

ALICE IN MAINE: A STUDY OF FINANCIAL HARDSHIP



**ALICE: Asset Limited, Income
Constrained, Employed**

2023 Report | UnitedForALICE.org



United Ways of Maine

ABOUT UNITED FOR ALICE AND OUR PARTNERS

ALICE in Maine: A Study of Financial Hardship is brought to you by United Ways of Maine in partnership with [United For ALICE](#), a driver of innovative research and action around financial hardship for **ALICE** (Asset Limited, Income Constrained, Employed) households. With a commitment to [racial and economic justice](#), United For ALICE and United Ways across Maine 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 28 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.

Director and Lead Researcher: Stephanie Hoopes, Ph.D.

ALICE Research Team: Andrew Abrahamson; Ashley Anglin, Ph.D.; Catherine Connelly, D.M.H., M.A.; Max Holdsworth, M.A.; Dana Isaac; Dan Treglia, Ph.D. Research Fellows: Daniel Assamah and Kathleen Lopez.

Maine Research Advisory Committee:

- Tim Cowan, M.S.P.H.
MaineHealth
- Michael Donihue, Ph.D.
Colby College
- Sarah Goan, M.P.P.
Data Innovation Project, University of Southern Maine
- Helen Hemminger, M.A.
Maine Children's Alliance
- Kelsi Hobbs, Ph.D.
School of Economics, University of Maine
- Julia Trujillo Luengo, M.S.
Maine Department of Economic & Community Development
- Mary Madden, Ph.D.
United Way of Southern Maine (Director of Evaluation)
- Marcelle Medford, Ph.D.
Bates College, and Permanent Commission on the Status of Racial, Indigenous & Tribal Populations, State of Maine
- Jean Mellett, M.B.A.
Northern Light Health
- Peter Nalli, M.S., M.P.A.
Regional & Community Outreach Department, Federal Reserve Bank of Boston
- Arthur Phillips
Maine Center for Economic Policy
- Joshua Cole
MaineHousing
- Craig Zurhorst
Western Maine Transportation Services

United For ALICE partners with [United Ways of Maine](#) to bring this research to Maine, and the ALICE research in Maine is sponsored by the John T. Gorman Foundation.



United Ways of Maine

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F O U N D A T I O N

To learn more about how you can get involved in advocating and creating change for ALICE in Maine, contact: Kristin Chase Duffy at kchaseduffy@uwsme.org.

LETTER TO THE COMMUNITY

Dear Fellow Mainers,

Our state may be famous for coastal lighthouses, fresh lobster rolls, and spectacular outdoor adventures, but it's our people who truly make Maine special. Although Mainers are known for being hardworking, many of us are living paycheck to paycheck, and one unexpected expense away from financial crisis. There's an acronym for those who face this struggle every day: ALICE.

ALICE stands for Asset Limited, Income Constrained, Employed. ALICE is the essential, frontline worker who carried us through the pandemic, reporting to work to take care of our most basic needs. Although ALICE families earn a paycheck, they just can't keep up with inflation and the cost of living. We rely on ALICE every day: educators, child care providers, health care and long-term care professionals, those who maintain our infrastructure or provide social services, and many others. In our most challenging times, we acknowledge those who are ALICE as heroes. While they serve others, who is helping them meet their basic needs?

ALICE is your family member, neighbor, and friend. ALICE lives in every community across our state – working one or more jobs, paying taxes, and helping keep our economy going. Some of us have been ALICE, and some of us are ALICE now. Yet ALICE households are rarely talked about, and they often don't qualify for financial assistance, making them invisible to the system.

Starting today, let's talk about ALICE. Let's make ALICE visible so that we can help all Mainers achieve financial stability.

This inaugural Maine ALICE Report is a first step toward deepening our understanding of the realities faced by ALICE families in our state. When the United Ways of Maine embarked on this report, we knew it was time to bring attention to the Mainers who work hard to take care of us, but never seem to get ahead. Together, it's time for us to roll up our sleeves and take care of ALICE.

The report is made possible by the generosity of the John T. Gorman Foundation and by the hundreds of volunteers and leaders who contribute to the work of our state's seven United Ways. With their continued support, we are uniquely positioned to translate this data into meaningful action to improve lives and strengthen the economic wellbeing of our state. We hope you will join us on this journey.

Sincerely,

United Ways of Maine

United Ways of Maine

HEART OF MAINE UNITED WAY

Shirar Patterson
President & CEO
homeunitedway.org

UNITED WAY OF ANDROSCOGGIN COUNTY, INC.

Joleen Bedard
Executive Director
unitedwayandro.org

UNITED WAY OF AROOSTOOK

Sarah Duncan
Executive Director
unitedwayarostook.org

UNITED WAY OF KENNEBEC VALLEY

Courtney Yeager
President & CEO
uwkv.org

UNITED WAY OF MID COAST MAINE

Nicole Evans
Executive Director
uwmcm.org

UNITED WAY OF SOUTHERN MAINE

Liz Cotter Schlax
President & CEO
uwsme.org

UNITED WAY OF THE TRI-VALLEY AREA

Kendra Baker
Executive Director
uwtva.org

ALICE ONLINE

Visit UnitedForALICE.org to explore the interactive data and resources that accompany this Report. 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 Spreadsheet 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>

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ALICE RESEARCH & METHODOLOGY

This ALICE Report for Maine provides the most comprehensive look at the population called **ALICE** — **households that have income above the [Federal Poverty Level \(FPL\)](#) but still struggle to afford household basics**. This Report includes a detailed point-in-time snapshot of economic conditions across the state in 2021, as well as key data and trends from the Great Recession to the COVID-19 pandemic and beyond. Longstanding patterns in how and where people live, work, study, save, and spend their time were disrupted by the pandemic, and the lasting economic impact of that disruption is still unfolding as this Report is being written. To help inform program and policy decisions, United For ALICE remains committed to providing the most up-to-date local data possible on financial hardship in Maine and across the U.S.

Two pillars of the ALICE measures are household costs and income. The **Household Survival Budget** (see figure on next page) calculates the cost of household essentials for each county in Maine and relies on a wide range of public data sources for the budget items of housing, child care, food, transportation, health care, and a smartphone plan, plus taxes. These budgets are calculated at the county level, as counties are the smallest jurisdiction for which there is consistently reliable data.

Household costs are compared to household income from the U.S. Census Bureau's American Community Survey (ACS) to

determine if households are **below the ALICE Threshold**. This category includes both households in **poverty**, with income below the FPL, and those who are **ALICE**, with income above the FPL but below the cost of basics.

Our standard ALICE income data is based on the ACS — both [household tabulated data](#) and individual data from the [Public Use Microdata Sample \(PUMS\)](#) records. In addition, this Report includes our analysis of two surveys that capture the experiences of a nationally representative sample of households during the pandemic:

- [Federal Reserve Board's Survey of Household Economics and Decisionmaking \(SHED\)](#), October, 2019; November, 2020; and November, 2021
- [U.S. Census Bureau's COVID-19 Household Pulse Survey \(Household Pulse Survey\)](#), August 19–August 31, 2020; September 14–November 14, 2022; and December 9–December 19, 2022

Learn more about our methodology at UnitedForALICE.org/Methodology

Data Notes: The data used in this Report are estimates; some are geographic averages, others are one- or five-year averages depending on population size (see the [Data Sheet](#) on the United For ALICE website for details). Percentages are rounded to whole numbers, sometimes resulting in percentages totaling 99% or 101%. ALICE analysis includes all 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.









KEY TERMS

- **ALICE: Asset Limited, Income Constrained, Employed** – households that have income above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their county. A household consists of all the people who occupy a housing unit. In this Report, households do not include those living in group quarters such as a dormitory, nursing home, or prison.
- **Household Survival Budget:** Estimates the minimum costs of household necessities (housing, child care, food, transportation, health care, and a basic smartphone plan) in Maine, adjusted for different counties and household types
- **ALICE Threshold:** The minimum average income that a household needs to afford the basics included in the Household Survival Budget, calculated for all U.S. counties
- **Below the ALICE Threshold:** Reports the number of ALICE and poverty-level households combined
- **ALICE Essentials Index:** A measure of the average change over time in the costs of the essential goods and services that households need to live and work in the modern economy – housing, child care, food, transportation, health care, and a smartphone plan



ALICE Household Survival Budget

Description and Sources

	<p>Housing Housing is composed of rent and utilities. Rent: Fair Market Rent (40th percentile) for an efficiency, one-bedroom, or two-bedroom apartment (based on family size), adjusted in metro areas using the American Community Survey (ACS) – minus utilities Utilities: As captured by the Consumer Expenditure Survey (CEX) Sources: ACS metro housing costs and U.S. Department of Housing and Urban Development (rent); CEX (utilities)</p>
	<p>Child Care Cost for registered Family Child Care Homes for infants (0–2 years), preschool-age (3–4), and school-age children (5–12) Source: Maine Department of Health and Human Services, 2021</p>
	<p>Food USDA Thrifty Food Plan by age, with county variation from Feeding America Sources: Feeding America; U.S. Department of Agriculture (USDA)</p>
	<p>Transportation Operating costs for a car (average daily miles by age, cost per mile, license, fees, and insurance), or public transportation where viable 2021 Note: The decline in public transportation use during the pandemic reduced the average expenditure, yet the cost for workers who had to use it to commute remained the same. To reflect this, the budget uses 2019 average CEX spending. Sources: AAA, Federal Highway Administration, The Zebra (car); CEX (public transportation)</p>
	<p>Health Care Health insurance premiums based on employer-sponsored plans plus out-of-pocket costs for households with \$40,000–\$69,000 annual income by age, weighted with the poor-health multiplier. For the senior budget, cost of Medicare Part 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 and Medicaid Services (CMS); CEX (health); Medical Expenditure Panel Survey (MEPS)</p>
	<p>Technology Smartphone plan with 10GB of data for each adult in a household 2021 Note: Costs were upgraded from a 5GB to a 10GB monthly data plan to reflect the increased need for internet access during the pandemic. Source: Consumer Reports</p>
	<p>Miscellaneous Cost overruns estimated at 10% of the budget, excluding taxes, to cover one-time unanticipated costs within the other categories</p>
	<p>Taxes Federal, state, and local taxes owed on the amount of income to cover the Survival Budget as well as tax credits, including the Child Tax Credit (CTC) and the Child and Dependent Care Tax Credit (CDCTC) 2021 Note: Due to the significant effect of the expanded tax credits in 2021, total taxes before credits and the credits are both listed. Sources: Internal Revenue Service; Tax Foundation</p>

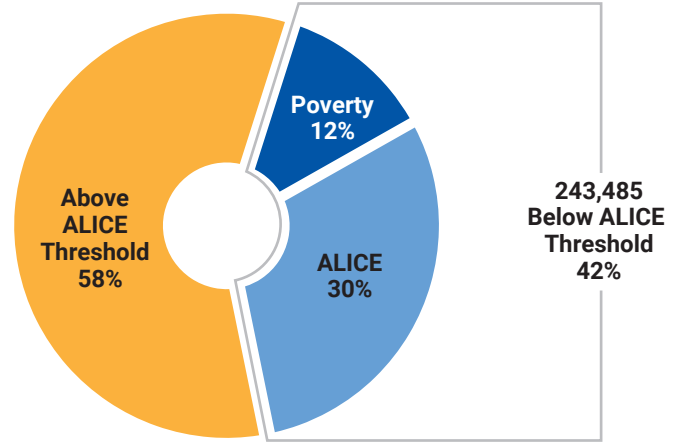
ALICE IN MAINE: EXECUTIVE SUMMARY

The number of households in financial hardship in Maine continues to be undercounted in official measures. According to the Federal Poverty Level (FPL), 12% of households in Maine (70,983) were in poverty in 2021. Yet [United For ALICE](#) data shows that another 30% (172,502 households) – more than twice as many – were **ALICE** (Asset Limited, Income Constrained, Employed). ALICE households earn above the FPL, but not enough to afford the basics in the communities where they live.

The reality is that out of the 583,562 total households in Maine, 243,485 – 42% – had income below the [ALICE Threshold of Financial Survival](#) in 2021. These included both households in poverty and ALICE households.

The crux of the problem is a mismatch between earnings and the cost of basics. The ALICE Household Survival Budget for a family of four in 2021 was \$70,908, well above the FPL (at \$26,500) and full-time earnings for most low-wage jobs in Maine. For example, retail salespersons (one of the most common occupations in Maine) earned a median hourly

Total Households in Maine = 583,562



wage of \$14.22 – just enough to cover the **ALICE Household Survival Budget** for one worker employed full time (\$13.96 per hour), but not enough for a senior worker (\$15.70) or a family with children, even with two adults working (combined wage of \$35.45 per hour per hour).

