

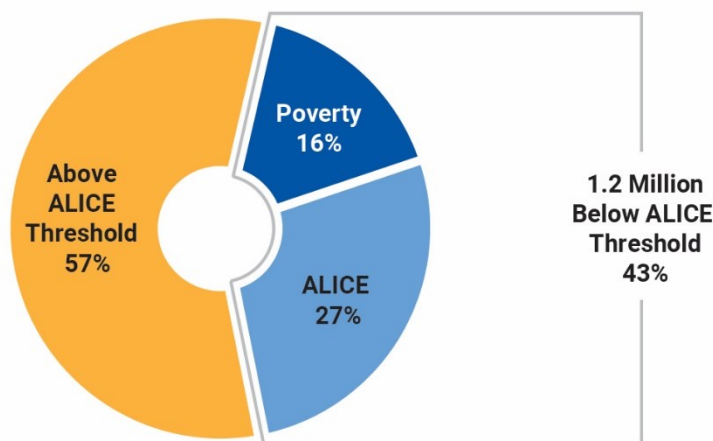
CHILDREN IN FINANCIAL HARDSHIP: ILLINOIS

The number of children living in financially insecure households in Illinois continues to be systematically undercounted. According to the outdated Federal Poverty Level (FPL), 16% of children in Illinois (425,160) lived in poverty in 2022. Yet [United For ALICE](#) data shows that another 27% (733,278) were also growing up in financial hardship. These children live in households that are **ALICE®: Asset Limited, Income Constrained, Employed**, earning above the FPL but not enough to afford the basics in their communities.

With poverty-level and ALICE households combined, a substantial **43% of the 2.7 million children in Illinois lived in a household with income below the [ALICE Threshold of Financial Survival](#) in 2022, ranking Illinois 16th among all states and the District of Columbia** (with 1st representing the lowest rate of children living in financial hardship). These households don't earn enough to afford housing, child care, food, transportation, health care, technology, and taxes — the basics needed to live and work in the current economy.

Children by Household Income, Illinois, 2022

Total Number of Children in Illinois = 2,710,614



Note: This research uses the U.S. Census Bureau's American Community Survey [Public Use Microdata Sample](#) (PUMS) and focuses on children, whose ALICE status is determined by their household's income compared to local cost of living. ALICE analysis includes households regardless of work status, as employment is fluid and most households have members who are working, have worked, are out on disability, or are looking for work. This analysis does not include children who are unhoused or living in group quarters. In this Brief, percentages are rounded to whole numbers for ease of reading, which may result in percentages totaling 99% or 101%. All numbers are presented in the [ALICE Children Data Dashboard](#).

