



Report on the Economic Well-Being of U.S. Households in 2015

May 2016

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM



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Preface

This survey and report were prepared by the Consumer and Community Development Research Section of the Federal Reserve Board's Division of Consumer and Community Affairs (DCCA).

DCCA directs consumer- and community-related functions performed by the Board, including conducting research on financial services policies and practices and their implications for consumer financial stability, community development, and neighborhood stabilization.

DCCA staff members Jeff Larrimore, Sam Dodini, and Logan Thomas prepared this report. Federal

Reserve staff members Mario Arthur-Bentil, Eric Belsky, Anna Alvarez Boyd, Andrea Brachtesende, Alexandra Brown, David Buchholz, Angelyque Campbell, Allen Fishbein, Arturo Gonzalez, Ellen Merry, Barbara Robles, Maximilian Schmeiser, Jenny Schuetz, PJ Tabit, and Howard Williams provided valuable comments and feedback on the design of the survey and drafting of this report. The authors would also like to thank Richard Burkhauser, Don Dillman, and Jonathan Murdoch for their insights on questions in the survey.

Contents

Executive Summary	1
Key Findings	1
Introduction	5
Survey Background	5
Overall Economic Well-Being	7
Current Economic Circumstances	7
Employment, Multiple Jobs, and Informal Work	8
Self-Assessed Financial Challenges	10
Financial Expectations for 2016	12
Income and Savings	15
Income Amounts and Sources	15
Spending Relative to Income	17
Income and Spending Volatility	18
Economic Preparedness and Emergency Savings	21
Financial Hardships	21
Emergency Savings	22
Insurance against Financial Risks	24
Emergency Spending on Health Care	24
Banking, Credit Access, and Credit Usage	27
Unbanked and Underbanked	27
Credit Applications and Outcomes	28
Additional Demand for Credit and Perceived Credit Access	29
Credit Card Usage	30
Housing and Household Living Arrangements	33
Home Ownership and Living Arrangements	33
Neighborhood Satisfaction and Reasons for Moving	34
Home Value and Housing Expenses	35
Home Purchase Decision	37
Automobile Purchase Decisions and Auto Lending	41
Purchase and Financing of Newly Acquired Vehicles	41
Factors in the Car Purchase and Lease Decision	43
Auto Loan Performance	44

Higher Education and Human Capital	47
Higher Education Decisions by Family Background	47
Value of Higher Education by Educational Characteristics	48
Desire to Change Educational Decisions	50
Reasons for Not Starting or Not Finishing College	50
Job Readiness	51
Education Debt and Student Loans	53
Education Debt Overview	53
Student Loan Payment Status by Demographic and Education Characteristics	55
Retirement	59
Saving for Retirement	59
Self-Directed Retirement Savings	61
Expectations for Retirement	63
Experiences in Retirement	64
Conclusion	67
Appendix A: Technical Appendix on Survey Methodology	69
Appendix B: Survey of Household Economics and Decisionmaking—Questionnaire	71
Introduction	71
Demographics and Employment Section	72
Labor Market Skills Section	76
Financial Management and Stability Section	77
General Housing Section	78
Rent Section	80
Own Section	82
Mortgage Section	83
Banking Section	84
Credit Application Section	85
Credit Condition Section	88
Education Section	91
Student Loans Section	99
Retirement Planning Section	102
Holiday Spending and Financing Section	110
Auto Loans Section	111
Income and Consumption Section	119
Emergency Fund Section	124
Health and Insurance Section	126
Financial Hardship Section	129
Appendix C: Consumer Responses to Survey Questionnaire	133

Executive Summary

In order to monitor the financial and economic status of American consumers, the Federal Reserve Board conducted the third annual Survey of Household Economics and Decisionmaking in October and November 2015. This survey provides insights into the well-being of households and consumers, and provides important information about how individuals and their families are faring in the economy. Topics examined in the survey include the overall well-being of individual consumers, income and savings behaviors, economic preparedness, access to banking and credit, housing decisions, car purchases and auto lending, education and human capital, student loans, and retirement planning.

