the Policy Rules Database and the Career Ladder Identifier and Financial Forecaster
- See examples of policies, practices, and programs United For ALICE partners have implemented using ALICE data

Employers:

- Implement strategies that support the well-being and retention of ALICE workers while also boosting engagement, productivity, and the bottom line
- Advocate for community resources that support your employees – from affordable housing to quality child care

ALICE ONLINE

Visit UnitedForALICE.org to explore interactive data and resources. Click the icons below to get started.

National Overview National data and state comparison	**ALICE Demographics** State, county, and regional demographic data	**ALICE Household Budgets** State, county, and regional budgets
NEW **Mapping Tool** Explore data for all available geographies (state, county, municipality, ZIP code)	NEW **Income Status Tool** Input income, household type, and location to see household ALICE status	**County Reports** All available county data in a shareable format
Legislative District Tool See data by state upper and lower chambers and congressional district	**Economic Viability Dashboard** Key data on work, housing, and community resources	**ALICE Essentials Index** Data on change over time in the cost of household basics
Data Sheet State ALICE data over time and by location	**Wage Tool** Identify counties where select hourly wages can support basic costs	**ALICE in Focus** A closer look at hardship for children, people with disabilities, and veterans
Methodology Sources and calculations used in the ALICE research	**Research Advisory Committees** Learn about the members and roles of these critical groups	**National ALICE Team** Meet members of the United For ALICE staff
NEW **ALICE Voices** Hear directly from ALICE or share your own ALICE story	NEW **ALICE in Action** Programs, practices, and policy changes implemented by the ALICE network	**ALICE Videos** Videos that highlight ALICE stories, research, and partner impact

ABOUT UNITED FOR ALICE AND OUR PARTNERS

The State of ALICE in New York: An Annual Update on Financial Hardship is brought to you by United Way of New York State in partnership with United For ALICE, a driver of innovative research and action to promote financial stability for **ALICE**® (**A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed) households. With a commitment to racial and economic justice, United For ALICE and United Ways across New York share this work with foundations, government, corporations, and other nonprofits to inform policy and promote positive change for ALICE households.

The grassroots ALICE movement, developed by United Way of Northern New Jersey, has spread to 35 states and the District of Columbia. Learn more about the ALICE movement here.

To create the ALICE Reports, our team of researchers works with Research Advisory Committees composed of experts from our partner states. This work is guided by our rigorous methodology, which is updated biennially with experts from across our Research Advisory Committees.

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United For ALICE partners with United Way of New York State to bring this research to the state, and this work is sponsored by The Business Council of New York State, Inc.

To learn more about how you can get involved in advocating and creating change for ALICE in New York, contact: **Therese Daly**, United Way of New York State at dalyt@uwnys.org

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