ALICE Household Survival Budget, Maine, 2021			
	Single Adult	Single Senior	2 Adults, 1 Infant, 1 Preschooler
Monthly Costs			
Housing – Rent	\$558	\$558	\$688
Housing – Utilities	\$154	\$154	\$292
Child Care	-	-	\$1,443
Food	\$498	\$460	\$1,359
Transportation	\$329	\$282	\$805
Health Care	\$216	\$512	\$873
Technology	\$75	\$75	\$110
Miscellaneous	\$183	\$204	\$557
Tax Before Credits	\$313	\$371	\$1,162
Monthly Total	\$2,326	\$2,616	\$7,289
ANNUAL TOTAL Before Credits	\$27,912	\$31,392	\$87,468
Tax Credits (CTC and CDCTC)	-	-	(\$16,560)
ANNUAL TOTAL with Credits	\$27,912	\$31,392	\$70,908
Full-Time Hourly Wage	\$13.96	\$15.70	\$35.45

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 a 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, 2021; Agency for Healthcare Research and Quality, 2021; American Community Survey, 2021; Bureau of Labor Statistics, 2021–Consumer Expenditure Surveys; Bureau of Labor Statistics, 2021–Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2021–Medicare - Chronic Conditions; Centers for Medicare & Medicaid Services, 2021–Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2021; Federal Highway Administration, 2017; Feeding America, 2022; Fowler, 2021; Internal Revenue Service, 2021; Internal Revenue Service–FICA, 2021; Maine Department of Health and Human Services, 2021; Medicare.gov; Scarborough, 2021; Tax Foundation, 2021; The Zebra, 2022; U.S. Department of Agriculture, 2021–Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2021–Fair Market Rents; Walczak, 2021.

To see the Household Survival Budget for all counties in Maine, go to UnitedForALICE.org/Household-Budgets/Maine.

Key Findings:

- **The cost of basic needs in Maine:** In 2021, the cost of household basics (housing, child care, food, transportation, health care, and technology, plus taxes) was \$27,912 per year for a single adult and \$70,908 per year for a family of four with two adults, an infant, and a preschooler — much higher than the FPL across all Maine counties. Costs varied widely by region of the state: For example, the Survival Budget for a family of four was lowest at \$63,444 per year in Aroostook County and highest at \$80,760 per year in York County.
- **Demographics:** There are households below the ALICE Threshold across all demographic groups. However, disparities exist in the rates of financial hardship due to [systemic racism](#), [ageism](#), [gender discrimination](#), and [geographic barriers](#) that limit many families' access to resources and opportunities for financial stability.
 - » By race/ethnicity, 59% of Black and 44% of Hispanic households in Maine were below the ALICE Threshold in 2021, compared to 41% of White households.
 - » By age, the youngest (under age 25) and oldest (age 65+) households faced the highest rates of hardship.
 - » By household composition, single-female-headed families with children were more likely to be below the Threshold than single-male-headed or married-parent households, or than single or cohabiting households without children.
 - » By location, in Maine's predominantly urban counties in 2021, 39% of households were below the ALICE Threshold, lower than the rate in predominantly rural counties, at 45%.
- **ALICE and financial hardship over time:** ALICE households are especially vulnerable to national economic disruptions. The number of households below the ALICE Threshold in Maine increased dramatically through the Great Recession (2007–2010). The number of households in poverty continued to increase through 2016, and the number of ALICE households increased through 2018. There was some improvement in both groups leading up to 2019 — and then the pandemic hit. From 2019 to 2021, the total number of households in Maine increased by 2%, while the number of households below the Threshold increased by 6%. By 2021, 42% of Maine households could not afford the basics in the communities where they live.
- **Inflation and household essentials:** The cost of basics is increasing faster than wages in Maine. The ALICE Essentials Index for Maine (which tracks change over time in the cost of household essentials) rose on average 3.0% annually between 2007 and 2023. For context, the median wage for one of the most common occupations in the state, a retail salesperson, increased only 2.4% annually from 2007 to 2022 (the latest data available).
- **Pandemic assistance:** Public assistance programs were temporarily expanded in 2021, but not enough to bring most households below the ALICE Threshold to financial stability. In Maine, a family of four with two parents working full time in two of the most common occupations (retail salesperson and cashier) could not afford the Household Survival Budget in 2021, even with the expanded Child Tax Credit, the Child and Dependent Care Tax Credit, and the pandemic-era Economic Impact Payments.
- **Work and wages:** Of the 20 most common occupations in Maine, 85% paid less than \$20 per hour in 2021. All but two of the most common jobs saw an increase in the median wage; for example, for one of the most common occupations in Maine, a retail salesperson, the median wage increased by 16% to \$14.22 per hour in 2021. But given that wages had stagnated for a decade, 34% of the state's 17,820 retail sales workers still lived below the ALICE Threshold in 2021.
- **Savings and assets:** During the pandemic, rates of emergency savings increased on average in the New England region (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont), but those rates differed by income. According to SHED, in November 2021, only 41% of households below the ALICE Threshold had emergency savings or rainy day funds, compared to 78% of households above the Threshold. Similarly, only 44% of households below the Threshold had retirement assets in 2021, compared to 69% of those above.
- **Beyond 2021:** With pandemic assistance waning while significant challenges remain, there are warning signs that the economic situation for Maine households below the ALICE Threshold has worsened since 2021, including sustained high levels of food insufficiency, continued difficulty paying bills, medical debt, reduced savings, and feelings of anxiety and depression.

DEFINING FINANCIAL HARDSHIP IN MAINE

Traditional economic measures systematically underestimate both the actual cost of basic needs and the number of households that can afford them, concealing important aspects of the local and national economy. Two ALICE tools provide a more accurate estimate of the cost of living and a clearer way to track how many households are struggling. The **ALICE Household Budgets** capture the reality of how much income households need to live and work in the modern economy in each county, and the [ALICE Threshold of Financial Survival](#) provides a measure to track the number of ALICE and poverty-level households combined over time in each county, in Maine and across the U.S. This section explores these tools and highlights the challenges ALICE families face in meeting basic needs.

The Cost of Basics

The ALICE Household Survival Budget is the foundation of the ALICE Research. United For ALICE provides two basic budgets for all counties in Maine. Each budget can be calculated for various household types.

- The **ALICE Household Survival Budget** is an estimate of the minimal total cost of household essentials — housing, child care, food, transportation, health care, and technology, plus taxes and a miscellaneous contingency fund equal to 10% of the budget. It does not include savings, auto repairs, cable service, travel, laundry costs, or amenities such as holiday gifts or dinner at a restaurant that are out of reach for many ALICE families.
- For comparison to a more sustainable budget, the **ALICE Household Stability Budget** estimates the higher costs of maintaining a viable household over time, and it is the only ALICE budget to include a savings category, equal to 10% of the budget.

The Household Survival Budget varies across Maine's counties due to differences in local costs. In 2021, household necessities were least expensive for a family in Aroostook County at \$63,444 per year and most expensive in York County at \$80,760. For a single adult, essentials were least expensive in Piscataquis County at \$23,688 per year and most expensive in Cumberland County at \$34,812. A Household

Survival Budget for each county in Maine is presented in the County Reports on our website: UnitedForALICE.org/County-Reports/Maine.

Compared to the costs in the Household Survival Budget, the Federal Poverty Level (FPL) is drastically inadequate. Unlike the ALICE budgets, the FPL is not based on the cost of contemporary household necessities, and except for Alaska and Hawai'i, it is not adjusted to reflect cost-of living differences. Nor does it adjust for different ages of household members. The FPL is increased annually based on the Bureau of Labor Statistics' (BLS) Consumer Price Index (CPI), and those increases are the same for all U.S. households of a given size. By contrast, the actual household costs in the Survival Budget have increased at different rates depending on location, household size, and household composition.

Yet despite its inadequacies, the FPL continues to be the standard for determining the number and proportion of people living in poverty in the U.S. **With the FPL as the primary way for policymakers and local stakeholders to gauge the extent of financial hardship in their communities, a huge portion of struggling U.S. households go unrecognized.**

The actual cost of household basics in every county in Maine is well above the FPL for all household sizes and types (Figure 1). In 2021, the FPL was \$12,880 for a single adult, compared to an average of \$27,912 for the Household Survival Budget across Maine. The cost differential was even larger for families: The FPL for a four-person family was \$26,500 in 2021, while the Household Survival Budget for a family with two adults, an infant, and a four-year-old was \$70,908. And both budgets were significantly lower than the Household Stability Budget, which reached \$46,560 per year for a single adult and \$111,348 for a family of four.

ALICE BUDGETS FOR ALL COUNTIES AND HOUSEHOLD TYPES

Itemized ALICE Household Survival and Stability Budgets are available for all Maine counties (and groups of counties) at UnitedForALICE.org/household-budgets/Maine.

Figure 1. ALICE Household Budgets and Federal Poverty Level, Maine, 2021

	Federal Poverty Level <i>Census income thresholds that vary by household size but not geography to determine who is in poverty</i>	ALICE Household Survival Budget <i>The cost of the essentials needed to live and work in the modern economy, by household type and location</i>	ALICE Household Stability Budget <i>The costs of supporting and sustaining an economically viable household over time, including a contingency for savings</i>
Single Adult			
Monthly Total	\$1,073	\$2,326	\$3,880
Annual Total	\$12,880	\$27,912	\$46,560
Percent Change, 2019–2021	3%	12%	13%
Family of Four			
Monthly Total	\$2,208	\$5,909	\$9,279
Annual Total	\$26,500	\$70,908	\$111,348
Percent Change, 2019–2021	3%	11%	7%

Note: Percent change is pre-tax; family of four includes two adults and two children in child care (one infant, one four year old).

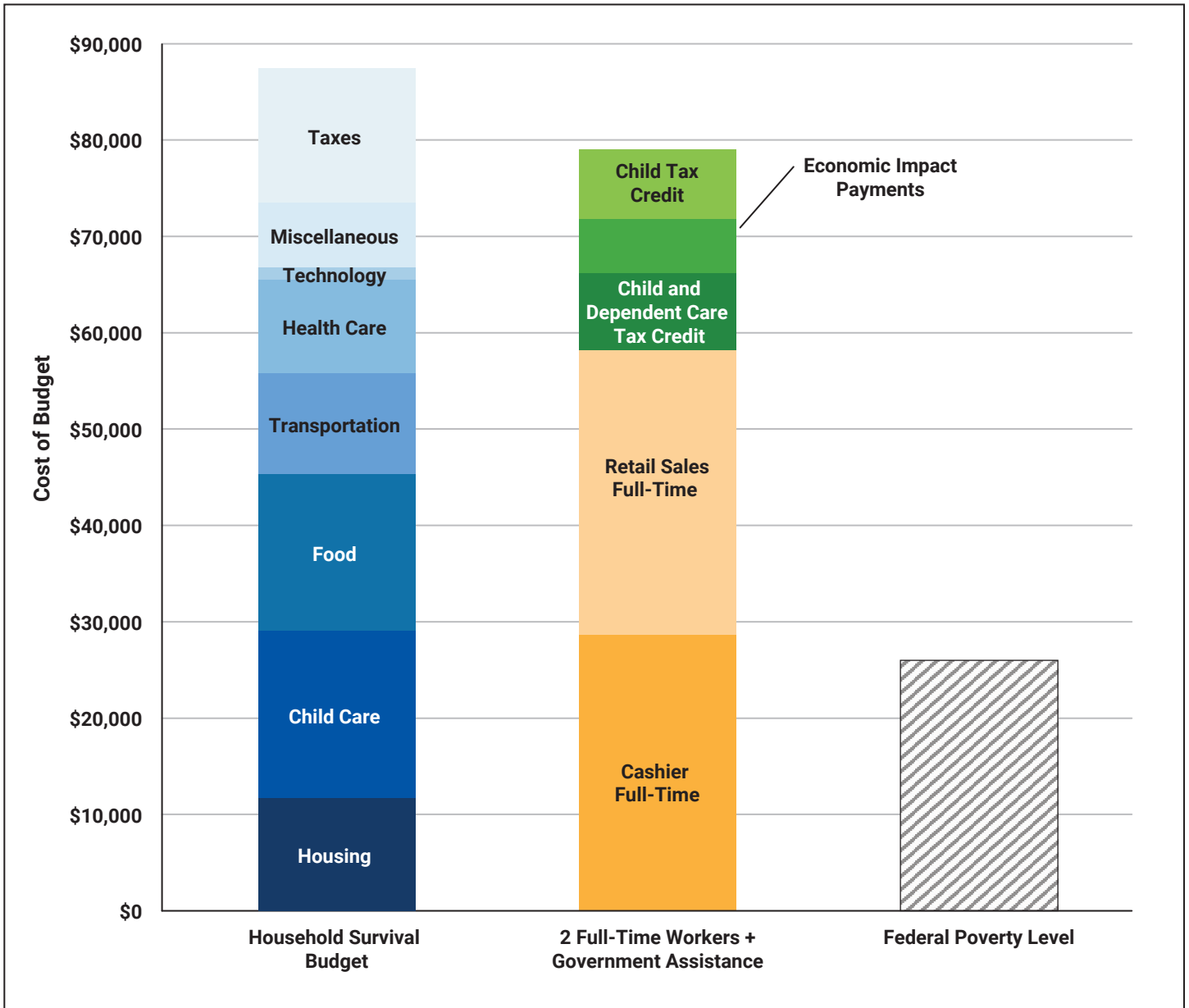
Sources: ALICE Household Survival Budget, 2019–2021; Assistant Secretary for Planning and Evaluation (ASPE), HHS poverty guidelines for 2021, U.S. Department of Health and Human Services

Not Enough Income to Cover Basic Costs

When wages cannot cover basic household costs, families struggle to make ends meet. ALICE households often work in jobs that are vital to keeping Maine’s economy running smoothly, such as cashiers, nursing assistants, office clerks, servers, laborers, and security guards. Figure 2 provides an example: a family of four in Maine with two parents working in two of the state’s most common occupations, retail

salesperson and cashier (median wages of \$14.22 and \$13.77 per hour, respectively). With two parents working full time, this family could not afford the Household Survival Budget in 2021, even with the unique expanded credits and payments available to them during the pandemic: the Child Tax Credit (\$3,600 for each child under age 6), the Child and Dependent Care Tax Credit (\$4,000 per child in child care), and the Economic Impact Payments (\$2,800 for married couples plus \$1,400 for each child). This family’s annual income fell short of the Household Survival Budget by \$8,448, or 11% of their income.