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



KEY FINDINGS 2022

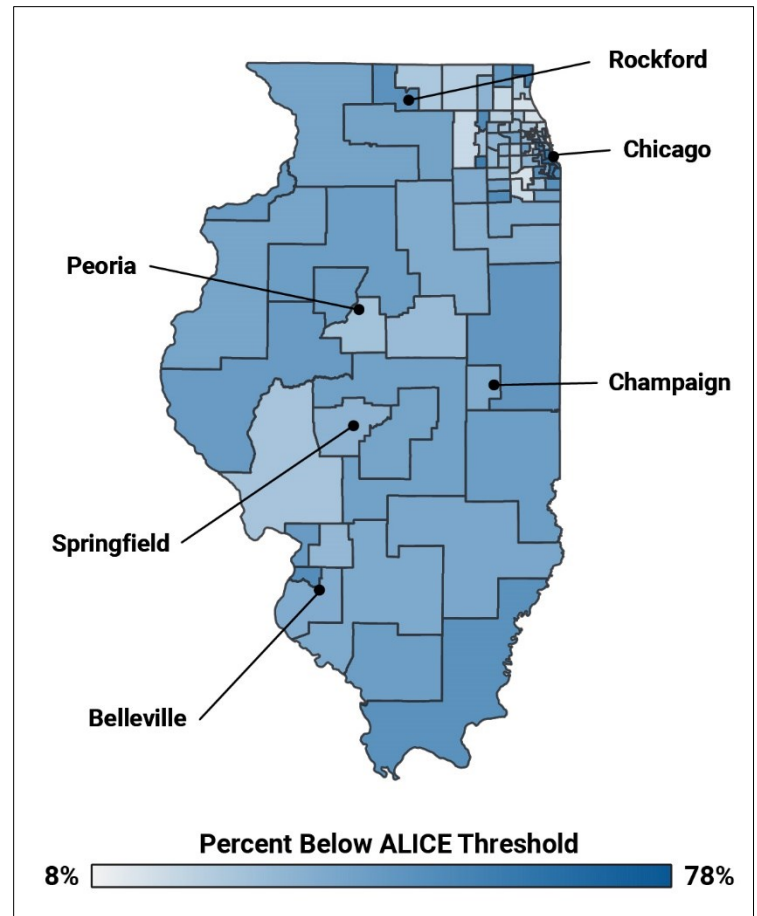
- Forty-three percent (43%) of children in Illinois lived in households experiencing financial hardship. While 16% were below the FPL, an additional 27% were ALICE.
- By race/ethnicity, Black and Hispanic children in Illinois continued to face greater hardship due to systemic barriers to financial stability: 67% of Black children and 56% of Hispanic children in Illinois lived in households with income below the ALICE Threshold, compared to 31% of Asian children 30% of White children.
- Having working adults in the household did not guarantee financial stability: 25% of Illinois children in households with two adults in the labor force were still below the ALICE Threshold.
- Children below the ALICE Threshold often lacked access to crucial resources. More than 617,070 children below the Threshold in Illinois did not participate in SNAP, and nearly 283,000 had no high-speed internet access at home.

Since the first *ALICE in Focus: Children* brief (2019 data), the conflicting economic and social forces of the COVID-19 pandemic – inflation, wage growth, and the expansion and expiration of [pandemic public assistance](#) (especially relevant for households with children) – have impacted children and their families in various ways. As shown in our 2023 [ALICE in the Crosscurrents](#) Report, the situation for households below the ALICE Threshold improved in some respects and worsened in others, over the course of the pandemic and during its aftermath.

Yet even with these substantial shifts, the share of children living in financially insecure households has remained largely unchanged at the state level. In 2019, 42% (1,166,800) of children in Illinois were below the ALICE Threshold. And while the number of these children decreased slightly to 1,158,438 in 2022, the share remained relatively the same (43%).

There are children below the ALICE Threshold in [communities across the state](#) ([Public Use Microdata Areas](#), or PUMAs), at rates ranging from 8% in Chicago City (North), Lake View and Lincoln Park PUMA to 78% in Chicago City (South), Chicago Lawn, Greater Grand Crossing and West Englewood/Englewood PUMA. [Visit the ALICE Children Data Dashboard](#) to see additional data (for 2019 and 2022) and an interactive version of the state map.

Percentage of Children Below ALICE Threshold by PUMA, Illinois, 2022



Sources: *ALICE Threshold, 2022*; U.S. Census Bureau, *American Community Survey, PUMS, 2022*

TERMS AND DEFINITIONS

- **ALICE:** Asset Limited, Income Constrained, Employed – households that earn above the Federal Poverty Level (FPL) but cannot afford the basic cost of living in their county. Despite struggling to make ends meet, ALICE families often do not qualify for public assistance.
- **ALICE Household Survival Budget:** The minimum cost of household necessities (housing, child care, food, transportation, health care, and technology), plus taxes, adjusted for different counties and household types. While the FPL for a family of four in Illinois in 2022 was \$27,750, the average bare-minimum cost of living for that family was \$76,224.
- **ALICE Threshold:** Derived from the Household Survival Budget, the minimum average income that a household needs to afford basic costs. Children **below the ALICE Threshold** include those in poverty-level and ALICE households combined.

WHO ARE CHILDREN BELOW THE ALICE THRESHOLD?

