

ALICE IN THE CROSSCURRENTS

2024
UPDATE

AN UPDATE ON FINANCIAL HARDSHIP IN TEXAS

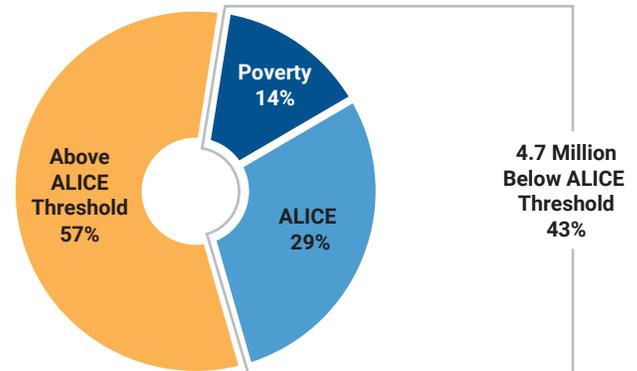
In 2022, financial hardship in Texas continued to be shaped by the conflicting economic forces of the pandemic, and remained substantially undercounted by official measures.

These powerful crosscurrents – COVID-19, inflation, wage growth, and the expansion and expiration of [pandemic public assistance](#) – impacted how many Texas households were below the [ALICE Threshold of Financial Survival](#).

Between 2021 and 2022, total households in Texas increased by 208,120 (up 3%), the number of households in poverty increased by 32,679 (up 2%), and the number of ALICE households increased even more substantially, by 116,891 (up 4%), continuing a more than decade-long trend in the growth of this population. **In 2022, of the 10,985,596 households in Texas, 14% were in poverty and 29% were ALICE, for a combined 4,708,860 – 43% – below the ALICE Threshold.**

With the latest data from the [American Community Survey](#) (2022), the [U.S. Census Bureau's Household Pulse Survey](#) (2023), and the [Federal Reserve Board's Survey of Household Economics and Decisionmaking](#) (SHED) (2022), this Update highlights the conflicting forces that continue to present opportunities for, and barriers to, financial stability in Texas.

Total Households in Texas = 11 Million



KEY TERMS

- **ALICE:** Asset Limited, Income Constrained, Employed – households that earn above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their county. Despite struggling to make ends meet, ALICE households often do not qualify for public assistance.
- **ALICE Household Survival Budget:** Reflects the minimum costs of household necessities in Texas (housing, child care, food, transportation, health care, and technology) plus taxes, adjusted for different counties and household types
- **ALICE Threshold of Financial Survival:** 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
- **ALICE Essentials Index:** A measure of the average change over time in the costs of essential goods and services