Figure 2. Expenses, Earnings, and Pandemic Assistance, Family of Four, Maine, 2021



Note: Full-time income is calculated based on 40 hours per week.

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

WHO IS ALICE? DEMOGRAPHICS AND EQUITY

The pandemic exposed and exacerbated disparities and vulnerabilities that have long existed in Maine, with substantial differences in rates of hardship by race/ethnicity, age, household composition, and location. It also brought ALICE to the forefront, as essential ALICE workers stocked our groceries, delivered food, supported our health care institutions, and kept pharmacies open. ALICE workers showed up to low-paid, on-site jobs, despite the risks to their own and their families' health and safety. Even as we move further away from the height of the pandemic, its ripple effects continue to impact the most vulnerable households in Maine – those below the ALICE Threshold.

employment, labor force participation, and the cost of living (Figure 3).

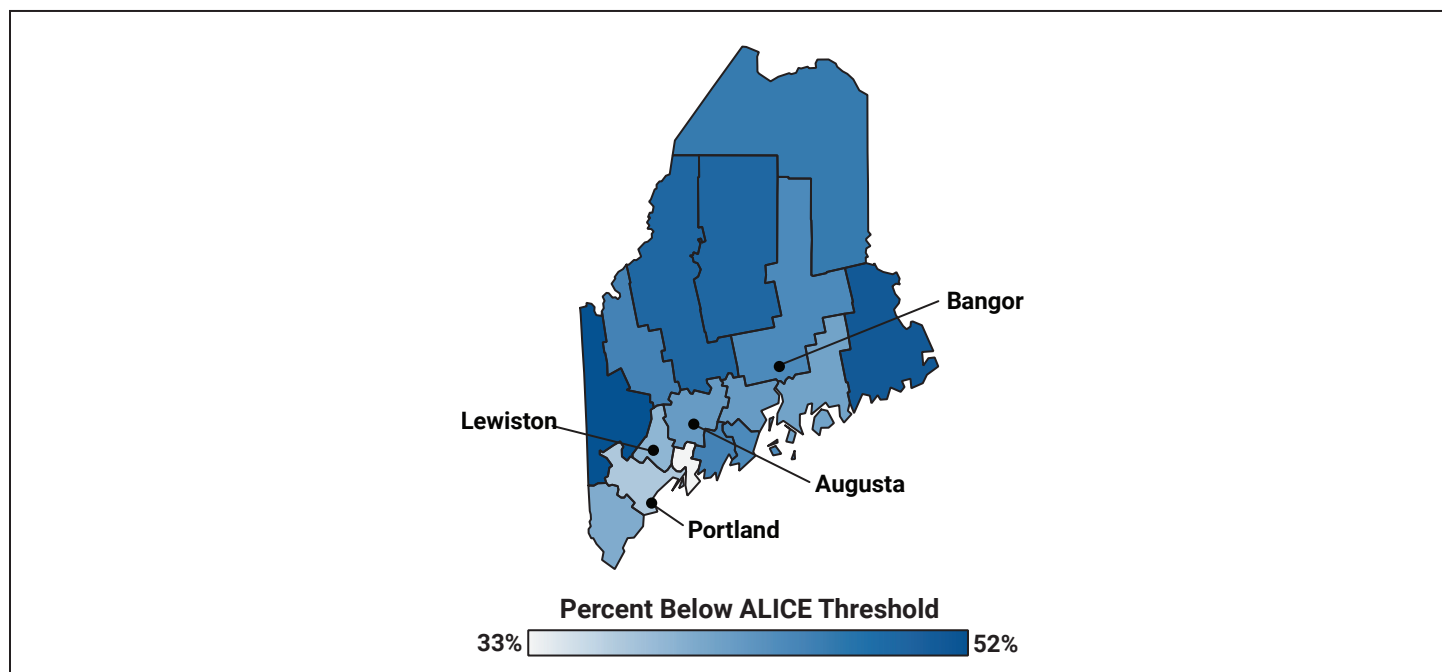
Slightly more than half of Maine households (332,648) lived in predominantly urban counties in 2021, and 39% of those households were below the ALICE Threshold. Yet Maine is considered the most rural state in the U.S., and with nearly half of the state's land area almost completely [uninhabited](#), rural areas are of unique importance. Households in Maine's predominantly rural counties (250,914 households) were more likely than their urban counterparts to be below the ALICE Threshold, at 45%.

Financial Hardship by Location

Financial hardship in Maine varies by location— from region to region, county to county, and even within counties from one ZIP code to the next, depending on opportunities for

The lowest rates of financial hardship were in the Portland suburbs in Sagadahoc County (33% below the ALICE Threshold) and Cumberland County (37% below the Threshold). Rates were higher in northern and rural counties, and above 50% in Washington County (51%) and Oxford County (52%).

Figure 3. Financial Hardship by County, Maine, 2021



Note: For more details, see the County Comparison: Income Status, 2021 table at the end of this Report.

Sources: ALICE Threshold, 2021; American Community Survey, 2021

Financial Hardship by Race/Ethnicity, Age, and Household Type

In Maine in 2021, Black households, young households, and single-parent households had the highest rates below the ALICE Threshold. White households, working-age households, and married-parent households had the lowest rates below the Threshold.

Rates of financial hardship differed significantly between groups, a result of multiple factors that limit many families' access to resources and opportunities for financial stability. These factors range from [historic racism](#) (including the forceful removal of Native Americans, and laws to segregate communities and to eradicate the French language) to [ageism](#), [gender discrimination](#), and [geographic barriers](#):

- Maine is the [least diverse](#) state in the U.S., with over 90% of the population identifying as White alone. In 2021, the largest number of households below the ALICE Threshold in Maine were also White (223,783), making up 41% of all White households in the state. Households headed by people of two or more races were the next largest group of those below the ALICE Threshold, with 7,240 below, yet they made up 50% of all households of two or more

racess. There were also 3,040 Black households below the Threshold (59%), 3,035 Hispanic households below the Threshold (44%), 2,100 Asian households below the Threshold (48%), and 1,646 American Indian/Alaska Native households below the Threshold (57%).

- By age of householder, the youngest and the oldest households had the highest rates of hardship, with 60% of households headed by someone under age 25 and 55% of senior households (age 65+) living below the Threshold in Maine. By comparison, 33% of households headed by people age 25–44 and 36% of households headed by those age 45–64 were below the Threshold.
- By household composition, single parents were most likely to be below the ALICE Threshold, but with a substantial difference between single-male-headed households (54% below the Threshold) and single-female-headed households (75%). Rates of financial hardship were much lower for married-parent households (15%). But the rate for single or cohabiting households without children, the largest household type in Maine, was slightly below the state average (38%).

Figure 4 paints a clear picture of the rates of hardship for different demographic groups compared to the Maine average. For all households in Maine, 12% were in poverty and 30% were ALICE in 2021.



Figure 4. Household Financial Status and Key Demographics, Maine, 2021

	Total	Below ALICE Threshold	■ Poverty ■ ALICE ■ Above ALICE Threshold
ALL HOUSEHOLDS	583,562	243,485	12% 30% 58%
AGE			
Under 25 Years	15,742	9,437	23% 37% 40%
25 to 44 Years	162,131	54,303	13% 21% 67%
45 to 64 Years	223,797	79,967	12% 24% 64%
Seniors (65+)	181,892	99,778	11% 44% 45%
RACE/ETHNICITY			
American Indian/ Alaska Native	2,890	1,646	21% 36% 43%
Asian	4,365	2,100	10% 38% 52%
Black	5,128	3,040	11% 48% 41%
Hispanic	6,864	3,035	14% 30% 56%
Two or More Races	14,344	7,240	13% 37% 50%
White	540,149	223,783	10% 31% 59%
HOUSEHOLD TYPE			
Married With Children	87,824	13,353	4% 11% 85%
Single-Female- Headed With Children	28,195	21,146	35% 40% 25%
Single-Male-Headed With Children	12,392	6,700	17% 37% 46%
Single or Cohabiting, Under 65, no Children	273,259	102,508	13% 25% 62%
URBAN/RURAL			
Rural	250,914	112,220	14% 31% 55%
Urban	332,648	131,265	11% 28% 61%

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, 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, 2021; American Community Survey, 2021

Demographic Trends (2019–2021)

Population growth and migration: In the decade preceding the pandemic, population growth in the U.S. had started to slow because of a decrease in the number of births, lower rates of international migration, and an increase in deaths associated with the aging population. The pandemic [exacerbated the national slowdown](#), and in 2021 population growth in the U.S. reached a [historic low](#) due to a sharp increase in COVID-related deaths, postponement of having children, and more restrictive policies on immigration.

The pandemic also affected domestic migration. The recent acceleration of in-migration to Maine has so far balanced a natural population decline and provided a small rate of population increase. The primary driver in Maine's population growth has been relatively [wealthier workers and families](#), which has contributed to [younger and more diverse communities](#). This trend picked up during the pandemic as Maine's lower population density may have been attractive to urban dwellers, and it is [expected to continue](#).

Most migrants to Maine (89.5%) came from other U.S. states; about 10.5% of new Mainers were [international immigrants](#). In 2021, the largest numbers of [newcomers to Maine](#) came from Massachusetts and New Hampshire, followed by Florida and California.

Overall, 4% of the Maine population were international immigrants in 2021, the same as in 2019, with the [largest number of immigrants](#) being from Canada, the United Kingdom, and China; there was also a [sizable population from Africa](#). In addition, there are thousands of [refugees and asylum-seekers](#) in Maine from over 30 countries, with the most recent largely from Somalia, Sudan, Congo, Ethiopia, Burma, Iran, and Iraq. As of early 2023, there were an estimated [8,000–10,000 asylum-seekers](#) in Maine with ongoing immigration cases. The counties with the largest numbers of immigrants include [Cumberland, York, and Penobscot](#). Public school enrollment also reflects the state's immigrant population: In the Portland public schools, [approximately one-quarter of students were multilingual learners](#).

Urban/Rural Location: Overall, the number of households in predominantly rural counties increased by 1% across Maine from 2019 to 2021, and the number of households in predominantly urban counties increased by 4%. The rate of

financial hardship was lower in urban counties (39%) than in rural counties (45%).

The pandemic may have helped accelerate Maine's net in-migration, and if these rates continue through 2028, the state estimates population growth in 11 of the state's 16 counties — both urban [counties](#), namely York County, and rural counties, especially Waldo and Franklin.

Age: Maine's population is aging more rapidly than the country overall. Continuing the trend of the last decade, the number of senior households overall increased by 3% from 2019 to 2021 in Maine, [faster than the country overall](#), and that trend is expected to continue. Because the rate of hardship for seniors is also growing — from 53% below the ALICE Threshold in 2019 to 55% in 2021 — this is an area of concern for the state.

Household composition: The number of families with children in married- or single-parent households remained stable through the pandemic, and the percentage experiencing hardship was also fairly stable, though from very different starting points: The share of families with married parents below the Threshold fell from 16% in 2019 to 15% in 2021 in Maine, while the percentage among families headed by a single male remained flat at 54%, and the percentage among families headed by a single female rose from 74% to 75%.

At the same time, households without children headed by those in their prime working years (under 65) — the largest household type in Maine — experienced an increase in hardship, from 36% below the Threshold in 2019 to 38% in 2021.

Race/ethnicity: This Report is not able to accurately capture change over time by race/ethnicity in the total number or share of households below the ALICE Threshold. Starting in 2020, the U.S. Census Bureau changed how it asks about and codes [data on race and Hispanic origin](#). These changes help the Census and ACS provide a more complete picture of the U.S. population, especially for people who self-identify as multiracial or multiethnic. But as a result, the [Census urges caution](#) when comparing race data between years before and after 2020. For example, in Maine, the huge increase in the Census count of people of [Two or More Races](#) (also referred to now as Multiracial) — 75% from 2019 to 2021 — is a combination of actual growth in this population and improvements to Census questions and coding. (Note: The number of Multiracial households below the ALICE Threshold increased by 62%.)

WHY ARE THERE SO MANY ALICE HOUSEHOLDS?