A child's start in life impacts their long-term health, wellness, education, and career. Family financial stability is one of the strongest [predictors of current and future well-being](#). Financial instability not only contributes to daily experiences of [stress, trauma, and hardship](#) in the present, but it impedes a child's opportunity for [future success](#), including higher education, a higher income, and long-term asset building.

Children below the ALICE Threshold in Illinois are those under age 18 living in households with income below the basic cost of living for their community. Children in Illinois' financially insecure households are from all locations and demographic groups; are of all ages; are born in the U.S. or abroad; are of all abilities; are of all races/ethnicities; and live with parents or guardians who are married or single, working or not working, and English-speaking or non-English-speaking.

Demographics

The largest numbers of children below the ALICE Threshold were found in the state's largest demographic groups. Yet the rate of hardship ranged substantially across groups. **In Illinois in 2022:**

Age: There were 178,242 infants/toddlers (age 0–2 years), 137,822 preschoolers (3–4 years), and 842,374 school-age children (5–17 years) living in households

below the ALICE Threshold. The rates of financial hardship were highest for preschool-age children (49%), followed by infants/toddlers (46%) and school-age children (41%).

Race/ethnicity: By number, children below the ALICE Threshold were predominantly White (396,522), Hispanic (380,015) and Black (254,868). Yet due to [persistent discrimination and systemic barriers to financial stability](#), the share of children below the Threshold was higher for some groups: 67% of Black children, 56% of Hispanic children, 47% of American Indian/Alaska Native children, 42% of children of Two or More Races, 31% of Asian children, and 30% of White children were growing up in financial hardship.

Disability status: Children with a disability were more likely to live in households below the ALICE Threshold (51%) than those without a disability (42%). When any member of the household had a disability, 54% of children were below the Threshold; if a parent or guardian had a disability, the rate increased to 57%.

Nativity and language: Of the 77,332 children in Illinois who were born outside the U.S. (3% of children in the state), 55% were below the ALICE Threshold, compared to 42% of those born in the U.S. Rates were even higher for the 108,861 children living in a family with limited English-speaking ability (4% of children in the state), with 75% below the Threshold.

ALICE CHILDREN DATA DASHBOARD

The ALICE Children Data Dashboard includes interactive data on children living in hardship by:

- State, regional, and local geographies
- Demographic categories including children's age, race/ethnicity, disability, and nativity
- Household characteristics
- Children's access to key resources
- Data year (toggle between 2019 and 2022 for all variables)

UnitedForALICE.org/Focus-Children



Children by Household Financial Status and Key Demographics, Illinois, 2022

	TOTAL	BELOW ALICE THRESHOLD	POVERTY	ALICE	ABOVE ALICE THRESHOLD
ALL CHILDREN	2,710,614	1,158,438	16%	27%	57%
AGE					
Infant (0–2 Years)	389,314	178,242	16%	30%	54%
Preschool-Age (3–4 Years)	280,946	137,822	17%	32%	51%
School-Age (5–17 Years)	2,040,354	842,374	15%	26%	59%
RACE/ETHNICITY					
American Indian/Alaska Native	2,266	1,072	18%	29%	53%
Asian	146,118	44,825	9%	22%	69%
Black	378,098	254,868	37%	31%	33%
Hispanic	673,443	380,015	18%	38%	44%
Two or More Races	173,413	72,924	20%	22%	58%
White	1,319,808	396,522	9%	21%	70%
NATIVITY AND LANGUAGE					
Born in U.S.	2,633,282	1,116,265	16%	27%	58%
Born Outside U.S.	77,332	42,173	20%	34%	45%
English-Speaking Family	2,601,753	1,077,022	15%	26%	59%
Limited English-Speaking	108,861	81,416	25%	50%	25%
DISABILITY STATUS					
Child With a Disability	106,683	54,236	24%	27%	49%
Any Household Member With a Disability	517,039	279,621	23%	31%	46%

Note: The groups shown in this figure overlap across categories (Age, Race/Ethnicity, Nativity and Language, and Disability Status). All racial categories except Two or More Races are for one race alone. The Hispanic group may include children of any race. View more on the [ALICE Children Data Dashboard](#).