Key Findings

Overall, individuals and their families continue to express mild improvements in their general well-being relative to that seen in 2013 and 2014. However, a number of adults still indicate that they are experiencing financial challenges, and optimism about the future tempered in 2015.

- Sixty-nine percent of adults report that they are either “living comfortably” or “doing okay,” compared to 65 percent in 2014 and 62 percent in 2013. However, 31 percent, or approximately 76 million adults, are either “struggling to get by” or are “just getting by.”
- Individuals are 9 percentage points more likely to say that their financial well-being improved during the prior year than to say that their financial well-being declined.
- Twenty-two percent of employed adults indicate that they are either working multiple jobs, doing informal work for pay in addition to their main job, or both.
- Twenty-three percent of respondents expect their income to be higher in the year after the survey,

down from 29 percent who expected income growth in the year after the 2014 survey.

The survey also asks respondents about several specific aspects of their financial lives:

Income and Savings

Most respondents report that they saved at least some of their income in the prior year. Income volatility, however, represents a concern for many lower-income families.

- Sixty-eight percent of non-retired respondents saved at least a portion of their income in the prior year.
- Thirty-two percent of adults report that their income varies to some degree from month to month, and 43 percent report that their monthly expenses vary to some degree. Forty-two percent of those with volatile incomes or expenses say that they have struggled to pay their bills at times because of this volatility.

Economic Preparedness

Nearly half of adults are ill-prepared for a financial disruption and would struggle to cover emergency expenses should they arise.

- Forty-six percent of adults say they either could not cover an emergency expense costing \$400, or would cover it by selling something or borrowing money.
- Twenty-two percent of respondents experienced a major unexpected medical expense that they had to pay out of pocket in the prior year, and 46 percent of those who say they had a major medical expense report that they currently owe debt from that expense.

Banking and Credit

A majority of individuals believe that credit is available to them should they apply for it. However, a sizeable minority of those who recently expressed a desire for credit report some difficulty in getting approved.

- Three-quarters of respondents are somewhat or very confident in their ability to obtain a credit card were they to apply for one.
- Forty-six percent of adults desired additional credit in the prior year, and 40 percent of those who desired credit say that they faced a real or perceived difficulty in accessing credit.
- Fifty-seven percent of respondents with a credit card have carried a balance on that card at least once in the prior year.

Housing and Living Arrangements

Most respondents are satisfied with the quality of their house and neighborhood, although this varies based on the income level of the community. Additionally, most homeowners feel that their house appreciated in value in the prior year.

- Seventy percent of all adults are mostly or completely satisfied with the overall quality of their neighborhood, although only 35 percent of those in very high-poverty census tracts report this level of satisfaction.
- Fifty-one percent of homeowners believe that their home value increased in the 12 months prior to the survey. Forty-three percent expect that home values in their neighborhood will increase in the next 12 months.

Car Purchasing and Auto Lending

Just under one-quarter of adults indicate that either they or their spouse or partner acquired a new vehicle in the year prior to the survey. When shopping for a new car, a majority of consumers shop around for both the car and for financing.

- Seventy percent of car buyers compared prices from different sellers when purchasing their vehicle. Fifty-three percent of those who took out a loan for their vehicle compared interest rates or loan terms from different sellers.
- Twelve percent of car buyers who used a loan to finance the purchase took out a loan with a longer

repayment period than their expected horizon for continuing to own the car.

Education and Human Capital

The likelihood of attending college, and the type of college attended, differs based on the background of one's parents. Additionally, the perceived value of a postsecondary education varies widely depending on program completion, institution type, and major.

- Just 16 percent of young adults (ages 25 to 34) whose parents both have only a high-school degree or less completed a bachelor's degree, whereas 65 percent of young adults with a parent who completed a bachelor's degree have completed one themselves.
- Forty-nine percent of respondents who attended a for-profit institution say that they would attend a different school if they could make their educational decisions again.