United Ways of Texas



Greater Houston

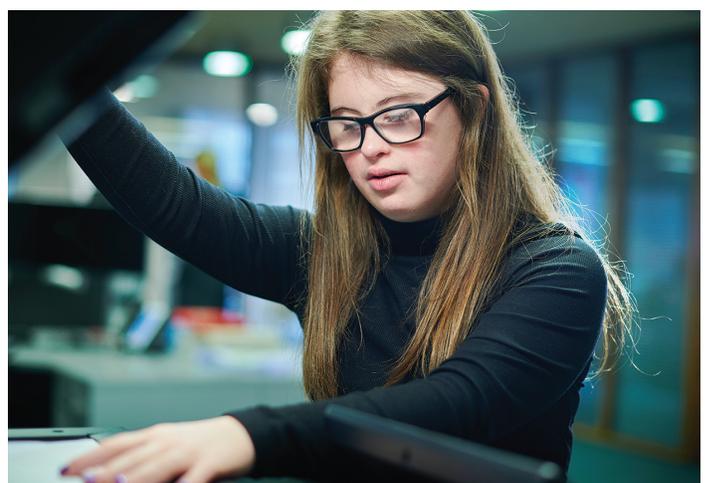


United Way of San Antonio and Bexar County

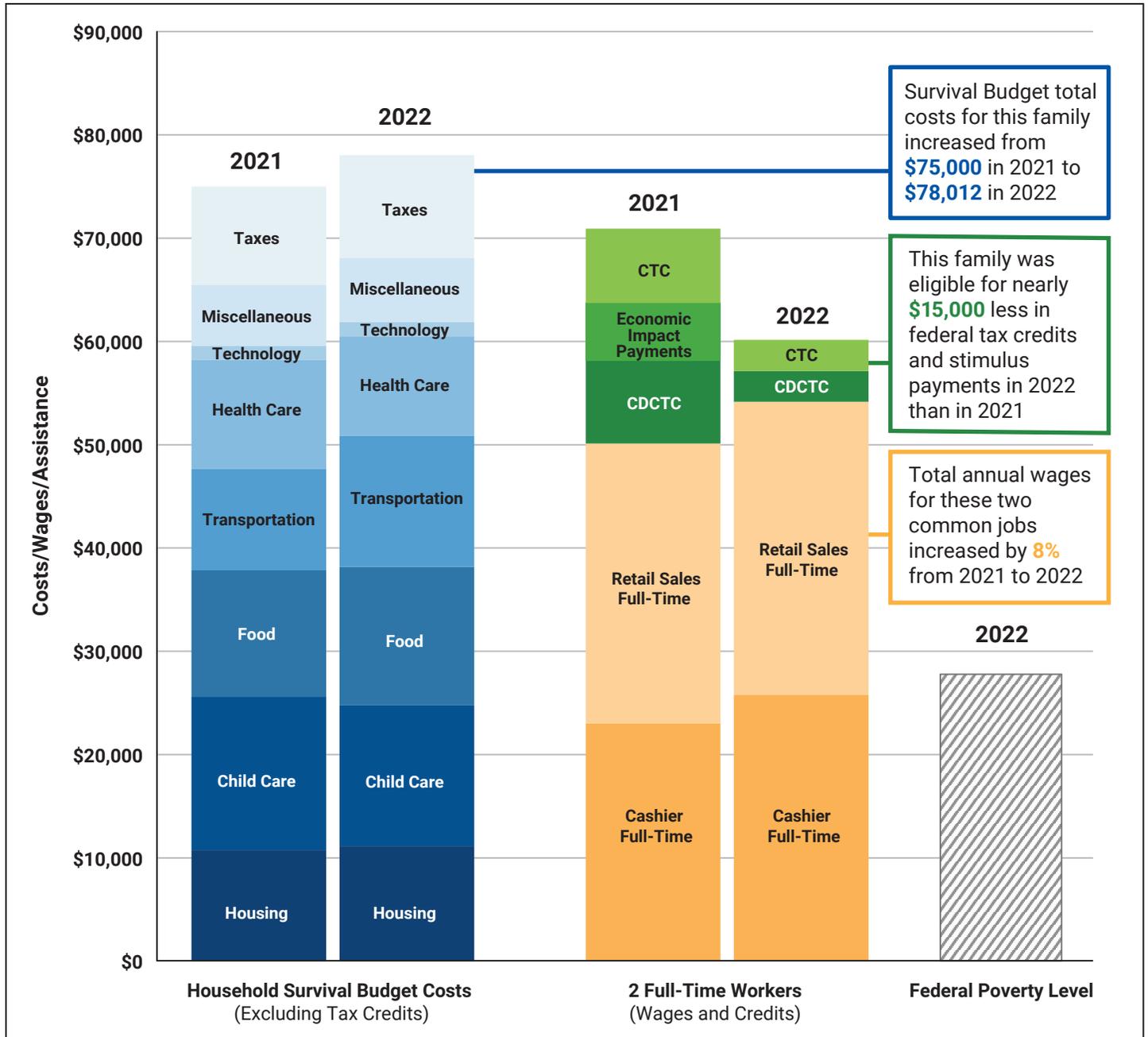
HOUSEHOLD COSTS, PUBLIC ASSISTANCE, AND WAGES

Financial hardship among Texas households shifted from 2021 to 2022 based primarily on three factors:

- **Costs:** From 2021 to 2022, the ALICE Household Survival Budget for a single adult in Texas increased from \$24,528 to \$26,268, well above the FPL of \$13,590. For a family of four with an infant and a preschooler, the budget (including tax credits) increased from \$60,660 to \$72,816, well above the FPL of \$27,750. Excluding tax credits, costs for a family of four totaled \$78,012 in 2022, up from \$75,000 in 2021. (More data on inflation is available in the [ALICE Essentials Index](#) June 2024 Update.)
- **Public assistance:** Pandemic assistance had the most pronounced effects on families with children. The Economic Impact Payments and the expansions of the Child Tax Credit (CTC) and the Child and Dependent Care Tax Credit (CDCTC) helped many ALICE families through 2021. But this assistance was substantially reduced when the [2021 American Rescue Plan](#) expired, stimulus payments ended, and tax credits reverted to 2020 levels. In 2022, a family of four with an infant and a preschooler in Texas was eligible for approximately \$15,000 less in maximum federal tax credits and stimulus payments than in 2021.
- **Wages:** As pandemic assistance wound down, wages increased for most low-wage jobs. For example, median cashier wages in Texas increased from \$11.06 per hour in 2021 to \$12.39 per hour in 2022.



Comparison of Costs, Public Assistance, and Wages, Family of Four, Texas, 2021 and 2022



Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Full-time income is calculated based on 40 hours per week.

Sources: ALICE Threshold, 2021 and 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2021 and 2022; Internal Revenue Service, tax credits—CTC, CDCTC, EITC, 2021 and 2022; U.S. Department of the Treasury, 2022 and 2023

See page 13 for Household Survival Budget sources and visit UnitedForALICE.org/Household-Budgets/Texas to see the Household Survival Budget for all counties and for any household composition.

Across the country, between 2019 and 2022, [wages for the lowest-paid jobs increased](#) at a faster rate than at any point since 1979. This was in part due to a [tighter labor market](#) in which workers reevaluated their employment situation in the wake of the pandemic and inflation, and employers had to offer more competitive wages to attract and retain them. While minimum wage increases in some states also contributed to this effect, that wasn't the case in Texas; the state's minimum wage has been \$7.25 since 2010. But overall, low-wage jobs in Texas still saw notable wage increases from 2019 to 2022.

