

# Report: 25 Percent Of Connecticut Households Above Federal Poverty Level But Struggle To Meet Basic Needs

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Nov 15,  
2014

About a quarter of Connecticut households are above the federal poverty level but have earnings or retirement income that is barely enough to meet basic necessities, the Connecticut United Ways say in a new report.

The income threshold varies by family size. A single mother with three children would need to have a combined \$64,689 in wages and child support to get past what the agency characterizes as a "survival budget." For a single person, the figure is \$21,944.

When families are in this fix, the report says, the stress of juggling bills and trying to pick up extra hours means they may not have time to cook healthy food or exercise to stay healthy. Children may go unsupervised after school. The families might put off doctor or dentist visits, worsening health problems.

United Way calls families like these ALICE, for Asset Limited, Income Constrained, Employed. Seventy percent of the ALICE households are individuals or families where everyone is younger than 65.



"They're our friends, the Little League coach, a family member," said Richard Poth, head of the United Way of Connecticut.

In Connecticut, the new report said, 10 percent of all households fall under the poverty level, and 25 percent are between the poverty level and the ALICE threshold.

The state's 16 United Way groups are drawing attention to the ALICE population in hopes that donors will recognize how many people are working so hard to get by, and, with some strategic help, can move from just surviving to financial stability.

Similar ALICE reports have been done in a limited number of other states by their United Way organizations. Northern New Jersey was the first to shine a light on the ALICE population, and this year, for the first time, Connecticut, California, Florida, Indiana and Michigan United Ways have commissioned their own studies.

Connecticut has the lowest proportion of residents below the federal poverty level and the lowest combined total in the ALICE category and below the poverty line of any of the states.

Because pay is higher here, and because Connecticut has been more generous with child-care subsidies, expanding Medicaid and other human services support, Poth said, "we're in better shape than most places. We have a better chance of addressing the needs."

But he said more should be done, especially in affordable housing. Most of the cheaper rentals are in unsafe neighborhoods, the report said, and many are in disrepair. The report said that in order for ALICE and poor households to spend no more than a third of their income on rent, there would need to be about 100,000 more affordable apartments than currently exist.

## 'The Working Poor'

Aside from the retirees, the report concentrates on what advocates traditionally call the working poor.

Tiffany Austin, 25, lives with her parents in Windsor. Even when she was working 16 hours a week at Dunkin' Donuts and 20 hours a week at Macy's marking price tags, the two low-wage jobs were only enough to pay for her car insurance, gas, cell phone and some groceries for the house. It was enough to let her avoid borrowing for community college tuition or even pay down old debts. She said the most she ever made was \$8.50 an hour.

Austin's mother is unemployed, and her father works third shift in a group home. She said she has had to go to school half-time for many years because, at the end of her first year in college, at the University of Hartford, her family could not come up with their share of the bill so she could come back in the fall.

For the year that she worked two jobs, she was at Macy's from 6 a.m. to 10 a.m., three or four days a week; in class in the middle of the day; and at Dunkin' Donuts from 6 p.m. to 10 p.m. four days a week. During the Christmas season, when Macy's opened earlier, she had to be at work at 4 a.m. before the store opened.

The United Way notes that food stamps, WIC for mothers of young children, heating assistance, government health insurance programs, unemployment benefits, child care subsidies and the Earned Income Tax Credit all help the working poor, and that support, along with the support of nonprofits that provide food, after-school programs, summer camps and more, can make a better life possible for hundreds of thousands of Connecticut residents.

"ALICE households represent a cross-section of Connecticut's population," the report said. "Contrary to some stereotypes, ALICE households have a wide range of demographic compositions."

While ALICE households are disproportionately black and Hispanic, 74 percent of the households are white and they live in every town across the state.

In the state's largest cities, more than half of the households fall below the ALICE threshold, the report said. Some towns have small percentages of households under the federal poverty level but a substantial percentage of ALICE households. Westbrook, for instance, has 3 percent under the poverty level but an additional 31 percent that qualify as ALICE.

Single mothers are 42 percent of the ALICE families with children — close to double their representation in the state's population.

When those families are homeowners in middle-class suburbs, Poth said, their struggles are invisible.

### **Single Mom's Story**

Karen Perham-Lippman of Vernon said that was her life for about five or six years. She had been a Ph.D. candidate in molecular and cellular biology but quit the program when she left her husband in 2005. Perham-Lippman, her infant twins and her older son lived with her parents in Colorado for the first year of the separation, but when she returned to live in the house she and her husband had previously shared, she had no credentials for what she calls "a real grown-up benefits job."

Her first job was part-time tutoring and support in a public school district. She called 211, the United Way hotline that gives people the information they need to apply for services or find charitable resources. She received food stamps, WIC coupons and subsidized day care.

Asking for help, she said, "is hard and humbling." But without this help, she would have had to sell the house and move into a small apartment.

The tutoring program's funding was not renewed the next school year, and Perham-Lippman was panicked.

"I remember sitting on the floor of my bedroom and crying for 20 minutes. 'What am I going to do?'"

Through a friend at a temporary agency, she was placed in a data entry job at \$10 an hour.

"You walk around all day with your stomach in your throat," she said, remembering those days. "You have to be strong for your kids. You don't want them to worry. I prayed a lot."

She was promoted at that agency, and started to earn enough, along with child support, to get off food stamps. But she still received child care subsidies for years. For a family with three kids, earning less than \$52,107 qualifies for the state program.

Even when, in 2008, when Perham-Lippman finally landed a quality assurance job that included health insurance at Bombardier Aerospace, she was still living paycheck to paycheck.

"Weekends where I didn't have my guys, I worked 70-hour weeks," she said. "It was exhausting. I worked like a crazy person. I wanted them to play soccer. I wanted them to play lacrosse. I wanted to be able to buy pizza once in while," she said.

No one would think that a homeowner in a middle-class town with a college degree was under such strain, and that's the point of the study, and why Perham-Lippman, now 43, was motivated to tell her story. It also moves her and her children to volunteer often. She has a Little Sister in New Britain, and is in leadership at a United Way chapter and a local YMCA.

Knowing that society was giving her support "really made you want to put one foot in front of the other," she said. "It changes your life if you know you're not alone."

Austin, too, is on a path to the middle class.

After a long fruitless search for another retail job after taking a break from work during school, she decided to become a Certified Nursing Assistant.

Strive, a nonprofit funded by the United Way that pays for job training, got her into its 51/2 week course, and allowed her to skip out during her regular Capital Community college nursing courses.

After graduating in July, she landed a CNA job at Hebrew Health Care, where she works four days a week on second shift while continuing to take two courses a semester.

After just a few months, the union wage scale provided a raise to \$14.75 an hour.

Earning that much makes all the difference. She was able to buy a used car for \$800 so she didn't have to rely on coworkers for rides at 11 p.m. She'll be able to start paying down a \$1,000 credit card debt she ran up when she was 18, so that some day she can qualify for a car loan. Even working four days a week most of the time, she'll earn enough to move herself and her family past the ALICE threshold.

And, once she finishes her associate's, the nursing home said there should be an R.N. job for her.

*For a town-by-town map of people in poverty and below the ALICE threshold in Connecticut, go to <http://www.courant.com/alice>. The full report is available at <http://alice.ctunitedway.org>.*

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