The number of ALICE households has increased as wages have failed to keep up with the cost of household basics. Public assistance has filled in some of the gap, especially during the pandemic, but it has never been enough to bring families to financial stability.

Competing economic forces and public policy interventions have made it difficult to predict the net impact of the pandemic on household financial stability. When the pandemic hit, businesses, child care providers, schools, and community services closed, some permanently; others went remote for months. The [loss of jobs and wages was not experienced equally](#); those who could work remotely fared better than those who were required to be on-site. Initially, costs for many basics declined, but disruptions to the [supply chain and higher wages](#) to retain workers then [pushed prices up across the board](#) – by 8% annually across the U.S. from 2021 to 2022, compared to less than 3% annually in the [prior 10 years](#) – straining ALICE households even more.

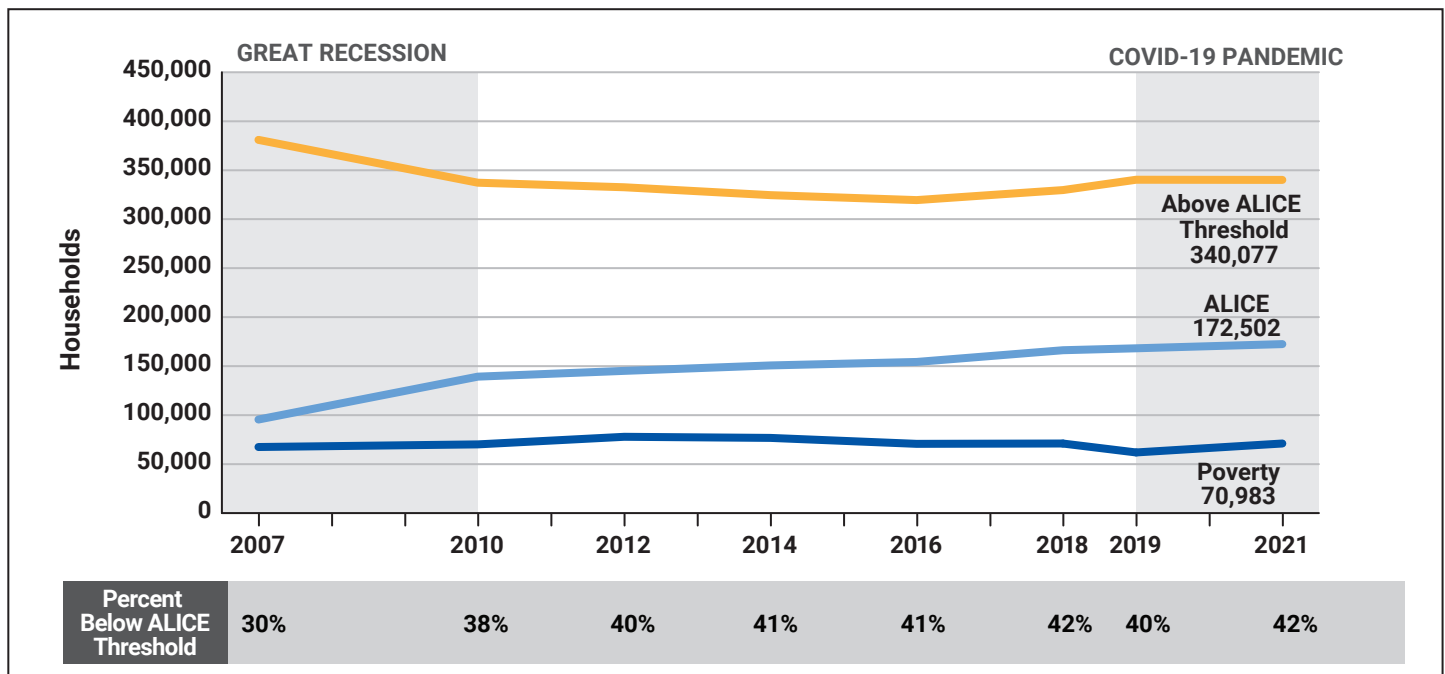
Yet other forces provided economic benefits for many households. From 2020 to 2021, [average weekly wages](#) across all industries were up 5.2% in Maine, and up 5.6%

nationally (the second-fastest national increase in the past two decades). In addition, [emergency pandemic measures](#) and [economic policies](#) provided critical support for ALICE families, including housing assistance, expanded unemployment insurance, stimulus checks, enhanced tax credits, and nationwide [eviction](#) and [foreclosure](#) moratoriums. Those measures made a difference: Government policies and assistance helped to mitigate, but not prevent, the economic impact of the pandemic.

Financial Hardship Over Time

Rates of financial hardship in Maine have shifted over time (Figure 5). During the last major economic disruption – the Great Recession – the percentage of Maine households below the ALICE Threshold increased from 30% in 2007 to 38% in 2010. During the pandemic, by comparison, the increase in the percentage of households below the Threshold was more muted, rising from 40% in 2019 to 42% in 2021. While the share of households in poverty fell slightly during the recovery from 2014 to 2019, the percentage of ALICE households climbed steadily – and then the pandemic hit.

Figure 5. Households by Income, Maine, 2007–2021



Sources: ALICE Threshold, 2007–2021; U.S. Census Bureau, American Community Survey, 2007–2021

From 2019 to 2021, the total number of households in Maine increased by 2% and the number of households below the Threshold increased by 6% (from 230,151 to 243,485).

The ALICE Essentials Index

Inflation is one of the most widely utilized indicators of the health of the U.S. economy. When prices increase faster than wages, the stock market, and other sources of income, people’s purchasing power decreases and economies struggle. This is especially challenging for families on a tight budget or a fixed income, like ALICE households.

The standard measure of inflation in the U.S., the Bureau of Labor Statistics’ **Consumer Price Index (CPI)**, tracks the retail price of select goods and services purchased by consumers in [75 urban areas](#) and is composed of [more than 200 categories](#), including food and beverages, housing, apparel, transportation, medical care, recreation, education, and communication services. The CPI is often used as a North Star to guide economic policies, including those related to monetary policy, benchmark increases for Social Security and retirement benefits (for veterans and Federal Civil Service retirees), FPL calculations, and eligibility for government assistance programs.

Yet despite being used to guide policy for low-income households, the CPI conceals changes in prices of the smaller

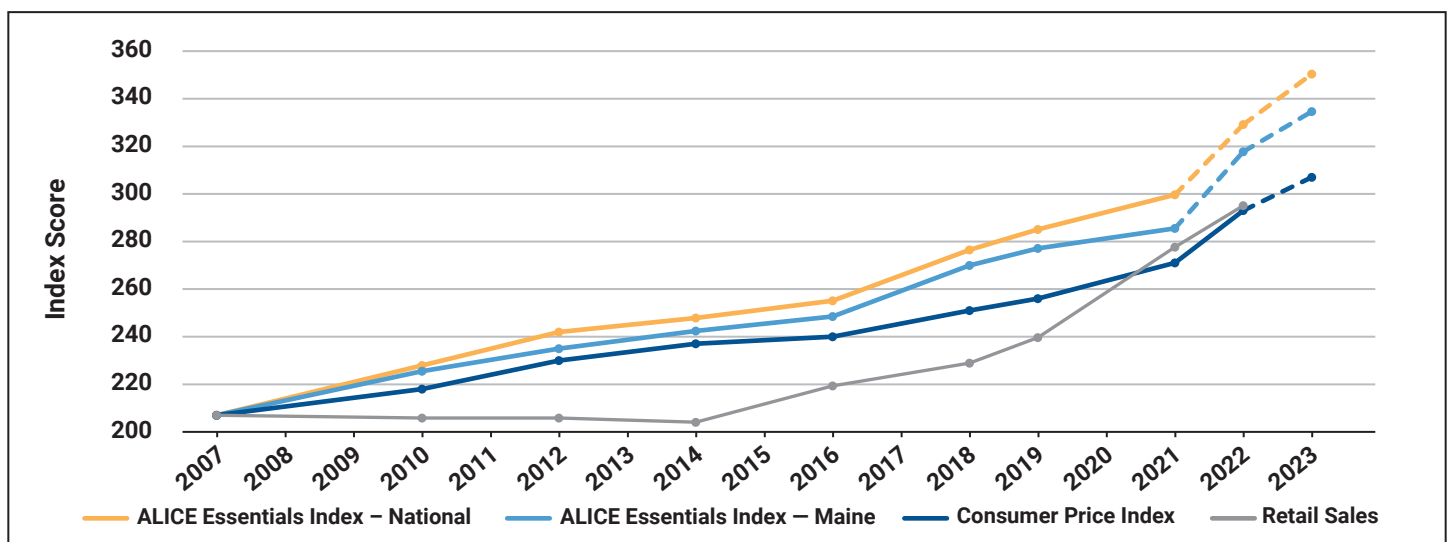
number of goods and services that are essential to meeting basic needs for households below the ALICE Threshold.

The **ALICE Essentials Index** aims to fill this gap and bring the reality of ALICE household costs to the forefront. The Index tracks only the cost of six categories of basic goods and services essential to living and working in the modern economy: housing, child care, food, transportation, health care, and a basic smartphone plan. And it shows that the rise in the cost of household basics far outpaces increases in the cost of the CPI’s larger basket of goods and services.

In Maine and across the country, the ALICE Essentials Index has increased faster than the CPI over the last decade

(Figure 6). From 2007 to 2023, the average annual rate of increase for the ALICE Essentials Index was 3.0% in Maine, 3.3% in the Northeast region, and 3.3% nationally; while the CPI does not report by state, [CPI increased](#) by 2.3% in the Northeast region and 2.5% nationally. This difference is primarily due to the fact that the costs of basics, especially housing and health care, have increased, while the costs of other items – notably, manufactured goods, from [computers to major appliances](#) – have decreased slightly. Over time, the rate of inflation measured by the CPI has been fairly similar across U.S. regions, but rates began increasing faster in the Northeast in 2019 than in the South and Midwest; only the West had higher rates.

Figure 6. ALICE Essentials Index and CPI by Location, with Maine Retail Sales Wage, 2007–2023



Note: In this figure, the ALICE Essentials Index was adjusted to the CPI base value of 207 in 2007. As shown by the dotted lines, ALICE Essentials Index rates for 2022 and 2023 are projections; for details, see the Appendix to the [ALICE Essentials Index: 2023 National Report](#). CPI 2023 is preliminary (based on data through March 2023).

Sources: ALICE Essentials Index, 2007–2021; Bureau of Labor Statistics—Consumer Price Index, 2007–2021. For more information, visit UnitedForALICE.org/Essentials-Index.

The increase in the cost of these basic goods means that ALICE households' already stretched income covers even less. For context, workers in one of the most common occupations in Maine, a retail salesperson, saw their median hourly wage increase from \$10.60 in 2007 to \$15.11 in 2022, an average rate of 2.4% annually. Retail sales wages in Maine made particular gains starting in 2020; but the gap is cumulative, and overall, it equates to a loss of more than \$40,000 over 15 years — more than a year's full-time earnings.

Because the CPI is used to adjust federal tax brackets and is the basis for many public assistance programs, gaps between the CPI and the increasing cost of household basics diminish the reach and effectiveness of social programs, with tangible hardship for recipients. This is especially true for those programs most relevant to ALICE households, including inflation strategy, Social Security benefits, retirement benefits for veterans and civil servants, the annual increase of the FPL (with an impact on programs based on the FPL, like SNAP and Medicaid), and tax brackets and credits. Households that depend on these public assistance programs have seen the value of their benefits erode over time as costs have risen.

Limits of Traditional Public Assistance Programs

Without public assistance, ALICE households would face even greater hardship and many more would be in poverty, especially during economic downturns. Programs like the Supplemental Nutrition Assistance Program (SNAP), the Earned Income Tax Credit (EITC), Medicaid, Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF), and, increasingly, food banks and other community supports provide a critical safety net for basic household well-being.

Yet traditional public assistance does not reach all people in households that are struggling financially. Due to [income and asset limits](#), most ALICE households are not able to participate in public assistance programs; and additional barriers, strict [program requirements](#), and [stigma](#) prevent even households in poverty from participating. In addition, [income and asset limits](#) for public assistance can create "[benefits cliffs](#)" that limit economic mobility.