While these increases helped fill the gap when pandemic assistance ended, they were not enough to make up for years of falling behind. In 2022, of the 20 most common occupations in Texas as reported by the Bureau of Labor Statistics (BLS), 70% still paid less than \$20 per hour. And of the workers in these 20 most common occupations, 35% were below the ALICE Threshold in 2022. Occupations with the largest share of ALICE workers included personal care aides, cooks, cashiers, waiters/waitresses, and fast food/counter workers.

Labor Characteristics of Most Common Occupations, Texas, 2019–2022

Most Common Occupations	Total Employment, 2022 (BLS)	Percent of Workers Below ALICE Threshold, 2022 (ACS PUMS)	Median Hourly Wage, 2022 (BLS)	Percent Change in Wage, 2019–2022 (BLS)
General and Operations Managers	418,050	11%	\$40.01	-16%
Driver/Sales Workers and Truck Drivers	334,370	33%	\$18.79	0%
Fast Food and Counter Workers	328,900	46%	\$10.90	13%
Customer Service Representatives	325,840	38%	\$17.63	12%
Retail Salespersons	314,060	36%	\$13.63	20%
Personal Care Aides	306,320	60%	\$10.52	9%
Cashiers	286,950	53%	\$12.39	15%
Stockers and Order Fillers	266,780	43%	\$16.53	26%
Registered Nurses	231,060	10%	\$38.38	9%
Laborers and Movers, Hand	229,580	45%	\$16.53	21%
Elementary and Middle School Teachers	209,520	15%	\$29.61	9%
Office Clerks, General	200,790	34%	\$16.64	1%
Waiters and Waitresses	200,150	48%	\$10.38	15%
Cooks	197,610	55%	\$13.00	10%
Office and Administrative Support Supervisors	176,700	21%	\$28.65	8%
Secretaries and Administrative Assistants	156,100	28%	\$18.53	10%
Bookkeeping, Accounting, and Auditing Clerks	134,980	24%	\$21.35	9%
Sales Representatives, Wholesale and Manufacturing	126,840	16%	\$33.59	7%
Maintenance and Repair Workers	125,060	35%	\$18.13	3%
Retail Sales Supervisors	108,150	25%	\$19.66	0%

Note: BLS = Bureau of Labor Statistics; ACS PUMS = American Community Survey Public Use Microdata Sample. Occupation titles and percent of workers below the ALICE Threshold come from ACS PUMS. ALICE Threshold status is determined by comparing workers' household income to the Household Survival Budget for their household composition and location. Employment and wage numbers are from BLS and are matched to the closest PUMS occupation title (which are generally broader than those in BLS).

Sources: ALICE Threshold, 2022; Bureau of Labor Statistics—Occupational Employment Statistics, 2022; U.S. Census Bureau, American Community Survey, PUMS, 2019 and 2022

To see the most common occupations for workers below the ALICE Threshold in your community, visit UnitedForALICE.org/ALICE-EVD. For more data on jobs by hourly wages and full-time, part-time, and hourly work schedules, visit UnitedForALICE.org/Labor-Force/Texas.

Financial Hardship Over Time

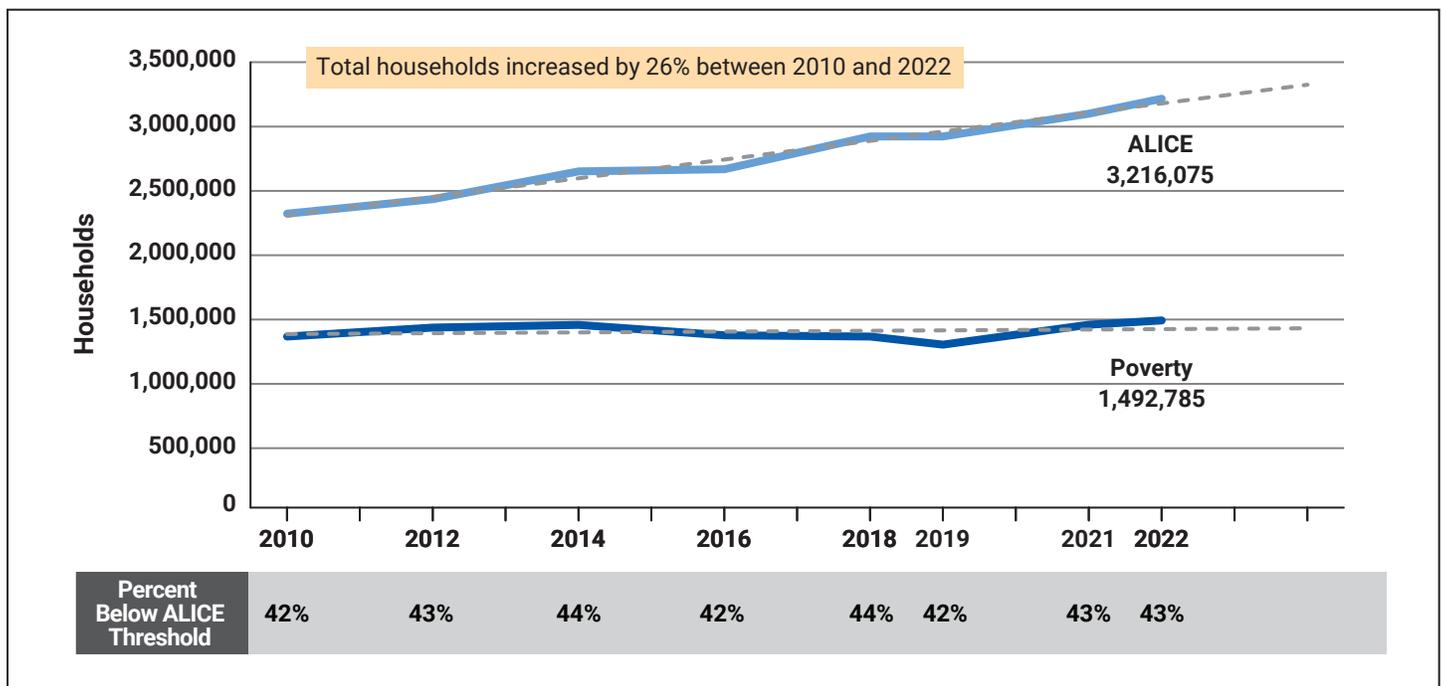
Despite some ups and downs in rates of financial hardship since the end of the Great Recession, the trend is clear: **The number of ALICE households in Texas has been steadily growing.** From 2010 to 2022, the total number of households in the state increased by 26%, the number of households in poverty increased by 9%, and the number of ALICE households increased by 38%. By 2022, 14% (1,492,785) of all households were below the FPL, and 29% (3,216,075) of all households were ALICE – a combined 43% (4,708,860) of households struggling to make ends meet.