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

Household Characteristics

Most children in Illinois lived with at least one of their parents (biological or adoptive). Children may live with married or unmarried parents, single parents, grandparents, or guardians. Household composition — especially the number of working adults — has a substantial impact on children’s financial stability.

In Illinois in 2022:

Living arrangements: The largest number of children below the ALICE Threshold were in married-couple households (542,631), followed by single-female-headed households (435,564). But the percentage of children below the Threshold varied by adults’ marital status and partnership type: 30% of children in all married-parent households (30% for different-sex and 24% for same-sex couples), 55% of children in unmarried-couple households, 52% of children in single-male-headed households, and 76% of children in single-female-headed households were growing up in hardship.

- **Children living with grandparents:** 12% of all Illinois children (332,128) lived in a home with a grandparent, which included both multi-generational households and households where grandparents

were raising grandchildren on their own. Just over half (52%) of children in these households were below the ALICE Threshold.

Household work status: Most children (95%) lived in a household with at least one worker. As the number of workers in the family increased, the share of children below the ALICE Threshold decreased. In Illinois, 76% of children living with one adult who was working were below the Threshold; for children living with two adults, one of them working, 58% were below the Threshold; and with two adults who were both working, 20% were below the Threshold. Among all families with two or more adults, two of whom were working, 25% of children were still below the Threshold in 2022, demonstrating that having working adults in the household does not guarantee financial stability.

While parents and guardians work in every sector, children below the ALICE Threshold are concentrated in families where adults work in occupations with low median hourly wages. These include some of the most common occupations in the state: For example, 59% of Illinois children with an adult working as a cashier, earning a median wage of \$13.89 per hour, were below the Threshold in 2022.

Children by Household Financial Status and Household Characteristics, Illinois, 2022

	TOTAL	BELOW ALICE THRESHOLD	POVERTY	ALICE	ABOVE ALICE THRESHOLD
ALL CHILDREN	2,710,614	1,158,438	16%	27%	57%
LIVING ARRANGEMENTS					
Grandparent Living With Grandchild	332,128	172,748	14%	38%	48%
Married-Couple Household	1,801,125	542,631	6%	24%	70%
Single-Female-Headed Household	572,959	435,564	40%	36%	24%
Single-Male-Headed Household	122,713	63,619	19%	33%	48%
HOUSEHOLD WORK STATUS					
One Adult, One Worker	338,442	256,465	35%	41%	24%
Two Adults, One Worker	548,656	318,308	20%	38%	42%
Two Adults, Two Workers	1,015,042	208,005	3%	18%	80%

Note: The groups shown in this figure overlap across categories (Living Arrangements and Household Work Status). “Grandparent Living With Grandchild” includes any arrangement where grandparents live with their grandchild, including where parents or other adults are present. For the Household Work Status category, the number of workers is defined as “workers in the family over the last 12 months” from when the survey was conducted. View more on the [ALICE Children Data Dashboard](#).

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

INTERCONNECTED BARRIERS TO WELL-BEING

Children below the ALICE Threshold are more likely to lack stable housing, quality child care and early education, private health insurance, high-speed home internet access, and reliable food access. When basic necessities are at risk, families have to make impossible decisions — like choosing to pay for food or quality child care, for medicine or utility bills. Decisions made in one area of the budget can have both [short- and long-term consequences](#) that ripple across all other areas.

In Illinois in 2022:

Housing: Children in families without stable housing face greater risks for [poor physical health, increased family stress, social isolation, and lower academic performance](#). Among children below the ALICE Threshold in Illinois, 49% were in families that rented and 51% were in families that owned their home. Below the Threshold, families of Black children had the lowest homeownership rate (23%), followed by families of Hispanic children (49%), while families of White children had the highest (68%). Above the Threshold, the homeownership rates for families of Black children and Hispanic children were higher (at 69% and 82%, respectively) but still substantially lower than for families of White children (92%). Overall, 50% of children in renter households and 21% of children in homeowner households were in families that were cost burdened, paying 30% or more of household income on housing.



