

## FOR IMMEDIATE RELEASE

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## Groundbreaking Study Reveals that 42 Percent of Washington County Households Struggle to Afford Basics

*United Ways of Maryland ALICE® report uncovers challenges facing struggling Maryland residents*

**HAGERSTOWN, MD (January 9, 2017)** — The ALICE® report, released today by United Ways of Maryland, reveals that nearly 750,000—more than a third of Maryland households—can’t afford the state’s high cost of living and don’t earn enough to afford basic necessities.

**ALICE** is an acronym for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed, and the earnings of Maryland ALICE individuals and families is not enough to support a “survival budget” that is more than twice the Federal Poverty Level (FPL). The Report explains what it costs for those struggling to meet the most basic level in the local economy, and was commissioned to provide a framework, language and tools for policymakers and stakeholders to understand and address the economic challenges of Maryland’s growing ALICE population.

Who is ALICE?

- ALICE represents our hardworking neighbors in need. ALICE holds positions such as cashiers, nursing assistants, laborers and security guards, and jobs in the retail and food industries. Vital to our state’s future economic well-being, they face barriers beyond their control that limit their ability to become financially stable and self-sufficient.
- ALICE earns above the FPL, but struggles to afford the basic necessities. A four-person ALICE family in Maryland requires a Household Survival Budget of \$61,224, far above the FPL of \$23,850 (2014). First published in 1965, the FPL does not accurately reflect current, local costs of living. The **ALICE Household Survival Budget** in Maryland covers only the most basic, necessary expenses: housing, food, healthcare, transportation, child care and taxes. For a single adult, the FPL is \$11,670; for a single ALICE adult, an annual budget of \$23,568 is required to meet basic needs. In contrast:
  - A four-person ALICE family in **Washington County** requires a Household Survival Budget of \$58,788, far above the FPL of \$23,850 (2014).
  - A single-person in **Washington County** requires a Household Survival Budget of \$27,876, far above the FPL of \$11,670 (2014).
- For ALICE, a major car repair, medical emergency, or unexpected financial hardship often means they are forced to make difficult choices such as forgoing health care, healthy food or car insurance. These choices are costly not only to personal health and safety, but to the wider community in areas including increased taxes and insurance premiums and reduced productivity.

The in-depth report on the state of our struggling neighbors indicates that 25 percent—534,801 households—in Maryland qualify as ALICE, up significantly from 18 percent in 2007, the start of the Great Recession. Adding ALICE households to those living below the poverty level (10 percent) more than triples the state’s vulnerable population to 35 percent.

- In **Washington County**, 43,376 households qualify as ALICE increasing to 62,821 households when adding those living below the poverty level.

The report also reveals that low wage jobs dominate the state economy, with most jobs paying between \$10 and \$15 per hour, or \$30,000 per year at \$15 per hour. The basic cost of living in Maryland is more than most of the state's jobs can support.

“In Washington County, 42 percent of households are at or below the ALICE Threshold,” said Melissa Reabold, President and CEO of United Way of Washington County, MD. “This report brings to light the many challenges ALICE tackles every day, gives a face to our neighbors in need, and underscores the need for the community to work together to develop collaborative health and human services and the policies that support them.”

According to the report, households who either live in poverty or qualify as ALICE are in every town, with Hancock, Williamsport and Hagerstown having the highest number of residents who qualify as ALICE in **Washington County**.

“This report strongly supports United Way of Washington County’s vision to provide the building blocks for long-term self-sufficiency—housing, employment, health and education—for those in need throughout our community,” said Reabold. “The ALICE report reaffirms that no one person or agency can create change alone. We need to work together to put more families and individuals on the path to stability.”

Funding for the United Ways of Maryland ALICE report was made possible by OneMain® Financial. “Many of our customers are ALICE - working hard to remain stable, and yet they are one major home repair or healthcare expense away from having a serious financial challenge,” said Trish Weaver, Director of Community Engagement at OneMain. “We are proud to work with the ALICE Project and our partnership fits perfectly with OneMain’s commitment to our customers and communities.”

For more information about United Way of Central Maryland and the ALICE report, visit <http://www.unitedwaywashcounty.org/alice-project>.

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### About United Ways of Maryland

In addition to pursuing their mission of improving the lives of people in their local communities, the independent United Ways of Maryland also collaborate on health and human service issues of regional and statewide interest to better the lives of all residents in Maryland.

The mission of United Way of Washington County, MD: “Through strategic leadership and investments, United Way of Washington County will impact community improvement and inspire collaborations to address critical needs in education, income and health.”

United Way of Washington County is located at 33 West Franklin Street, Suite 203 in Hagerstown, MD. For more information or to make a donation please call 301-739-8200 or visit our website at [www.unitedwaywashcounty.org](http://www.unitedwaywashcounty.org).

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