In Maine in 2021:

- With increased food insecurity during the pandemic, the federal [SNAP](#) provided an [emergency allotments option](#) starting in 2020, increasing SNAP amounts by about \$90 per month, per household. Because the income eligibility threshold for SNAP was 185% of the FPL in Maine, the reach of emergency and regular SNAP benefits was limited: 42% of households in poverty and 17% of ALICE households participated in 2021, based on ACS PUMS data. However, while not all financially insecure households are eligible for SNAP, among those who were [eligible in Maine](#), there was a sizable reach (80%).
- The percentage of households below the ALICE Threshold receiving direct cash assistance from programs like [TANF](#) or [General Assistance](#) was even smaller than the share receiving SNAP (7% of households in poverty and 4% of ALICE households).
- Participation in [SSI](#) — an assistance program only available for people with disabilities and seniors with limited financial resources — was also minimal in Maine, with 10% of all households below the ALICE Threshold and 18% of households with a member with a disability below the Threshold participating.
- To address the increased demands for health care during the pandemic, the federal government provided additional funding to states for Medicare and prohibited states from adding eligibility restrictions or terminating [Medicaid](#) during the public health emergency. In 2021, 45% of all households below the ALICE Threshold in Maine participated in CHIP or Medicaid.
- Paying for housing expenses was the top concern of U.S. households below the ALICE Threshold, as reported in the 2021 ALICE Report, [The Pandemic Divide](#). The federal [Emergency Rental Assistance Program](#) was critical in stabilizing millions of households by paying for rent, utilities, and home energy costs; 28,344 renter households in Maine (almost 20%) received [ERA assistance](#). However, because of the strict requirements to qualify, many households struggling to afford rent were not eligible. Requirements included qualifying for unemployment benefits, experiencing a reduction in income, and one or more household members being at risk of homelessness. At the same time, however, the [federal Homeowner Assistance Fund](#) helped homeowners who were behind on their mortgages, utilities, and other housing-related costs such as property tax and insurance payments.

WHERE DOES ALICE FIT IN THE LABOR LANDSCAPE?

Increasingly, ALICE workers serve as the reservoir for the labor force — in Maine and across the U.S. — through work arrangements that leave them with more economic risk and fewer job protections. Following the Great Recession, the workplace has increasingly relied on [hourly-paid, part-time, at-will, and project-based employees](#), making it easier for employers to reduce workers’ hours or cut their employment altogether when the economy ebbs — which happened to a large degree when the pandemic hit.

In Maine, service-providing industries are the [largest employers](#). The biggest of these is the health care and social assistance sector, even with a pandemic-era dip reflecting a drop in residential and home health care staff. With an aging population in the state, employment in the sector is expected to grow over the next decade.

The next largest industries in terms of employment are government, retail trade, professional and business services,

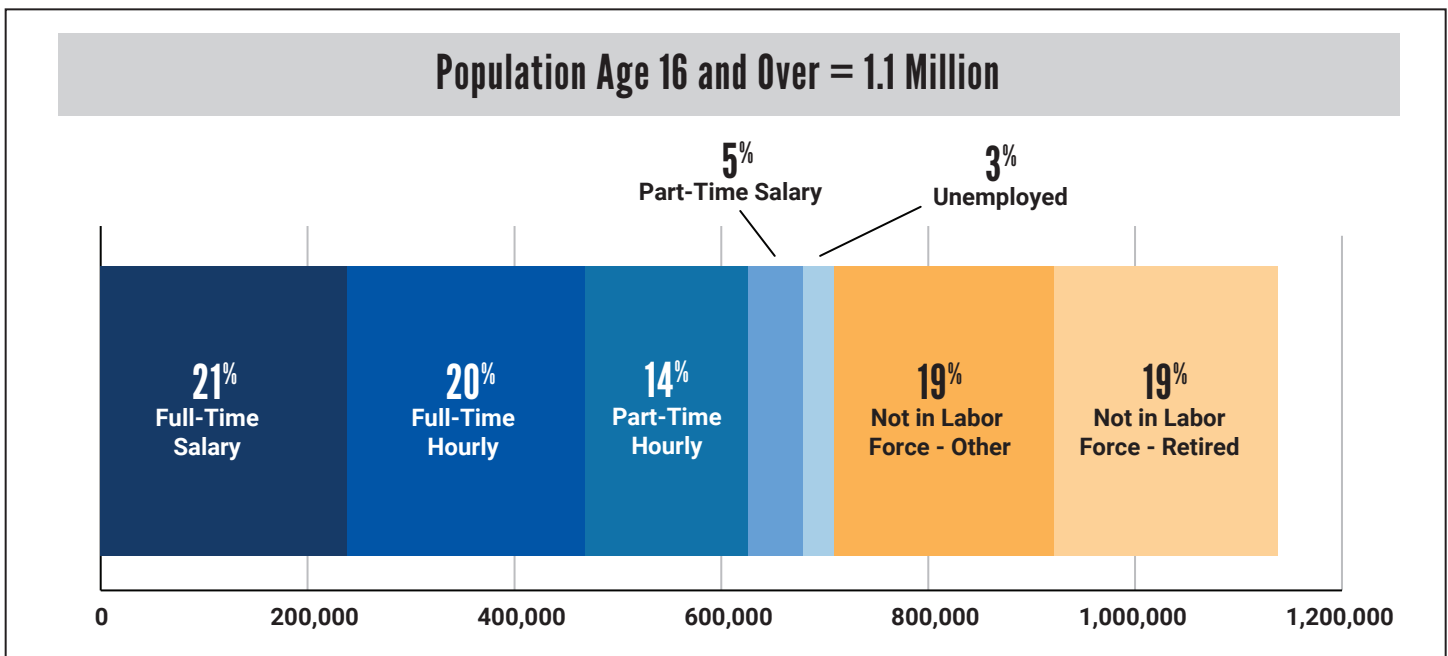
and manufacturing. However, smaller sectors, such as information, waste management and remediation services, and professional and technical services, contribute more to GDP growth. Sectors that struggled during the pandemic included construction and finance and insurance.

With Maine’s aging population, [labor force participation is also declining](#). It rebounded from a low of 57.9% in August of 2020, but was still at 60% or below in 2021.

Inside the Labor Force

Figure 7, a 2021 overview of the labor status of Maine’s 1.1 million working-age adults (people age 16 and over), shows that 62% were in the labor force (blue bars, including full-time, part-time, and unemployed) and 38% of adults were out of the labor force (gold bars). People out of the labor force included those who were retired (19% of working-age adults) and those

Figure 7. Labor Status, Population Age 16 and Over, Maine, 2021



Note: Data for full- and part-time jobs is only available at the national level; these national rates (49% of full-time workers and 73% of part-time workers paid hourly) have been applied to the total Maine 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: American Community Survey, 2021; Federal Reserve Bank of St. Louis, 2021

who weren't working for other reasons including school, health issues/disability, and family caregiving responsibilities (19% of working-age adults).

Full-time and part-time work: Though the majority of adults in Maine were working in 2021 and most households had at least one worker, only 21% of working-age adults had the security of a full-time job with a salary. Most adults in the labor force (62%) were paid hourly and/or worked part time. During the pandemic, there was a substantial [dip in the number of full-time workers](#) in Maine; that number has been steadily increasing since the low point in 2020. Shifting dynamics in Maine show workers in a segment of their prime working years (age 25–55) returning to the labor force at slower rates, but some of that loss has been covered by more [seniors remaining in the labor force longer](#).

For the first time, [overall rates of part-time versus full-time work by race/ethnicity](#) in Maine were fairly even, though differences by sex remained. In Maine, [women were more likely than men to work part time](#) in 2021 (27% vs. 13%). Differences by both sex and race/ethnicity were more pronounced for those who worked part time for economic reasons (i.e., working less than 35 hours per week despite wanting to work full time): Black workers, Hispanic workers, and female workers were more likely than White men to fall into this category.

Unemployment: Overall, in 2021, the labor market was rebounding from the record-breaking unemployment and [drop in total employment](#) that occurred at the start of the pandemic. The unemployment rate was 4.5% in Maine in 2021, a stark contrast to unemployment at the height of the pandemic (9.1% in April 2020). In addition, [average weekly wages](#) across all industries in Maine increased 5.2% from 2020 to 2021. This was driven by [minimum wage increases](#) in Maine and increased demand for [essential workers](#), as well as by “[The Great Resignation](#)” – while some workers left the labor force, over time many more changed jobs to find better pay as well as work-life balance.

[Unemployment Insurance](#) (UI) helps individuals who lost jobs – before, during, and after the pandemic. In 2021, \$151,891,000 was paid to individuals under Maine's regular unemployment insurance program, and in 2020 and 2021, an additional \$4.7 million was paid in Extended Unemployment Benefits, available during periods of specified high unemployment.

During the pandemic, these standard UI benefits were expanded by the [CARES Act, the American Rescue Plan, and the Continued Assistance Act](#), which included [four temporary programs](#). The most utilized was the Federal Pandemic Unemployment Compensation (FPUC) program, which provided a \$300 weekly supplement to all UI benefits (down from the \$600 weekly supplement included in the original 2020 authorization). Additional programs extended the weeks of eligibility for people who exhausted regular UI benefits, and expanded eligibility to people who were not otherwise eligible for UI benefits (including workers who were self-employed, independent contractors, or gig-economy workers). Temporary UI measures enacted in response to the COVID-19 pandemic ended in Maine and nationally in [September 2021](#).



Underemployment: Underemployment has long been a challenge in Maine, especially with the ebbs and flows of the farming and tourism seasons. During the pandemic, many workers were unable to work full time due to family responsibilities, being in school or training, illness, disability, or child care problems. Others were working part time because their hours had been reduced; still others were unable to find full-time jobs. In 2021, the [underemployment rate](#) for these workers was 7.3%, higher than the traditional unemployment rate (4.5%) and higher than before the pandemic (6.6% in 2019). Another indicator is the fact that 26% of children in Maine lived in families that [lacked secure full-time employment](#) in 2021.

Out of the labor force: People out of the labor force include those who are retired (19% of working-age adults in Maine in 2021). With an aging population, this percentage continues to increase over time. Many older workers were also forced to [retire earlier than planned](#) during the pandemic. Nationally, according to SHED in November 2021, 25% of adults who

retired within the year prior to the survey, and 15% of those who reported that they retired one to two years earlier, said factors related to COVID-19 contributed to when they retired. Excess retirements related to the pandemic in the U.S. were experienced across all demographic groups, according to a [2022 report by the Federal Reserve](#); yet early retirees were more likely to be age 65 and older, White, and college-educated, which may in part be explained by their better financial position prior to the pandemic. In Maine, [poor health](#) had been an obstacle to work before COVID-19, but there are signs that the pandemic may have further worsened this situation.

There was a range of reasons that 19% of working-age adults were also out of the labor force. [Barriers](#) for workers in Maine include health issues, caregiving responsibilities, flagging opportunities in rural communities, and structural racism.

Wages for the Most Common Occupations

In 2021, low-wage workers across the country generally experienced [faster wage growth than middle- and high-wage workers](#), although from a much lower starting point. Research from [Opportunity Insights](#) shows that the number of low-wage jobs fell in Maine: In December 2021, there were 30% fewer jobs paying less than \$29,000 per year than at the start of the pandemic – some became higher-paying jobs, while others went away altogether.

Better pay and work opportunities were helpful, but not enough to recoup years of being squeezed by the increasing cost of basics, especially for those who struggled to secure full-time employment. As documented in the [ALICE Essentials Index](#), the cost of essential goods had already been outpacing wages for more than a decade, stretching ALICE workers' household income even further.

With 85% of the 20 most common occupations in Maine paying less than \$20 per hour in 2021, it is not surprising that of the 211,200 workers in these occupations, one-quarter (25%) were below the ALICE Threshold, meaning that their wages did not afford them enough income to support their families' basic needs. Of Maine's lower-paying jobs, all but one saw an increase in the median wage; for example, the median wage for retail salespersons increased by 16% to \$14.22 per hour in 2021. But given that wages had stagnated for a decade, 34% of the 17,820 retail sales workers in the state lived below the ALICE Threshold in 2021 (Figure 8). The wage to cover the ALICE Household Survival Budget for a single adult was \$13.96 per hour working full-time, or for a family with two adults and two children, a combined wage of \$35.45 per hour.

While there were ALICE workers in all sectors, the top five occupations with the highest percentage of workers below the ALICE Threshold in Maine in 2021 were cooks, personal care aides, nursing assistants, cashiers, and food preparation workers.



Figure 8. Most Common Occupations, Employment, Percentage Below ALICE Threshold, and Wages, Maine, 2021

Occupation	Total Employment, 2021 (BLS)	Percent Workers Below ALICE Threshold, 2021 (ACS PUMS)	Median Hourly Wage, 2021 (BLS)	Wage Increase, 2019-2021 (BLS)
Retail Salespersons	17,820	34%	\$14.22	16%
Driver/Sales Workers and Truck Drivers	16,620	17%	\$19.98	18%
Personal Care Aides	15,890	42%	\$14.28	13%
Registered Nurses	14,380	7%	\$36.08	9%
Cashiers	12,920	41%	\$13.77	18%
Fast Food and Counter Workers	12,340	21%	\$13.98	21%
Office Clerks	12,030	7%	\$17.91	7%
General And Operations Managers	11,680	10%	\$38.54	-3%
Stockers and Order Fillers	11,520	22%	\$14.39	11%
Customer Service Representatives	10,390	11%	\$17.83	11%
Secretaries and Administrative Assistants	8,560	20%	\$18.26	1%
Nursing Assistants	8,460	42%	\$17.33	19%
Cooks	8,410	63%	\$16.07	17%
Elementary and Middle School Teachers	8,220	16%	\$28.97	12%
Teaching Assistants	8,090	17%	\$18.01	11%
Bookkeeping, Accounting, and Auditing Clerks	7,800	14%	\$19.07	4%
Waiters and Waitresses	7,330	29%	\$14.84	27%
Food Preparation Workers	6,940	37%	\$14.38	16%
First-Line Supervisors of Retail Sales Workers	5,910	14%	\$19.40	-2%
Laborers and Material Movers, Hand	5,890	31%	\$14.82	8%

Sources: ALICE Threshold, 2021; Bureau of Labor Statistics—Occupational Employment Statistics, 2021; U.S. Census Bureau, American Community Survey, PUMS, 2019 and 2021

To see more data on jobs by hourly wages and full-time, part-time, and hourly work schedules, visit UnitedForALICE.org/Labor-Force/Maine

Where ALICE Works Matters

Industry norms and employer policies matter for workers; some jobs have greater earning potential and career paths, and [within industries](#), employment practices can vary. But even key features of employment in one occupation can [vary by employer](#): There is wide variation in wage levels, benefits, job security, predictability of schedules, and opportunities for advancement.