ALICE Threshold in 2019 and 43% in 2022). Yet by number, households below the ALICE Threshold continued to grow.

This consistent trend – a growing number of households that are struggling financially, often ineligible for public assistance, and undercounted by official measures – represents a major vulnerability in our economic system. It also suggests that overall social and economic policies are falling short in addressing the root causes of financial instability.

Zooming in to the period around the COVID-19 pandemic (2019–2022), the rate of financial hardship in Texas remained largely unchanged (42% of households below the

Households by Income, Texas, 2010–2022



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 $p < 0.0001$; however, the Poverty trend line is not statistically significant, and caution should be used when making predictions.

Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022

To see additional data on financial hardship over time in Texas, visit UnitedForALICE.org/Texas.

SPOTLIGHT ON ALICE DEMOGRAPHICS

Families With Children

While recent attention has focused on the rising [Supplemental Poverty Rate](#) for children following the expansion and reversal of Child Tax Credits during and after the pandemic, longer-term trends — specifically, the growth in total families with children and in ALICE households with children — tell a more nuanced story.

The number of households with children in Texas has been increasing (up 10% from 2010 to 2022). Married-parent households rose from 2,048,914 in 2010 to 2,279,721 in 2022 (up 11%), single-female-headed households grew from 756,490 in 2010 to 773,771 in 2022 (up 2%), and

single-male-headed households increased from 208,814 in 2010 to 255,815 in 2022 (up 23%).

The number of households with children in poverty has been declining over the past decade in Texas, yet the number of ALICE households with children has been increasing, for both married-parent and single-parent families. By 2022, 39% of families with children in Texas were below the ALICE Threshold. And longstanding disparities in financial hardship by household type remained: 78% of single-female-headed families and 59% of single-male-headed families were below the ALICE Threshold in 2022, compared to 24% of married-parent families.

Households With Children, Texas

	Married-Parent	Single-Female-Headed	Single-Male-Headed
Percent Change 2010 to 2022			
Total Households	▲ Increased 11%	▲ Increased 2%	▲ Increased 23%
Households in Poverty	▼ Decreased 27%	▼ Decreased 8%	Flat
ALICE Households	▲ Increased 21%	▲ Increased 25%	▲ Increased 45%
Percent Below ALICE Threshold, 2022	24%	78%	59%

Note: Poverty rates for families with children differ from rates for individual children, in part due to different surveys and in part because there are often multiple children in a single household, which can accentuate swings.

Sources: ALICE Threshold, 2010–2022; U.S. Census Bureau, American Community Survey, 2010–2022

THE COST OF CHILD CARE

Child care remains one of the highest Survival Budget costs for households with children, and the [child care system](#) is still feeling the impact of the COVID-19 pandemic. Provider shortages and lack of affordable care present fewer options for parents. According to the October 2023 Household Pulse Survey, when families in Texas were asked what they did when child care was closed, unavailable, or unaffordable, the most common replies for respondents below the ALICE Threshold were to cut work hours (31%), take unpaid leave (23%), or supervise one or more children while working (21%).