Education: Of all preschool-age children in Illinois, 54% were enrolled in preschool, higher than the national average (47%). Preschool-age children below the ALICE Threshold were less likely than their peers above the Threshold to be enrolled in preschool (47% vs. 60%). There was a slight difference in school enrollment rates for teens age 15–17, with 95% below the Threshold enrolled in school compared to 98% of their peers above the Threshold.

Health insurance: Access to health insurance is critical to both [wellness and financial stability](#) for families below the ALICE Threshold, and [especially for children](#). While most children in Illinois had health insurance (97%, slightly higher than the national rate of 95%), 4% of children below the ALICE Threshold (49,736) did not have coverage. Children in families with income below the Threshold were also more likely to have public health insurance (62%), while those above the Threshold were far more likely to have private health insurance (85%).



Home internet: The availability of internet access and devices for education has become increasingly essential for young people, yet the [digital divide](#) by income and race/ethnicity persists. Most children in Illinois (99%) had home internet access. Children below the ALICE Threshold had a slightly lower home internet access rate than those above the Threshold (98% vs. 99%), yet were considerably less likely to have high-speed internet, which is essential for work and online learning (76% vs. 88%). High-speed internet rates increased for all children in Illinois through the pandemic, from 79% in 2019 to 83% in 2022. Yet nearly 283,000 children below the Threshold in Illinois still did not have high-speed internet at home in 2022.

High-speed internet rates were lower for some groups below the Threshold: 72% for Black children, 76% for Hispanic children, 77% for White children, and 79% for Asian children. By location, the percentage of children below the ALICE Threshold with high-speed internet access was highest in Cook County (Southwest), Palos, Lemont and Orland Townships (100%) and lowest in South and Southeast Illinois, Saline, Union and Massac counties PUMA (43%).

Food access: Households with children living below the ALICE Threshold were more likely to have difficulty putting food on the table. According to the [U.S. Census Household Pulse Survey](#), in 2022, 25% of Illinois families below the Threshold with children reported that sometimes or often “children were not eating enough because we just couldn’t afford enough food,” five times higher than the rate for those above the Threshold (5%).

Public assistance: For a [variety of reasons](#), public assistance does not reach all children in households that are struggling. While most children in poverty are eligible for assistance, ALICE children live in households that often earn too much to qualify. For example, the income eligibility threshold in Illinois for the Supplemental Nutrition Assistance Program (SNAP) is 165% of

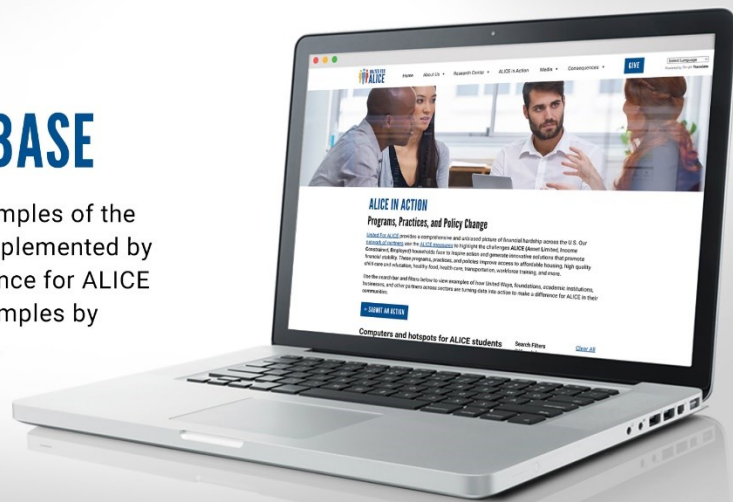
the FPL. Even though all children in poverty should be covered by SNAP, in Illinois the program was utilized by only 67% of children in poverty (285,640) and a mere 35% of children in ALICE households (255,728) in 2022. Of all children below the ALICE Threshold in Illinois, only 47% participated. This left a gap of just over 617,000 children whose families were struggling to make ends meet but not participating in SNAP.