Education Debt and Student Loans

Over half of adults under age 30 who attended college took on at least some debt (student loans, credit card debt, and other forms of borrowing) while pursuing their education. The likelihood of falling behind on student loan payments varies depending on the type of institution attended and the level of education completed.

- In addition to any student loans, 21 percent of adults with debt from their own education have education-related credit card debt. The median outstanding education-related credit card debt is \$3,000.
- Twenty-one percent of those who borrowed to attend a for-profit institution are behind on their loan payments. Among those who borrowed to attend a public or not-for-profit institution, 7 percent and 5 percent are behind on their payments, respectively.

Retirement

Many individuals report that they have no retirement savings, and—among those who are saving—a number of respondents indicate that they lack confidence in their ability to manage their retirement investments.

- Thirty-one percent of non-retired respondents report that they have no retirement savings or pen-

- sion at all, including 27 percent of non-retired respondents age 60 or older.
- Forty-nine percent of adults with self-directed retirement accounts are either “not confident” or only “slightly confident” in their ability to make the right investment decisions.
 - Just over one-quarter of adults with self-directed retirement accounts do not seek out any financial advice when investing these funds. Fifty-two percent of those who do not seek out advice say they either cannot afford assistance or would like help but do not know where to get it.

Introduction

In October and November 2015, the Federal Reserve Board's Division of Consumer and Community Affairs conducted the third Survey of Household Economics and Decisionmaking (SHED). This survey has been conducted annually in the fall of each year since 2013.

The SHED aims to capture a snapshot of the financial and economic well-being of U.S. households, as well as to monitor their recovery from the recent recession and identify any risks to their financial stability. It further collects information on household finances that is not readily available from other sources or that is not available in combination with other variables of interest. The survey was designed in consultation with Federal Reserve System staff and outside academics with relevant research backgrounds.

The SHED provides a nationally representative snapshot of the economic situations of households in the United States at the time of the survey, as well their perspectives on financial conditions in the recent past and expectations for conditions in the near future.

The 2015 survey focuses on a range of topics, including

- the personal finances of U.S. adults;
- income and spending;
- economic preparedness and emergency savings;
- banking, credit access, and credit usage;
- housing and living arrangements;
- auto lending;
- education and student debt; and
- retirement.

Survey Background

The SHED was designed by Board staff and is administered by GfK, an online consumer research company, on behalf of the Board. The questions in the survey are designed to better illuminate the activities, experiences, and attitudes of individual consumers regarding their financial lives and the financial well-being of those in their household. They are intended to complement and augment the existing base of knowledge from other data sources, including the Board's own Survey of Consumer Finances (SCF).¹ In most cases, original questions are asked of respondents, although occasionally questions mirror those from other surveys in order to provide direct comparisons and understand how certain variables interact with others.² In this year's survey, many of the questions from the 2013 and 2014 surveys are repeated to enable longitudinal tracking, while new questions are introduced as well.

The survey is conducted using a sample of adults ages 18 and over from KnowledgePanel®, a probability-based web panel designed by GfK that includes more than 50,000 individuals from randomly sampled households. The sample for the survey was drawn from the overall panel based on three criteria. As shown in table 1, e-mails were sent to 2,853 respondents from the 2014 SHED ("re-interviewed

¹ For more information on the SCF or to access SCF data, see www.federalreserve.gov/econresdata/scf/scfindex.htm.

² Questions that mirror those in other datasets also allow for a confirmation of the quality of the SHED data by comparing results for similar questions to those of the other datasets. In 2015, Federal Reserve Board researchers Jeff Larrimore, Maximilian Schmeiser, and Sebastian Devlin-Foltz compared SHED results to those of U.S. Census Bureau datasets and generally found comparable results on these overlapping questions (see www.federalreserve.gov/econresdata/notes/feds-notes/2015/comparing-shed-and-census-bureau-survey-results-20151015.html).