The increases in wages and UI benefits were important developments during the pandemic. Yet in the face of inflation, many ALICE workers confront ongoing challenges, especially

when dealing with unreliable work arrangements, juggling multiple jobs, or facing public health risks, as outlined below.

- Gig and contract work:** According to McKinsey’s 2022 [American Opportunity Survey](#) (AOS), more than one-third (36%) of workers identify as a gig, contract, freelance, or temporary worker. While there are benefits to these work arrangements, such as flexibility, work-life balance, and ability to work remotely, these workers are more likely to have [lower wages](#) and [fluctuations in their schedules and income](#). They are also [less likely to receive benefits](#) such as health insurance, paid time off, family leave, or retirement benefits (especially if they work fewer than 30 hours per week at a single job). Nationally, companies

spent an average of [31% of compensation on benefits](#) in 2021 for civilian workers; not providing these represents significant savings to the employer.

- **Multiple jobs:** Many low-income workers rely on multiple jobs to make ends meet. Traditional measures of employment have focused on the number of jobs held by a worker; for example, the BLS estimates that only [5% of workers held two or more jobs](#) in 2021. However, in the modern economy, a worker may have many sources of income that are not necessarily considered a “job” by agencies like the BLS. According to a [recent survey](#), many working adults (44%) have at least one side job, with 71% of these workers saying that if they were to lose their side gig, they aren’t certain they’d still be able to pay all their bills. In Maine, there is a long history of workers [supplementing their income with additional jobs](#) – from picking blueberries and making Christmas wreaths to, more recently, working in tech support and construction.
- **Small business employers:** More than three-quarters of workers in the private sector in Maine (80%) work in a small business – defined by the BLS as firms with fewer than 500 workers nationally. The more than [150,000 small businesses in Maine](#) have been an important engine for economic growth, driving job creation, innovation, and wealth. However, [small businesses are more vulnerable](#) to changes in demand, price of materials, and transportation costs, as well as to cyberattacks and natural disasters; this was especially apparent during the pandemic. And because they have fewer resources, small businesses are more likely to [pay lower wages](#) overall and [offer fewer](#)

[benefits](#), meaning that they are more likely to employ ALICE workers.

Small businesses in Maine were hit especially hard during the pandemic. Between March 2020 and March 2021, small businesses had a [net decrease of 9,420 jobs](#); as of December 2021, small business revenue in Maine was down 4.4% compared to January 2020. Retail, restaurants, child care providers, and non-essential health care providers [were all hard-hit](#). Maine’s “Vacationland” leisure and hospitality sector, with a high proportion of small businesses and low-wage workers, had some of the biggest declines in revenue and employment.

Wage Disparities in the Workforce

Disparities in wages continue to persist by sex, race/ethnicity, disability status, sexual orientation, and gender identity. While wage gaps have narrowed in some places, they persist:

- **Sex:** Among all Maine workers, women earned 77 cents for every dollar paid to men in 2019 (compared to 76 cents nationally).
- **Race/ethnicity:** In Maine, Hispanic workers earned 84 cents, Black workers earned 63 cents, and American Indian/Alaska Native workers earned 60 cents [for every dollar made by White workers](#) in 2019.

CHILD CARE WORKERS

The child care sector is a [crucial part of the U.S. economy, but operates under conflicting pressures](#). Child care provides children with nurture and support for healthy development; it provides adult workers with jobs, but at persistently low wages; and it enables parents to work, yet it also consumes a sizable part of working parents’ budget. The pandemic brought to the forefront the [crisis in child care availability and cost in Maine](#). For families with two children in care, child care is often the most expensive item in their budget, even more expensive than housing. Child care workers are the workforce behind the workforce, yet many struggle to make ends meet for their own families: With a median hourly wage of \$14.16 in Maine in 2021, 50% were below the ALICE Threshold. And with staffing and demand fluctuations, many child care providers went out of business during the pandemic. Lack of care remains an [obstacle for working parents](#).

- **Disability:** Workers with disabilities earn less overall than those without disabilities (although among people working similar jobs and schedules, the gap is smaller), and people with disabilities are less likely to earn a full-time wage. Based on our [ALICE in Focus: Disabilities](#) research, whether working full or part time, nationally, people with disabilities were more likely to be below the ALICE Threshold than people without disabilities: In 2019, 27% of full-time workers with disabilities in the U.S. were below the ALICE Threshold, compared to 22% of full-time workers without disabilities. For people with disabilities who worked part time, the rate of financial hardship was 53%, compared to 42% for part-time workers without disabilities.
- **Sexual orientation and gender identity:** Nationwide in 2021, lesbian, gay, bisexual, transgender, and queer (LGBTQ+) workers earned 90 cents [for every dollar the average full-time worker earned](#) in the U.S. In addition, more than one third of LGBTQ+ workers say they have [experienced discrimination in the workplace](#).
- **Immigration status:** Asylum-seekers in the U.S. are not allowed to work until they receive [work authorization](#), which requires an application and wait of six months; for many Maine asylum-seekers, it can take up to a year for the application to be processed. Even when legally allowed to work, many refugees, asylum-seekers, and migrants face [racism, xenophobia, and discrimination](#) in hiring, working conditions, and wages.

These disparities are often magnified when intersectional.

For example, in Maine, when [factoring in gender](#), Latinas were paid 60 cents for every dollar paid to White, non-Hispanic men in 2021; American Indian/Alaska Native women were paid 54 cents, and Black women were paid 48 cents. [These differences persist](#) even when controlling for education and work experience. For many LGBTQ+ workers with multiple marginalized identities, [wage gaps are more substantial](#). For every dollar a worker earned on average in the U.S. in 2019, women in the LGBTQ+ community earned 87 cents, non-binary workers and transgender men earned 70 cents, and transgender women earned 60 cents.

THE ALICE ECONOMIC VIABILITY DASHBOARD

United For ALICE's [Economic Viability Dashboard](#) will provide key data on the local economic conditions that matter most to ALICE households: Work, Housing, and Community Resources. The Dashboard's mapping, profile, and comparison features will help communities and policymakers identify the gaps that ALICE workers and families face in reaching financial stability. Then, the Action Planner puts that data to use by quantifying gaps and pairing them with promising practices, so that public and corporate policymakers can remove barriers and make structural changes to ensure that ALICE's basic needs are met.

DOES ALICE HAVE SAVINGS AND ASSETS?

It has been widely reported that U.S. household [savings increased](#) during the pandemic. Yet analysis of the data from the Federal Reserve SHED reveals that the national average conceals different experiences by state and even more so by income level in terms of rainy day funds and retirement assets.

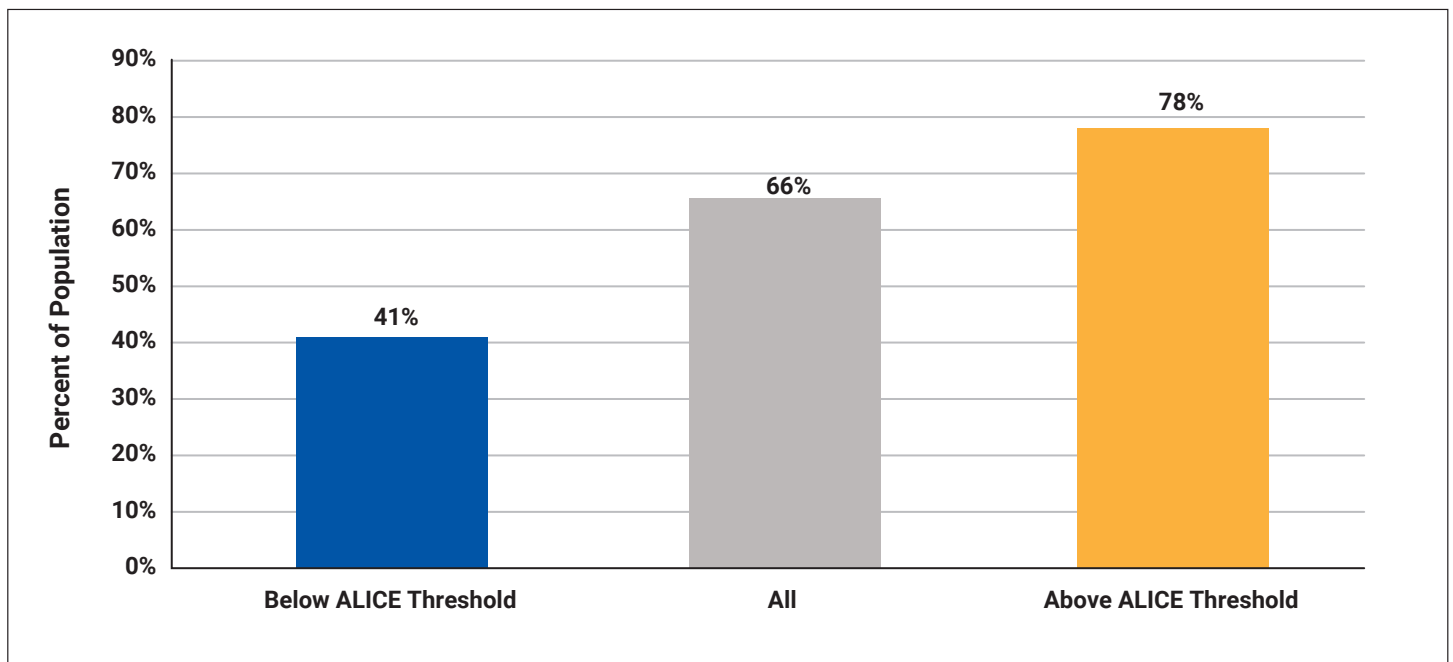
When workers struggle to meet their families' immediate basic needs, saving for the future is difficult. When ALICE families face unexpected emergencies — anything from a car repair to a medical crisis — they are forced to deplete their savings. And due to persistent gaps in access to assets, financial tools, and credit, lower-income households, and households of color in particular, are more likely to be [targeted by predatory lenders](#) and to [incur excessive fees or interest rates on borrowing](#). As a result, ALICE families often do not have the means to build assets, let alone catch up to families who already have assets (especially those who have been building them for generations).

Rainy Day Funds

One of the best-known questions in the SHED survey asks whether respondents had set aside emergency savings or rainy day funds that would cover their expenses for three months in case of sickness, job loss, economic downturn, or other emergencies. In November 2021, 66% of respondents in the New England region (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont) reported having these funds, up from 64% in October 2019 (Figure 9).

Yet only 41% of respondents below the ALICE Threshold in the New England region reported having rainy day funds in November 2021, slightly less than in October 2019 (42%). In contrast, 78% of those above the Threshold in the New England region had rainy day funds in November 2021, up from 75% in October 2019.

Figure 9. Funds to Cover Three Months' Expenses by the ALICE Threshold, New England Region, 2021



Question: Have you set aside emergency or rainy day funds that would cover your expenses for three months in the case of sickness, job loss, economic downturn, or other emergencies?

Sources: ALICE Threshold, 2021; Federal Reserve Board, Survey of Household Economics and Decisionmaking (SHED), November 2021

Nationally, there were also substantial differences by income and race/ethnicity in rainy day funds (this data is not available at the state level, but it is likely these disparities were mirrored in Maine). In 2021, White and Hispanic respondents below the ALICE Threshold had higher rates of emergency savings (42% and 41%, respectively) than Black respondents below the Threshold (32%). Rates were higher overall for respondents above the Threshold, yet gaps remained (77% for White, 71% for Hispanic, and 64% for Black respondents). Each of these racial/ethnic groups made gains during the pandemic, with Hispanic respondents both above and below the Threshold showing the largest increase in emergency savings. From October 2019 to November 2021, the percentage of Hispanic respondents below the Threshold with rainy day funds increased from 28% to 41%, and the percentage of Hispanic respondents above the Threshold with these funds increased from 57% to 71%.