Households Headed by People Age 65 and Over

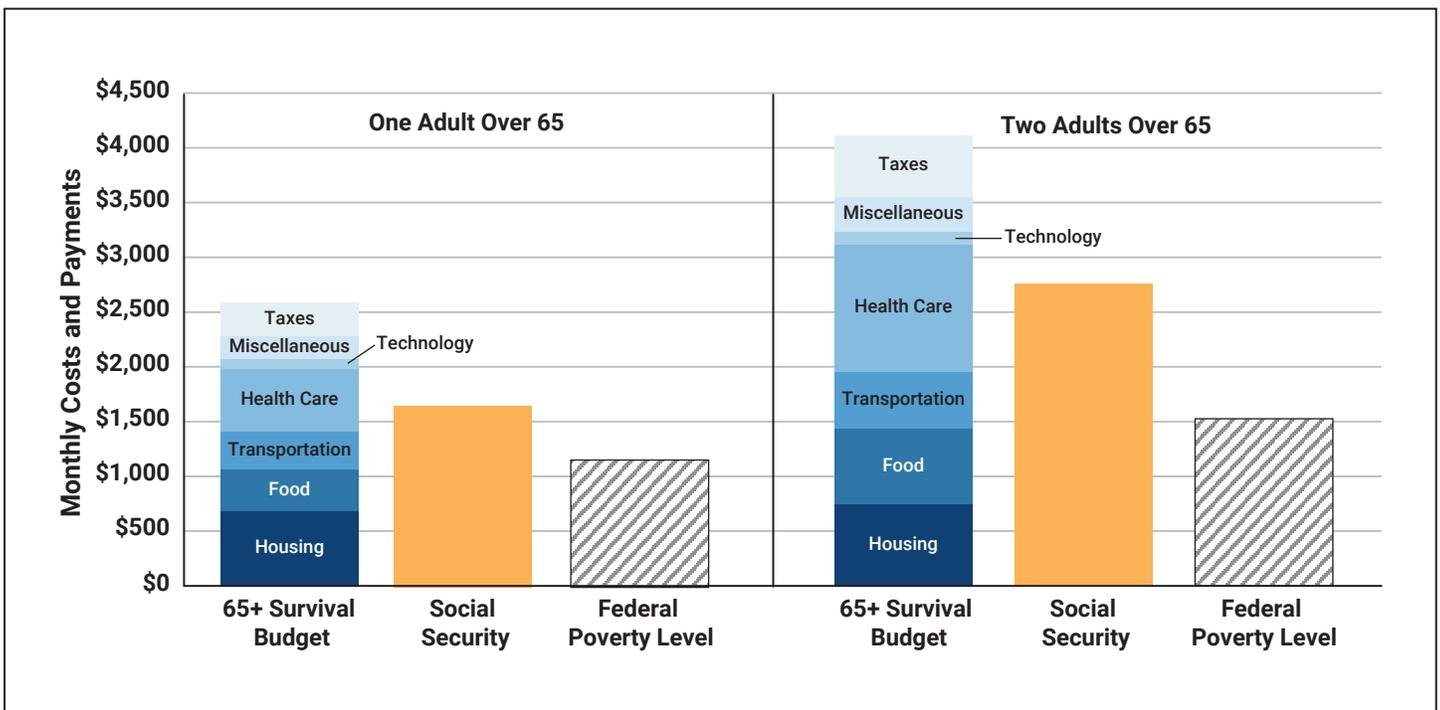
With the [aging of the Baby Boomer generation](#), households headed by people age 65 and over are the fastest-growing age group in Texas (up 54% between 2010 and 2022). They are also the age group with the most substantial increase in the number of households below the ALICE Threshold (up 57% during the same period).

In 2022, 52% of Texas’s 65+ households were below the ALICE Threshold (1,244,572). While Social Security helps [reduce the poverty rate for households headed by older adults](#) (14% in Texas in 2022), benefits have not been enough to help bring older adults to financial stability. As a result,

for more than a decade, a substantial number of these households have been ALICE (37% in 2022). In 2022, monthly costs for the ALICE 65+ Survival Budget for one adult in Texas were \$929 more than the [average Social Security payment](#) and \$1,423 more than the FPL.

With increasing costs and insufficient retirement savings, many older adults have needed to continue working. In 2022, more than 1,327,500 people age 65 and over living below the ALICE Threshold in Texas did not have retirement savings beyond Social Security, and more than 193,800 were working.

Monthly ALICE 65+ Survival Budget Total, Average Monthly Social Security Payments, and the Federal Poverty Level, Texas, 2022



Note: See page 13 for a breakdown of monthly ALICE 65+ Survival Budget costs.

Sources: ALICE 65+ Survival Budget, 2022 (see the ALICE [Methodology](#) for details); Social Security Administration, 2022

Black, Hispanic, and Indigenous Households

Rates of financial hardship differ substantially by race/ethnicity in Texas due to [persistent systemic racism](#), [discrimination](#), and [geographic barriers](#) that limit many families' access to resources and opportunities for financial stability. In 2022, 57% of Black, 52% of Hispanic, 46% of American Indian/Alaska Native, and 46% of Native Hawaiian/Pacific Islander households, as well as 50% of households headed by someone of Two or More Races, were below the ALICE Threshold in Texas, compared to 35% of White and 31% of Asian households. The challenges of the pandemic also disproportionately impacted workers of color, especially with regard to health and employment.