Intersectionality: For some children, multiple intersecting forms of discrimination and limited access to resources make household financial instability more likely. For example, 67% of Black children in Illinois were below the ALICE Threshold in 2022. For Black children with a disability, the rate went up to 61%; and if they lived in a renter household, the rate increased to 81%.

ALICE IN ACTION DATABASE

The ALICE in Action Database includes examples of the programs, practices, and policy changes implemented by United for ALICE partners to make a difference for ALICE households in their communities. Filter examples by location, topic, target population, and more.

UnitedForALICE.org/ALICE-in-Action



Children by Household Financial Status and Key Indicators, All States, 2022

State (Rank)	Total	Household Income Status			Rent Burden	Preschool	Internet	SNAP
	Number of Children	% Poverty	% ALICE	% Below ALICE Threshold	% Below ALICE Threshold Paying 30% or More on Rent	% Preschool-Age Enrolled in School	% Below ALICE Threshold with High-Speed Internet Access	% Below ALICE Threshold Participating in SNAP
United States	72,094,339	16%	34%	50%	52%	47%	77%	39%
Alabama (42)	1,104,575	22%	32%	54%	48%	46%	72%	43%
Alaska (24)	173,285	14%	32%	46%	39%	41%	63%	32%
Arizona (37)	1,586,070	16%	37%	53%	52%	33%	77%	36%
Arkansas (40)	693,000	22%	32%	54%	44%	45%	70%	32%
California (48)	8,476,896	15%	42%	57%	58%	46%	80%	33%
Colorado (25)	1,207,812	10%	36%	46%	55%	52%	83%	29%
Connecticut (17)	728,030	12%	32%	44%	56%	64%	83%	36%
Delaware (11)	207,625	10%	31%	42%	39%	45%	82%	41%
D.C. (15)	123,619	16%	27%	43%	50%	78%	66%	64%
Florida (45)	4,285,475	17%	38%	55%	60%	49%	80%	38%
Georgia (46)	2,501,214	16%	39%	55%	50%	49%	76%	40%
Hawaii (31)	295,615	12%	37%	49%	56%	41%	82%	41%
Idaho (32)	464,228	13%	38%	51%	39%	42%	79%	23%
Illinois (16)	2,710,614	16%	27%	43%	50%	54%	76%	47%
Indiana (21)	1,562,606	15%	31%	46%	45%	42%	76%	32%
Iowa (6)	713,854	12%	28%	40%	45%	47%	77%	36%
Kansas (7)	684,065	13%	27%	41%	45%	47%	78%	24%
Kentucky (33)	1,001,572	21%	30%	51%	43%	37%	77%	42%
Louisiana (47)	1,055,445	24%	32%	56%	56%	54%	69%	49%
Maine (19)	242,867	10%	34%	44%	40%	38%	83%	34%
Maryland (27)	1,345,996	11%	35%	47%	55%	49%	79%	36%
Massachusetts (20)	1,331,435	11%	33%	45%	57%	58%	82%	45%
Michigan (28)	2,098,256	18%	29%	47%	52%	47%	78%	46%
Minnesota (5)	1,274,974	10%	29%	39%	49%	47%	80%	29%
Mississippi (50)	674,630	26%	32%	58%	49%	50%	66%	42%
Missouri (29)	1,358,979	16%	32%	48%	44%	43%	74%	36%
Montana (26)	233,024	13%	34%	46%	31%	31%	73%	23%
Nebraska (8)	472,831	12%	29%	41%	43%	45%	80%	30%
Nevada (49)	688,662	16%	41%	57%	57%	35%	75%	38%
New Hampshire (2)	248,473	6%	28%	34%	46%	55%	83%	27%
New Jersey (10)	1,986,050	13%	28%	42%	59%	67%	78%	37%
New Mexico (51)	453,284	23%	35%	58%	54%	39%	71%	55%
New York (41)	3,960,023	19%	35%	54%	55%	61%	74%	44%
North Carolina (39)	2,288,886	17%	36%	53%	47%	38%	77%	43%
North Dakota (1)	178,227	12%	21%	33%	24%	29%	71%	21%
Ohio (23)	2,550,190	18%	28%	46%	46%	43%	81%	44%
Oklahoma (44)	950,109	20%	35%	54%	45%	42%	72%	44%
Oregon (34)	830,894	13%	39%	52%	50%	46%	81%	43%
Pennsylvania (22)	2,605,028	16%	31%	46%	49%	45%	78%	45%
Rhode Island (13)	202,490	12%	31%	42%	49%	52%	80%	39%
South Carolina (38)	1,114,070	19%	34%	53%	48%	44%	76%	37%
South Dakota (4)	217,071	13%	26%	39%	30%	36%	77%	39%
Tennessee (35)	1,531,592	18%	35%	53%	46%	42%	76%	35%
Texas (36)	7,423,833	19%	34%	53%	55%	44%	73%	41%
Utah (14)	925,053	8%	34%	42%	45%	44%	84%	18%
Vermont (12)	113,366	11%	30%	42%	53%	70%	83%	30%
Virginia (30)	1,860,499	13%	36%	49%	49%	45%	76%	31%
Washington (18)	1,641,265	12%	32%	44%	52%	44%	80%	38%
West Virginia (43)	350,478	24%	30%	54%	43%	31%	78%	53%
Wisconsin (9)	1,236,815	13%	28%	41%	43%	41%	78%	42%
Wyoming (3)	129,389	13%	25%	38%	41%	45%	74%	29%