Retirement Assets

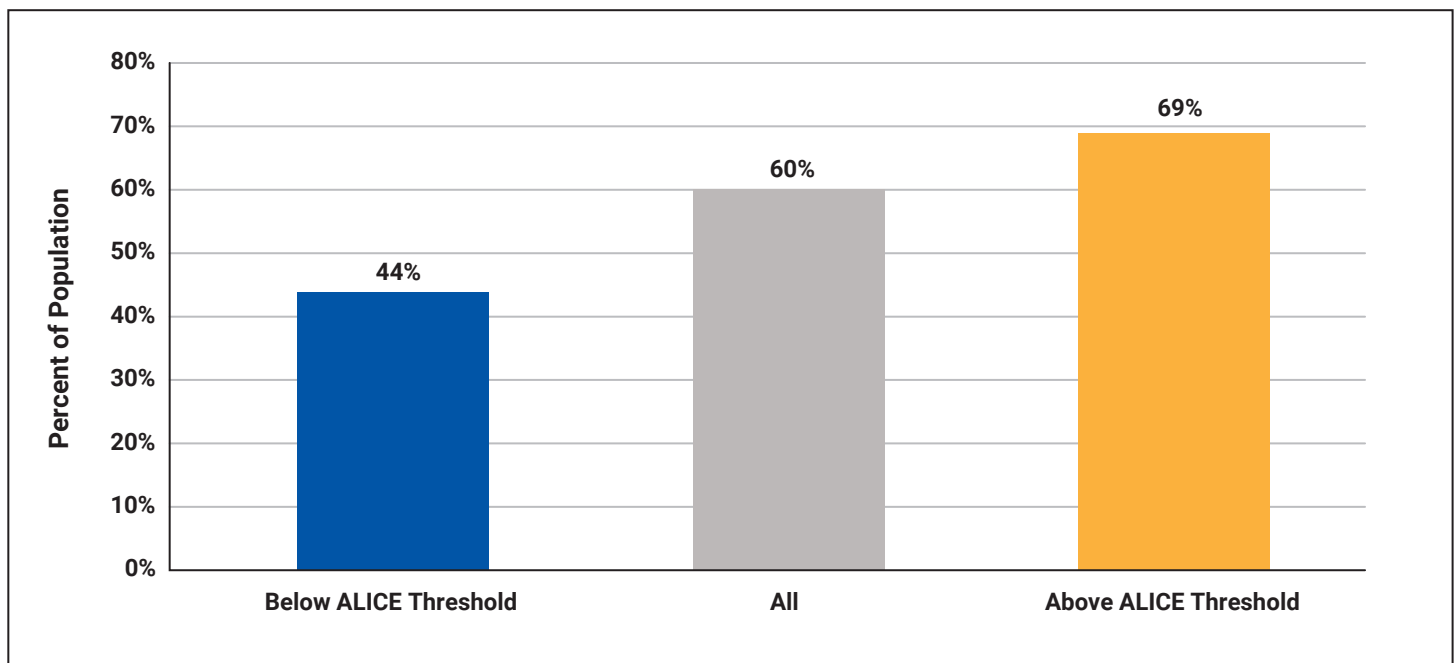
According to SHED, in Maine in 2021, respondents were less likely to have retirement assets than emergency savings.

[Retirement assets](#) include 401(k)s, IRAs, pensions, or business or real estate holdings that provide income in retirement. Overall, 60% of respondents in the New England region reported having these funds in November 2021, down from 63% in October 2019. Yet these averages conceal the disparity in retirement assets between households above and below the ALICE Threshold in Maine (Figure 10).

Only 44% of respondents below the Threshold in the New England region had retirement assets prior to the pandemic, according to SHED, and that rate remained the same through November 2021. In contrast, in October 2019, 73% of respondents above the Threshold in the New England region had retirement assets, a share that fell to 69% by November 2021.

The [CARES Act](#) reduced penalties for early withdrawals from retirement accounts, thus making it easier for households to access retirement funds. Nationally, 8% of non-retired adults tapped into their retirement savings in 2021, according to SHED. And according to a [national retirement survey](#), the majority of loans or hardship withdrawals in 2022 were taken by low-income households.

Figure 10. Retirement Assets by the ALICE Threshold, New England Region, 2021



Question: Do you currently have each of the following types of retirement savings? Selected at least one: 401(k); IRA; pension; savings outside a retirement account, business, or real estate holding that will provide income in retirement; other retirement savings

Sources: ALICE Threshold, 2021; Federal Reserve Board, Survey of Household Economics and Decisionmaking (SHED), November 2021

BEYOND 2021: WHAT CHALLENGES DOES ALICE FACE?

The pandemic timeline shows a contracting economy in 2020 followed by a strong policy response in 2021. The government’s broad [pandemic response was effective](#) in preventing the kind of surge in financial hardship that the U.S. experienced during the Great Recession.

But 42% of households were still living below the ALICE Threshold in Maine in 2021. With pandemic relief benefits expiring, [data from early 2022](#) suggests that the economic situation has in fact gotten worse for ALICE, which in turn puts the wider economy at risk.

An analysis of recent surveys reveals that households below the ALICE Threshold are still facing food insufficiency, difficulty paying bills, medical debt, reduced savings, and feelings of anxiety and depression. These challenges were first reported in [The Pandemic Divide](#), and they are updated here with the most recent data from SHED (through November 2021) and the Household Pulse Survey (through December 2022).

These surveys also provide an alarming look at the breakdown of hardship by sex, sexual orientation and gender identity, and disability status (the survey sample in Maine was not large enough to report by race/ethnicity) — groups that have also

faced [historical](#) and [ongoing](#) barriers to equity. The differences here are even starker than when looking at income alone, giving credence to concerns that the pandemic exacerbated inequities across all facets of life. The analysis reveals that, in particular, female respondents, LGBT respondents, and people with disabilities disproportionately struggle to achieve financial stability.

Warning signs:

! **Food insufficiency:** Rates of food insufficiency have [remained elevated](#) since the beginning of the pandemic. In the August 2020 Household Pulse Survey, respondents below the ALICE Threshold in Maine were far more likely to report that their household sometimes or often did not have enough food in the prior seven days than respondents above the Threshold (13% vs. 3%); by November 2022, rates were lower for those above the Threshold, further widening the gap (13% vs. 2%). Some demographic groups experienced higher than average food insufficiency (Figure 11). For example, 22% of respondents with disabilities below the Threshold reported not having enough food, compared to 6% of all Maine residents.

Figure 11. Food Insufficiency, Above and Below the ALICE Threshold, Maine, 2022

Food Insufficiency			
	Below the ALICE Threshold	Above the ALICE Threshold	Maine Average
Female	13%	1%	6%
With a Disability	22%	6%	
LGBT	17%	5%	

Question: In the last seven days, which of these statements best describes the food eaten in your household? Selected: Sometimes or often not enough

Note: The “With a Disability” group includes respondents who have one or more vision, hearing, cognitive, mobility, or self-care difficulties; the “LGBT” group includes respondents who identify as gay or lesbian, bisexual, and/or transgender.

Sources: ALICE Threshold, 2021; U.S. Census Bureau, Household Pulse Survey, September 14, 2022–November 14, 2022, Phase 3.6

For households with children in Maine, food insufficiency rates increased during the pandemic. In August 2020, respondents below the ALICE Threshold were more likely than respondents above the Threshold to report that often or sometimes their children were not eating enough because they couldn't afford enough food (10% vs. 6%); in November 2022, those rates increased for households below the Threshold while decreasing for those above the Threshold (13% vs. 3%). Another indicator of need has been Maine's decision to continue offering [no-cost meals to all public school students](#) even after the expiration of a federal waiver for free meal programs in 2022.

Adding to these concerns, temporary [pandemic-related SNAP benefits increases](#) ended in September 2021 and [emergency allotments](#) ended in February 2023. Additionally, stricter work rules for participation in SNAP, including [revised training requirements](#) and the [expansion of work requirements up to age 59](#), may create additional barriers to access and put more households at risk of losing their SNAP benefits. With these changes, many families will need to rely on the charitable food system that was designed for emergencies but is increasingly [an ongoing necessity](#).

! **Learning loss:** Following a year of widespread school closings and disrupted education, most students returned to in-person learning in the fall of 2021. The [learning loss](#) that accompanied remote learning has been widely reported, and not surprisingly, students in lower-income districts with fewer resources were hardest hit. Nationally, in 2021, 71% of parents below the Threshold said that their child was prepared for the academic year ahead, compared to 81% of parents above the Threshold. The [Maine Children's Alliance](#) reported that from 2019 to 2022, the percentage of fourth-graders not proficient in reading increased from 64% to 71%, and eighth-graders not proficient in math increased from 66% to 76%. Nationally, drops were even larger for [low-income students as well as for Black and Hispanic students](#).

! **Behind on rent payments:** Maine's rental housing market is among the [least affordable in the nation](#), and it became even harder for renters to keep up during the pandemic. According to the Household Pulse Survey, renter households below the ALICE Threshold in Maine

were more likely than those above the Threshold to report that they were not caught up on rent payments. Throughout the pandemic (August 2020 to November 2022), 8% of renters below the Threshold were not caught up. For renters above the Threshold, the rate decreased from 10% in August 2020 to 5% by November 2022. Renters who fall behind on rent are at greater risk for eviction, especially since the federal moratorium on [evictions and foreclosures](#), [state-level bans](#), and funding for [Maine's Emergency Rental Assistance program](#) have now expired. As a result, [eviction filings are on the rise](#) and are likely to [increase in the near term](#).

! **Struggling to pay bills:** During the height of the pandemic, in August 2020, 43% of households below the ALICE Threshold in Maine said it was somewhat or very difficult to pay for usual items such as food, rent or mortgage, car payments, and medical expenses, according to the Household Pulse Survey. That rate increased to 51% by November 2022. Yet both these rates are more than double those for respondents above the Threshold (15% in August 2020 and 21% in November 2022).

! **Facing lack of savings and medical debt:** In November 2021, 41% of families below the ALICE Threshold in the New England region did not have 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, according to SHED. In addition, 16% of respondents below the Threshold in the New England region in November 2021 had incurred an unexpected major medical expense that they had to pay for out of pocket because it was not completely paid for by insurance. Medical debt generally reflects [poorer health](#) and lower rates of health care coverage, and causes [lower credit scores](#) and [additional financial hardship](#).

! **Physical health:** With government support for expanded health services ending, in the wake of two years of reduced preventative care, health concerns are increasing for families in Maine and across the U.S. Two key programs that increased access to health care and services during the pandemic ended or were paused in the first half of 2023: One made [tests and vaccinations for COVID-19](#) free and widely available,

and the other allowed people to stay on [Medicaid during the pandemic](#). A [September 2020 national survey](#) found that 36% of adults (age 18 to 64) delayed or missed health care services, including dental care, primary care, or specialist visits; preventive health screenings; and medical tests. For those with one or more chronic conditions, a mental health condition, or a lower income, the likelihood of postponing or forgoing care was even higher.

Parents also postponed care for their children. In the fall of 2021, Maine households below the ALICE Threshold were more likely to report that they missed, delayed, or skipped their [child’s preventive check-up](#) in the prior 12 months than households above the Threshold (38% vs. 20%). These delays, especially when coupled with preexisting conditions, can contribute to [more serious conditions in the future](#).

A recent study finds that [socioeconomic factors, including lower household income and recent unemployment, may increase the risk of developing long COVID](#). Confirming this finding, according to the November 2022 Household Pulse Survey, Maine respondents below the ALICE Threshold were more likely to report having symptoms of long COVID (such as fatigue, brain fog, difficulty breathing, heart palpitations, dizziness, or changes to taste/smell) lasting three months or longer that they did not have prior to having COVID-19 than respondents above the Threshold (28% vs. 21%).

! **Mental health:** With these sustained challenges — on top of [disruptions](#) to daily schedules, limited social interaction, and uncertainty about safety and the

future — it’s not surprising that people below the ALICE Threshold in Maine were somewhat more likely to report feeling depressed or anxious than those above the Threshold. According to the Household Pulse Survey, in August 2020, 28% of respondents below the Threshold and 16% above the Threshold reported feeling nervous, anxious, or on edge nearly every day over the prior two weeks. These rates improved as of November 2022 to 18% and 12%, respectively. However, certain groups reported far higher rates even in 2022 — 35% for Mainers below the Threshold with a disability, for example, compared to 14% of all Maine residents (Figure 12). Respondents below the Threshold were also more likely to report feeling down, depressed, or hopeless at both points in time (13% in August 2020 and 10% in November 2022) than respondents above the Threshold (7% in 2020 and 6% in 2022).

There has been an increased need for mental health services in Maine during the pandemic, especially for [students](#) and those struggling with [substance use disorder](#); opioid addiction has been especially prevalent in the state. In 2020, [17% of Maine adults](#) reported having had a substance use disorder in the prior year, one of the highest rates in the country.

The lack of mental health resources during the pandemic has been [widely recognized](#), and awareness is increasing, especially with the launch of the [Nationwide Suicide and Crisis Lifeline](#) (988) and Maine’s Department of Health and Human Services’ [resources](#). But there remains a severe [shortage of mental health resources](#) in Maine, especially for low-income families, and mental health providers struggle to meet [increased demand](#).