- **Health:** In 2022, the percentage of people [without health insurance](#) in Texas was twice the national average (16.5% vs. 8%). And rates varied by race/ethnicity: 26% of Hispanic, 14% of Black, and 13% of American Indian/Alaska Native people in Texas were uninsured, compared to 9% of White people. White, non-Hispanic people in Texas were also more likely to have insurance through their employer in 2022 (57.6%), compared to 52% of American/Indian/Alaska Native, 50% of Black, and 40% of Hispanic Texans. With these gaps in coverage and [greater exposure to risk in on-site essential jobs](#), [rates of infection and death due to COVID-19](#) were higher among American Indian/Alaska Native, Black, and Hispanic people than among White people throughout most of the pandemic.
- **Employment:** Black and Hispanic workers were more likely than White workers to experience [disruption in employment](#) during the pandemic. And gaps in employment persisted: As recently as the fourth quarter of 2023, the [unemployment rate](#) among people age 16+ in Texas was markedly higher for Black workers (6.0%) and Hispanic workers (5.1%) than for White workers (2.8%).



Household Financial Status and Key Demographics, Texas, 2022

	Total	Below ALICE Threshold	■ Poverty ■ ALICE ■ Above ALICE Threshold
ALL HOUSEHOLDS	10,985,596	4,708,860	<div style="display: flex; justify-content: space-between; width: 100%;"> 14% 29% 57% </div>
AGE			
Under 25 Years	568,456	411,738	<div style="display: flex; justify-content: space-between; width: 100%;"> 33% 40% 28% </div>
25 to 44 Years	4,131,547	1,654,569	<div style="display: flex; justify-content: space-between; width: 100%;"> 13% 27% 60% </div>
45 to 64 Years	3,872,847	1,397,981	<div style="display: flex; justify-content: space-between; width: 100%;"> 11% 25% 64% </div>
65 Years and Over	2,412,746	1,244,572	<div style="display: flex; justify-content: space-between; width: 100%;"> 14% 37% 48% </div>
RACE/ETHNICITY			
American Indian/ Alaska Native	58,329	26,902	<div style="display: flex; justify-content: space-between; width: 100%;"> 9% 37% 54% </div>
Asian	530,545	163,307	<div style="display: flex; justify-content: space-between; width: 100%;"> 8% 23% 69% </div>
Black	1,396,503	789,311	<div style="display: flex; justify-content: space-between; width: 100%;"> 14% 42% 43% </div>
Hispanic	3,616,417	1,863,572	<div style="display: flex; justify-content: space-between; width: 100%;"> 10% 42% 48% </div>
Native Hawaiian/ Pacific Islander	8,768	3,990	<div style="display: flex; justify-content: space-between; width: 100%;"> 9% 37% 54% </div>
Two or More Races	1,904,651	947,425	<div style="display: flex; justify-content: space-between; width: 100%;"> 10% 40% 50% </div>
White	5,001,119	1,737,559	<div style="display: flex; justify-content: space-between; width: 100%;"> 7% 28% 65% </div>
HOUSEHOLD TYPE			
Married With Children	2,279,721	541,536	<div style="display: flex; justify-content: space-between; width: 100%;"> 8% 16% 76% </div>
Single-Female- Headed With Children	773,771	601,314	<div style="display: flex; justify-content: space-between; width: 100%;"> 44% 33% 22% </div>
Single-Male-Headed With Children	255,815	151,406	<div style="display: flex; justify-content: space-between; width: 100%;"> 22% 38% 41% </div>
Single or Cohabiting, Under 65, no Children	5,263,651	2,170,140	<div style="display: flex; justify-content: space-between; width: 100%;"> 11% 30% 59% </div>
RURAL/URBAN			
Rural	1,147,894	541,492	<div style="display: flex; justify-content: space-between; width: 100%;"> 16% 31% 53% </div>
Urban	9,837,702	4,167,368	<div style="display: flex; justify-content: space-between; width: 100%;"> 13% 29% 58% </div>

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 Update, 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.

Sources: ALICE Threshold, 2022; American Community Survey, 2022

ALICE REMAINS IN THE CROSSCURRENTS

Many ALICE households face [ongoing distress](#) because they have not recovered from the Great Recession, debt accumulation, a job loss, or other major challenges. Many are working hard and still struggling to find safe housing, quality child care, nutritious food, accessible health care, and reliable transportation that they can afford. Rising wages and pandemic assistance mitigated some of the financial impact of business disruptions, a health crisis, and rising inflation that characterized the past few years. Yet 43% of households in Texas were still struggling in 2022 – [ranking](#) Texas 32nd among all states and the District of Columbia in financial hardship (with 1st representing the lowest rate of hardship). Insights from the Federal Reserve SHED and the Household Pulse Survey help explain why:



Inflation is Hitting ALICE Harder

- **The cost of basics** is increasing faster than the overall rate of inflation, as reported by the [ALICE Essentials Index](#). And it continues to be as difficult for ALICE to keep up with bills as at the height of the pandemic. According to the Household Pulse Survey, 55% of households below the ALICE Threshold in Texas reported that it was somewhat or very difficult to pay for usual items such as food, rent or mortgage, car payments, and medical expenses in October 2023, similar to 54% in August 2020.
- **Housing costs** are on the rise in many parts of the state, and the impact is greater for those who were already struggling financially. According to the SHED, in 2022, 36% of households below the ALICE Threshold in Texas reported that their rent or mortgage had increased in the prior 12 months (compared to 32% of households above the Threshold).

