



Despite Low Poverty Rate, One In Seven N.H. Families Is Low-Income

Carsey Institute Issue Brief Looks At State's Low-Income Families

Contact: [Amy Seif](#)
603-862-4650
Carsey Institute

[Beth Potier](#)
603-862-1566
UNH Media Relations

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DURHAM, N.H. -- New Hampshire boasts the nation's lowest percentage of people living in poverty and maintains strong national rankings in other quality-of-life measures. But 48,000 New Hampshire families with low incomes struggle to make ends meet, a new issue brief from the Carsey Institute at the University of New Hampshire finds.

"Despite the overall well-being of the state, one in seven New Hampshire families lives in poverty," says report author Allison Churilla, a Carsey Institute policy fellow and Ph.D. candidate in sociology at UNH. "The struggles of low-income families are especially troubling since we have seen strong economic growth in recent years."

The issue brief identifies characteristics that heighten families' risk of low income and documents recent trends in the economic status of low-income families in the state. Among the findings:

- **Marriage tends to increase many families' economic stability.** Only 5 percent of families with two earners were low-income in 2004. Conversely, 24 percent of families with one earner were low-income.
- **Economic strain has been compounded by rising housing costs.** Low-income families who rented their homes experienced a 25 percent increase in median rental costs between 1999 and 2004. Low-income home owners saw a 13 percent increase in monthly mortgage payments.
- **Families with children are at much greater risk of low income.** In New Hampshire, 20 percent of families with children were low income in 2004, compared to 9 percent of families without children.
- **Single mother families with young children have an even greater risk of low income.** In 2004, 71 percent of single mother families were low-income. Of the 62,000 children living in low-income families in the state in 2004, over half lived in a single mother family.

"We hope this brief brings attention to the needs of low-income families in New Hampshire and informs policy discussion," says Cynthia "Mil" Duncan, director of the Carsey Institute. "We know that economic and family stability are so important for children's future, and that stability depends on whether these families can secure sufficient earnings, government assistance, and social support to sustain a basic family budget."

The brief focuses on two broad areas for policy consideration: adults' workforce preparation and family income support.

When adults in low-income families are employed in the labor force, they work at jobs that are typically low-skill and require little advanced education, the report finds. Family income tends to increase as adults obtain higher levels of education. But higher education is less accessible in New Hampshire than in other states because of its high price tag. Greater accessibility to attaining higher education depends on reducing costs associated with school enrollment and extending financial support to families in need.

The brief also recommends attention to policies such as the federal Earned Income Tax Credit and the state minimum wage that provide income support for families in the state. And child support policy, critical to addressing single mothers' economic instability, should be examined as it relates to single mothers' eligibility for Temporary Assistance to Needy Families (TANF) resources.

"The adults and children that comprise New Hampshire's low-income families live in a precarious position. Even small fluctuations in their family, employment, or the economy can push a family into poverty," says Churilla. "Because these families comprise a considerable portion of the state's families, state policy that targets increasing income and resources for low-income families is an investment in New Hampshire's future."

The complete issue brief can be downloaded at the Carsey Institute's Web site: www.carseyinstitute.unh.edu.

The Carsey Institute at the University of New Hampshire conducts research and analysis on the challenges facing families and communities in New Hampshire, New England, and the nation. The Carsey Institute sponsors independent, interdisciplinary research that documents trends and conditions affecting families and communities, providing valuable information and analysis to policymakers, practitioners, the media and the general public. Through this work, the Carsey Institute contributes to public dialogue on policies that encourage social mobility and sustain healthy equitable communities. The Carsey Institute was established in May 2002 with a generous gift from UNH alumna and noted television producer Marcy Carsey.