Figure 12. Feeling Nervous, Anxious, or On Edge, Above and Below the ALICE Threshold, Maine, 2022

Feeling Nervous, Anxious, or On Edge			
	Below the ALICE Threshold	Above the ALICE Threshold	Maine Average
Female	20%	13%	14%
With a Disability	35%	29%	
LGBT	26%	33%	

Question: Over the last two weeks, how often have you been bothered by feeling nervous, anxious, or on edge? Selected: Nearly every day

Note: The “With a Disability” group includes respondents who have one or more vision, hearing, cognitive, mobility, or self-care difficulties; the “LGBT” group includes respondents who identify as gay or lesbian, bisexual, and/or transgender.

Sources: ALICE Threshold, 2021; U.S. Census Bureau, Household Pulse Survey, September 14, 2022–November 14, 2022, Phase 3.6

The pandemic has also highlighted the ability of government policymakers and business managers to respond to changing conditions quickly. The 2021 ALICE data may surprise some readers who were expecting much worse. But 2021 was a unique year — and these warning signs are both a call to action and a challenge to complacency.

ALICE is More Vulnerable in Times of Crisis

With little access to resources and credit, and few or no savings or assets, ALICE households are more vulnerable to the effects of disasters and crises. From natural disasters, to pandemics, to more common crises like a car repair or a sudden health issue, ALICE families feel the economic impact almost immediately. If hourly-paid workers can't work, they lose pay; if there is damage to their homes or cars, without insurance, there are immediate repair bills; and if the power goes out, without a generator, they need money to replace spoiled food supplies.

Financially insecure households disproportionately bear the impact of crises and disasters. They are more likely to live in [housing units and communities that are more vulnerable](#) to flooding, fire, and other hazards, primarily because those areas are more affordable, but they have [fewer resources to prepare for, withstand, or recover from these disasters](#). In places that experienced [natural disasters](#) in 2021 and 2022 — such as Hurricane Ian in Florida; [wildfires](#) in California, Oregon, Idaho, Utah, and Washington; [flooding](#) in Kentucky and Missouri; and severe storms and flooding in Maine — ALICE families faced [higher risks](#). For example, according to the Household Pulse Survey (December 2022), following [Hurricane Ian in September 2022](#), households below the ALICE Threshold in Florida were more likely than those above the Threshold to be displaced from their home (9% vs. 6%). One month after the storm, respondents below the Threshold were at least three

times more likely to be experiencing a shortage of food (39% vs. 13%) and drinkable water (42% vs. 12%).

Environmental disasters can also include chronic, long-term issues such as poor air quality and [soil contaminated](#) with highly toxic compounds such as PFAS. Nationally in 2022, more than 1 in 3 Americans lived in counties with [unhealthy levels of ozone or particle pollution](#), and communities of color are disproportionately exposed to unhealthy air. Maine air remains some of the cleanest in the country; however, [long-term particle pollution is increasing](#) in the Portland-Lewiston metro area. The number of [U.S. communities confirmed to have soil contaminated](#) with PFAS grew to 2,858 locations in 50 states in 2022. In Maine, there are 19 confirmed contaminated sites.

In addition, issues of [environmental justice](#) — like the legacy of [redlining](#) on [exposures to air pollution](#) and [oil and gas-related contaminants](#) — layered atop substantial racial/ethnic gaps in financial hardship, mean that low-income communities face increased risks to health and well-being, with fewer resources to navigate these issues. In Maine, there has been a long [history of disparity](#) in the ability of non-White, low-income, rural, and other under-represented residents to access and experience healthy environmental conditions. Especially harmful have been the effects of environmental injustice on [tribal members and tribal lands](#).

ALICE workers were essential to the pandemic recovery, as well as to rebuilding from recent natural disasters. ALICE workers have often been called “pandemic heroes,” essential to caring for COVID-19 patients and to keeping the economy running by working in food service, grocery stores, and warehouse and fulfillment centers. Yet they still received low wages and faced unsafe working conditions. Similarly, in the aftermath of hurricanes and wildfires, ALICE workers are essential for debris removal, housing repairs, and rebuilding basic infrastructure. Yet these jobs are nearly impossible to do if workers and their families are in crisis themselves.

MAPPING ALICE WITH COMMUNITY RESOURCES AND INDICATORS OF WELL-BEING

Mapping where ALICE lives along with the location of community resources — such as public libraries or health care facilities — can help identify gaps by town, ZIP code, county, or state. View ALICE data by geography along with the locations of key resources at UnitedForALICE.org/Maps/Maine.

ALICE data can also be mapped alongside other datasets. Visit UnitedForALICE.org/Indicators/Maine to see relationships between financial hardship and other key indicators of well-being, such as internet access.

DATA FOR ACTION: A VISION FOR ALICE IN MAINE

The strength of the Maine economy is inextricably tied to the financial stability of all residents. As the pandemic has shown, ALICE workers are critical to the smooth running of the economy, during times of crisis and beyond. And, in turn, the stability of ALICE families depends on their being able to fully participate in that economy.

In Maine and across the U.S., intervention is needed across the board — in business, government, nonprofit, and educational institutions — to set the groundwork for a more equitable future for ALICE. The ALICE research and data can be used to generate solutions to these problems, helping ALICE households and creating equity across communities.

To make these decisions, it is important to understand both the barriers to and facilitators of financial stability. The factors that work to widen or close the gap between living below the ALICE Threshold and being financially stable are outlined in Figure 13.

Good data is the essential foundation for effective policy. The measures of cost of living and financial hardship, demographic data, and wage and labor force statistics presented in this Report can help stakeholders identify and track financial hardship over time, provide language to raise

awareness about the challenges ALICE households face, frame appropriate questions, and make data-driven decisions. The ALICE data can help policymakers and community organizations identify gaps in community resources. It can also guide employers in finding additional ways to support ALICE workers for increased productivity, both in times of economic growth and in periods of economic recovery.

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. Having enough income for safe and affordable housing, adequate food, reliable transportation, quality child and health care, and sufficient technology not only has the immediate impact of fulfilling essential needs, but also creates a ripple effect: When ALICE households can afford the basics, there is a significant positive impact on local communities and the wider economy. This is a vision not only for ALICE, but for the nation as a whole.



Figure 13. Benefits of Sufficient Income, 2022

If households have sufficient income for...	Benefits for ALICE Households	Benefits for the Wider Community
 <p>Safe, Affordable Housing</p>	<p>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</p>	<p>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</p>
 <p>Quality Child Care and Education</p>	<p>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</p>	<p>Decreased racial/ethnic and socioeconomic performance gaps; high return on investment from early education to high school and beyond</p>
 <p>Adequate Food</p>	<p>Decreased food insecurity; improved health (especially for children and seniors); decreased likelihood of developmental delays and behavioral problems in school</p>	<p>Lower health care costs; improved school and workplace productivity; less spending on emergency food services; greater equity by gender, race/ethnicity and immigration status</p>
 <p>Reliable Transportation</p>	<p>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)</p>	<p>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</p>
 <p>Quality Health Care</p>	<p>Better mental and physical health (including increased life expectancy); improved access to preventative care; fewer missed days of work/school; decreased need for emergency services; lower share of income spent on health</p>	<p>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</p>
 <p>Reliable Technology</p>	<p>Improved access to job opportunities; expanded access to health information and telemedicine services; increased job and academic performance</p>	<p>Closing the “digital divide” in access to technology by income; increased economic development; increased opportunities for civic participation</p>
 <p>Savings</p>	<p>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)</p>	<p>Less spending on public services to cover basic needs like health care, food, and housing – especially for unexpected or emergency expenses</p>

COUNTY COMPARISON: INCOME STATUS, 2021

Maine Counties, 2021		
County	Households	% ALICE + Poverty
Androscoggin	46,323	39%
Aroostook	30,220	46%
Cumberland	129,977	37%
Franklin	12,018	45%
Hancock	24,103	41%
Kennebec	53,803	42%
Knox	17,529	44%
Lincoln	15,372	45%
Oxford	22,747	52%
Penobscot	65,441	44%
Piscataquis	7,176	49%
Sagadahoc	15,879	33%
Somerset	21,596	49%
Waldo	17,213	42%
Washington	13,258	51%
York	90,907	40%

NATIONAL COMPARISON: INCOME STATUS, 2021

STATE	RANK (1 = lowest % Below ALICE Threshold)	TOTAL Number of Households	Household Income Status		
			% Households in Poverty	% ALICE Households	% Households Below ALICE Threshold
United States	—	126,903,920	13%	29%	41%
Alabama	48	1,951,995	16%	32%	48%
Alaska	1	266,391	10%	22%	32%
Arizona	24	2,813,110	12%	28%	40%
Arkansas	46	1,176,614	16%	31%	47%
California	35	13,420,382	12%	31%	43%
Colorado	13	2,297,529	10%	27%	37%
Connecticut	19	1,428,313	10%	28%	39%
Delaware	27	395,656	12%	29%	41%
D.C.	31	319,565	15%	28%	42%
Florida	44	8,533,422	13%	32%	45%
Georgia	47	3,954,813	14%	34%	47%
Hawai'i	29	490,101	12%	30%	41%
Idaho	34	681,926	11%	32%	43%
Illinois	10	4,981,919	12%	24%	36%
Indiana	21	2,656,794	12%	27%	39%
Iowa	9	1,293,028	11%	24%	36%
Kansas	20	1,153,270	12%	27%	39%
Kentucky	38	1,767,504	16%	28%	44%
Louisiana	50	1,776,260	19%	32%	51%
Maine	30	583,562	12%	30%	42%
Maryland	15	2,352,331	10%	28%	38%
Massachusetts	25	2,756,295	11%	28%	40%
Michigan	22	4,029,761	13%	26%	39%
Minnesota	8	2,254,997	10%	26%	35%
Mississippi	51	1,116,509	20%	32%	52%
Missouri	36	2,459,987	13%	30%	43%
Montana	28	443,529	12%	29%	41%
Nebraska	17	781,693	11%	27%	39%
Nevada	42	1,189,085	14%	31%	45%
New Hampshire	2	548,727	8%	25%	33%
New Jersey	12	3,495,628	11%	26%	37%
New Mexico	45	821,310	17%	29%	47%
New York	40	7,635,201	14%	30%	44%
North Carolina	41	4,150,059	13%	31%	44%
North Dakota	6	322,588	11%	23%	34%
Ohio	16	4,820,453	13%	25%	38%
Oklahoma	43	1,536,903	15%	30%	45%
Oregon	39	1,697,608	12%	32%	44%
Pennsylvania	23	5,229,253	12%	27%	39%
Rhode Island	18	435,782	12%	27%	39%
South Carolina	33	2,037,203	15%	29%	43%
South Dakota	11	352,363	11%	26%	36%
Tennessee	37	2,740,302	14%	30%	44%
Texas	32	10,705,476	14%	29%	43%
Utah	5	1,087,978	9%	25%	34%
Vermont	26	265,098	11%	29%	40%
Virginia	14	3,300,111	10%	28%	38%
Washington	4	3,013,644	10%	24%	34%
West Virginia	49	711,392	17%	31%	48%
Wisconsin	7	2,436,961	11%	23%	34%
Wyoming	3	233,539	11%	22%	34%

NEXT STEPS

Capturing the true extent of financial hardship in Maine is critical for the appropriate allocation of funds for programs in areas such as education, health care, food access, housing, and employment. There is a lot more to be done to change the trajectory for households struggling to make ends meet. How can you help?

Learn more and help to raise awareness of the struggles ALICE households face with:

- The interactive [ALICE in Maine webpages](#), to dig deeper into:
 - » [County Reports](#)
 - » [Household budgets](#)
 - » [Maps with data for local geographies](#)
 - » [Demographics](#)
 - » [Labor force data](#)
 - » [ALICE data alongside additional Indicators of Well-Being](#)

Connect with stakeholders:

- [Contact your local United Way](#) for support and volunteer opportunities.
- Connect with members of the state [Research Advisory Committees](#) that support this work.
- Find your state and federal representatives and see ALICE household data by legislative district with our [ALICE Legislative District Tool](#).

Turn the ALICE data into action in your state, county, or community:

- Use the ALICE metrics to highlight the challenges ALICE households face, to inspire action and generate innovative solutions that promote financial stability.
- Armed with the ALICE data, advocate for policy change, apply for grant funding, allocate funding for programs and services targeted to ALICE households, etc.
- Learn more on our [ALICE in Action](#) webpage about the programs, practices, and policies to improve access to affordable housing, high quality child care and education, healthy food, health care, transportation, workforce training, and more.
- Make the case for ALICE with interactive tools from the Federal Reserve Bank of Atlanta that are based on the Household Survival Budget, including the [Policy Rules Database](#) to model benefits cliffs, and the [Career Ladder Identifier and Financial Forecaster](#) to map changes in benefits along a career path.

Be an ally and advocate for better data:

- Advocate for more accurate data collection by the [U.S. Census Bureau](#) for people who have been [historically undercounted](#), including (but not limited to) people with disabilities, people experiencing homelessness, people of color, individuals who identify as LGBTQ+, and people in low-income and hard-to-count geographic areas.
- Support the [implementation](#) of a single combined question for race and ethnicity. Census [research](#) shows this change will yield a more accurate portrait of how the U.S. population self-identifies, especially for people who self-identify as multiracial or multiethnic.

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