Changes in Public Assistance Impact ALICE

- **Food assistance:** Increased need for food assistance was a hallmark of the pandemic. Food pantries experienced a substantial increase in [demand for services](#), and Supplemental Nutrition Assistance Program (SNAP) [eligibility criteria broadened and monthly payments increased](#) (through February 2023). In 2022, the need remained high, with one in six Americans (49 million) [receiving private charitable food assistance](#) – down from the height of the pandemic, but still up markedly from 40 million in 2019. In part due to the SNAP income eligibility level in Texas (165% of the FPL), public food assistance was not accessible to all households that were struggling financially: Only 38% of all Texas households in poverty and 17% of all ALICE households participated in SNAP in 2022. Among all eligible people, estimated [SNAP participation rates were higher](#).
- **Rent:** With rising costs, the expiration of [pandemic rental assistance](#), and the end of [state](#) and [federal eviction bans](#), many Texans continued to struggle to pay their rent. According to the Household Pulse Survey, 18% of renter households below the ALICE Threshold in Texas were behind on rent payments in October 2023, the same rate as in August 2020. In Texas in 2022, 72% of households below the ALICE Threshold were rent burdened (paying more than 30% of their income on rent) and 42% were severely rent burdened (paying more than 50% of their income on rent).

ALICE is Less Prepared for Crises and Retirement

- **ALICE struggles to save:** According to the SHED, 52% of respondents in Texas had emergency savings in 2022 (similar to 50% in 2019). Yet only 36% of households below the ALICE Threshold had emergency savings (or rainy day funds) that would cover their expenses for three months in the event of sickness, job loss, economic downturn, or another emergency in 2022, up from 29% in 2019.
- **ALICE faces unexpected medical expenses:** According to the SHED, 26% of respondents below the ALICE Threshold in Texas incurred an unexpected major medical expense that they had to pay for out of pocket because it was not completely paid for by insurance in 2022, up from 23% in 2021. Medical debt generally reflects [poorer health](#) and lower rates of health care coverage, and can lead to [lower credit scores](#) and [additional financial hardship](#). Additionally, the [consequences of medical debt](#) are not experienced equally; those with lower incomes and people of color are more likely than their counterparts to be contacted by collection agencies and denied future care.
- **Financial hardship impedes retirement savings:** According to the SHED, in 2022, 19% of all non-retired

adults and 30% of non-retired adults above the ALICE Threshold in Texas reported that their retirement savings plan was currently on track. Yet only 8% of those below the Threshold reported the same.

- **Financial hardship takes a toll on mental health:** The negative impact of financial stress on mental health has been [well established](#). According to the Household Pulse Survey, 22% of respondents below the ALICE Threshold in Texas reported feeling nervous, anxious, or on edge nearly every day over the prior two weeks in October 2023 – up from 18% in August 2020, and twice as high as for those above the Threshold (11% in 2023).

This research shows a clear trend in our communities and our economy: Financial hardship is widespread, and it's not going away. The current system is not working for ALICE. The narrative in this Update helps make the case for innovative, cross-sector change in Texas and across the U.S. The data, tools, and resources on the [United For ALICE](#) website can equip business, government, education, and nonprofit leaders to make data-informed decisions that address the root causes of financial hardship. Collaborative effort at all levels – local, state, and federal – will be needed to change the trajectory for ALICE households.



ALICE ONLINE

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

 <p>Interactive Maps Data at the state, county, municipal, and ZIP-code levels</p>	 <p>ALICE Demographics Information about ALICE households by age, race/ethnicity, household type, and location</p>	 <p>County Reports An in-depth look at ALICE data, county by county</p>
 <p>Data Sheet Spreadsheet of ALICE data over time and by location</p>	 <p>ALICE Household Budgets ALICE Household Survival and Stability Budgets for the state and one or more counties</p>	 <p>ALICE Essentials Index Key data on the increase in the cost of household basics over time</p>
 <p>Legislative District Tool ALICE data by legislative district, including state upper and lower chambers and congressional districts</p>	 <p>National Overview National ALICE data and a comparison of financial hardship across U.S. states</p>	 <p>Economic Viability Dashboard Key data on the local economic conditions that matter most to ALICE households: Work, Housing, and Community Resources</p>
 <p>Research Advisory Committees Information about the members and role of these critical groups</p>	 <p>ALICE Methodology Overview of the sources and calculations used in the ALICE research</p>	 <p>Equity for ALICE Creating equity for ALICE by illustrating how structural racism and systemic barriers limit life outcomes, and working to remove those barriers so that all people can participate fully in all aspects of our social and economic systems</p>
 <p>ALICE Voices Are you ALICE? Use this tool to share your story</p>	 <p>ALICE in Action Programs, practices, and policy changes implemented by partners across the United For ALICE network</p>	 <p>ALICE Videos Videos that highlight the ALICE research and partner network</p>

ALICE RESEARCH & METHODOLOGY

The Household Survival Budget calculates the cost of household essentials for each county in Texas and relies on a wide range of public data sources, listed below. For household income, the 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. Household costs are compared to household income to determine if households are below the ALICE Threshold.