LEARN MORE AND TAKE ACTION

The challenges ALICE families in Illinois face are interconnected, and effective solutions must be, too. Working toward these solutions will require innovation and vision, both to recognize local factors and systematically address as many areas of financial struggle as possible.

Learn more with:

- The [ALICE Children Data Dashboard](#), to dig deeper into related topics, demographics, and sub-state geographies
- [Resources related to children and financial hardship](#), including the references linked in this Research Brief, as well as additional resources that offer important context and even deeper analysis
- [Household-level data on ALICE in Illinois](#), including interactive maps, ALICE Household Survival Budgets, County Reports, demographics, and more
- The [ALICE Legislative District Tool](#), to see data by district, including state upper and lower chambers and congressional districts
- The [ALICE Wage Tool](#), to explore wage levels by geography and occupation
- The [ALICE Economic Viability Dashboard](#), which includes data on housing, work, and community supports for households below the ALICE Threshold
- The [ALICE Budget and Income Status Tool](#), where users can enter household details (income, household composition, and location) to see customized household costs and ALICE income status

Explore Promising Practices:

- See examples of programs, policies, and policy changes implemented by ALICE partners to support ALICE households in our interactive [ALICE in Action](#) database
- Visit the [Action Planner](#), which includes strategies related to housing, work, and community resources paired with key data on households below the ALICE Threshold

Connect with stakeholders:

- [Contact your local United Way](#) for support and volunteer opportunities
- See members of the [National ALICE Advisory Committee on Children](#)

United For ALICE is a driver of innovative research and action around financial hardship. The ALICE data and analysis are shared with United Ways, corporations, foundations, government, and nonprofits, to inform policy and promote positive change.

United For ALICE partners with the [United Way of Illinois](#) to bring the ALICE research to Illinois.

The **ALICE in Focus Series** utilizes ALICE measures – the Household Survival Budget and the ALICE Threshold – to analyze the U.S. Census Bureau’s American Community Survey (ACS) Public Use Microdata Sample (PUMS). Each “Focus” in the series highlights a different demographic group. For more details about the methodology for the ALICE in Focus Series, go to [UnitedForALICE.org/Methodology](#).

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