The latest [ALICE Methodology](#) review was completed in the summer of 2023. Methodology enhancements include:

- Health care costs:** A “poor health multiplier” is used to capture the additional costs lower-income households incur for being in poor or fair health. Based on the latest research, out-of-pocket costs in the health care line item are increased by 19% (a more conservative estimate than the 30% used in prior years).
- Broadband added:** To reflect the finding that the majority of Americans now [have home broadband](#), basic broadband internet has been added to technology costs. The smartphone plan has been updated to include an unlimited (albeit less expensive than the previous 10GB version) smartphone plan for each adult in the household.
- Determining ALICE status:** For 2021 data and years prior, the ALICE Threshold was rounded to the nearest ACS income bracket (e.g., Threshold of \$32,500 corresponded to bracket \$30,000–\$34,999; all households in that bracket were below the ALICE Threshold). Starting this year (2022 data), the Threshold is calculated in proportion to where it falls within the bracket (e.g., if Threshold is \$32,500, half of households in the bracket are below the Threshold).

ALICE Household Survival Budget, Texas, 2022			
	Single Adult (Age 18–64)	Single Adult (Age 65+)	2 Adults, 1 Infant, 1 Preschooler
Monthly Costs			
Housing – Rent	\$521	\$521	\$616
Housing – Utilities	\$163	\$163	\$310
Child Care	-	-	\$1,136
Food	\$410	\$379	\$1,118
Transportation	\$409	\$345	\$1,059
Health Care	\$182	\$579	\$800
Technology	\$86	\$86	\$116
Miscellaneous	\$177	\$207	\$516
Tax Before Credits	\$241	\$306	\$830
Monthly Total	\$2,189	\$2,586	\$6,501
ANNUAL TOTAL Before Tax Credits	\$26,268	\$31,032	\$78,012
Tax Credits (CTC and CDCTC)	\$0	\$0	(\$5,196)
ANNUAL TOTAL With Tax Credits	\$26,268	\$31,032	\$72,816
Full-Time Hourly Wage	\$13.13	\$15.52	\$36.41

Note: CTC = Child Tax Credit, CDCTC = Child and Dependent Care Tax Credit. Full-time hourly wage represents the wage needed at 40 hours per week to support the annual total, with credits. For the family of four, this represents the combined wage needed for two workers. Many households incur higher costs, especially for housing, as units may not be available at Fair Market Rent.

Sources: AAA, 2022; Agency for Healthcare Research and Quality, 2022; American Community Survey, 2022; Bureau of Labor Statistics, 2022—Consumer Expenditure Surveys; Bureau of Labor Statistics, 2022—Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2023—Medicare - Chronic Conditions; Centers for Medicare & Medicaid Services, 2020—Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2023; Federal Reserve Bank of Atlanta—Policy Rules Database; Federal Highway Administration, 2017; Feeding America, 2023; Frank, 2022; Internal Revenue Service, 2022; Medicare.gov; Texas Workforce Commission, 2022; The Zebra, 2022; U.S. Department of Agriculture, 2022—Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2022—Fair Market Rents; USTelecom, 2022.

To view ALICE Household Survival Budgets for all counties and for any household composition, visit UnitedForALICE.org/Household-Budgets/Texas.

Data Notes: The income data used in this Update rely on ACS estimates. The ACS is based on a representative sample, rather than all 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 (see the [Data Sheet](#) for details). 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 does not include people who are unhoused or living in group quarters.

ABOUT UNITED FOR ALICE AND OUR PARTNERS

ALICE in the Crosscurrents: An Update on Financial Hardship in Texas is brought to you by [United Ways of Texas](#), [United Way of Greater Houston](#), and [United Way of San Antonio and Bexar County](#) in partnership with United for ALICE, a driver of innovative research and action around financial hardship for ALICE households. Additional supporters include [United Way of the Coastal Bend](#), [United Way of the Concho Valley](#), [United Way of Denton County](#), [United Way of Erath County](#), [United Way of Galveston](#), [Lubbock Area United Way](#), [United Way of Midland](#), [United Way of Orange County](#), [United Way of Tarrant County](#), and other organizations in Texas.

With a commitment to [racial and economic justice](#), United For ALICE and United Ways across Texas 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 31 states and the District of Columbia. Learn more about the ALICE movement [here](#).

To learn more about how you can get involved in advocating and creating change for ALICE in Texas, contact: **Megan Hall** at megan.hall@uwtexas.org.



United Ways of Texas



Greater Houston



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To access interactive ALICE data and resources for Texas, go to UnitedForALICE.org/Texas.

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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