Table 1. Key survey response statistics

Sample type	Number sampled	Qualified completes	Completion rate (percent)
2014 re-interviews	2,853	2,137	74.9
Fresh cases	3,332	2,036	61.1
Lower-income oversample	2,496	1,522	61.0
Overall	8,681	5,695	65.5

respondents”) and 3,332 randomly selected respondents from the remaining members of KnowledgePanel® (“fresh respondents”). The survey also includes an oversample of lower-income individuals by sending e-mails to 2,496 randomly selected respondents with a household income under \$40,000 per year who are not included in the initial sample of re-interviewed respondents or fresh respondents. This oversample improves the precision of estimates among the lower-income population, and allows for a sufficient sample size to reliably compare results for certain questions of interest across segments of the population. Of the 8,681 respondents contacted for the survey, 5,695 respondents completed it, yielding an overall final stage completion rate of 65.5 percent.³ The respondents completed the survey in approximately 20 minutes (median time).

Recognizing that the sample demographics may differ from that of the overall U.S. population, especially given the oversample of respondents making under \$40,000, survey results are weighted based on the demographic characteristics of the respondents

³ Of the 5,695 respondents who completed the survey, 53 were excluded from the analysis in this report due to either leaving responses to a large number of questions missing, completing the survey unusually quickly, or both. Hence, 5,642 respondents are included in the analysis in this report.

to match characteristics from 2015 March Current Population Survey. Further details on the survey methodology are included in [appendix A](#).

As is the case with all surveys, some caution in interpreting the survey results is prudent. Although the survey was designed to be nationally representative, some degree of selection bias beyond that which can be corrected through weighting is possible nonetheless (see [appendix A](#)).⁴ Further, the results are all self-reported, and respondents’ knowledge and memory may not always be completely accurate when answering survey questions. Readers of the survey results are encouraged to keep these limitations in mind.

The following sections of this report summarize key findings from the SHED. Unless otherwise noted, the numbers cited in this report are derived from the Board survey and are weighted to yield estimates for the U.S. adult population. Only a subset of questions asked in the SHED are discussed in the report; however, the complete survey questionnaire is summarized in [appendix B](#). The responses to all the survey questions are presented in [appendix C](#) in the order that the questions were asked of respondents.

⁴ For example, while the survey does weight to match the race and ethnicity of the entire U.S. adult population, there is evidence that the Hispanic population in the survey is somewhat more likely to speak English than the overall Hispanic population in the United States. While the Census Bureau observed that 74 percent of Hispanics in the 2011 American Community Survey speak Spanish at home, just 65 percent of Hispanic SHED respondents who provide information on their language usage report that they speak Spanish at home (see www.census.gov/library/publications/2013/acs/acs-22.html). This difference may result from the fact that the SHED survey is only conducted in English and, therefore, non-English speakers will likely be less likely to respond.

Overall Economic Well-Being

Respondents to the survey are asked a range of questions relating to their financial well-being, including how they are currently faring overall, the change in their economic well-being in recent years, and their expectations for the future. The 2015 survey finds that individuals and their families showed continued improvement in their economic well-being relative to 2013 and 2014. Nevertheless, many adults continue to exhibit signs of struggling in some aspects of their financial lives. This is manifested by the nearly one-third of respondents who say that they are struggling to get by or are just getting by, as well as by the many lower-income individuals who indicate that their biggest financial concerns involve simply meeting their short-term needs. Additionally, optimism about future income growth in the coming year has tempered throughout the distribution relative to that seen in the 2014 survey.

Current Economic Circumstances

In order to assess self-perceptions of financial well-being, the survey asks respondents how they are currently managing financially. Overall well-being of individuals and their families continued a mild path of improvement in 2015. Twenty-eight percent of respondents in the 2015 survey report that they are “living comfortably” and 41 percent report that they are “doing okay.” The combined 69 percent of respondents who are either living comfortably or doing okay is up a statistically significant 4 percentage points from that seen in 2014 and up just over 6 percentage points from that seen in 2013.⁵

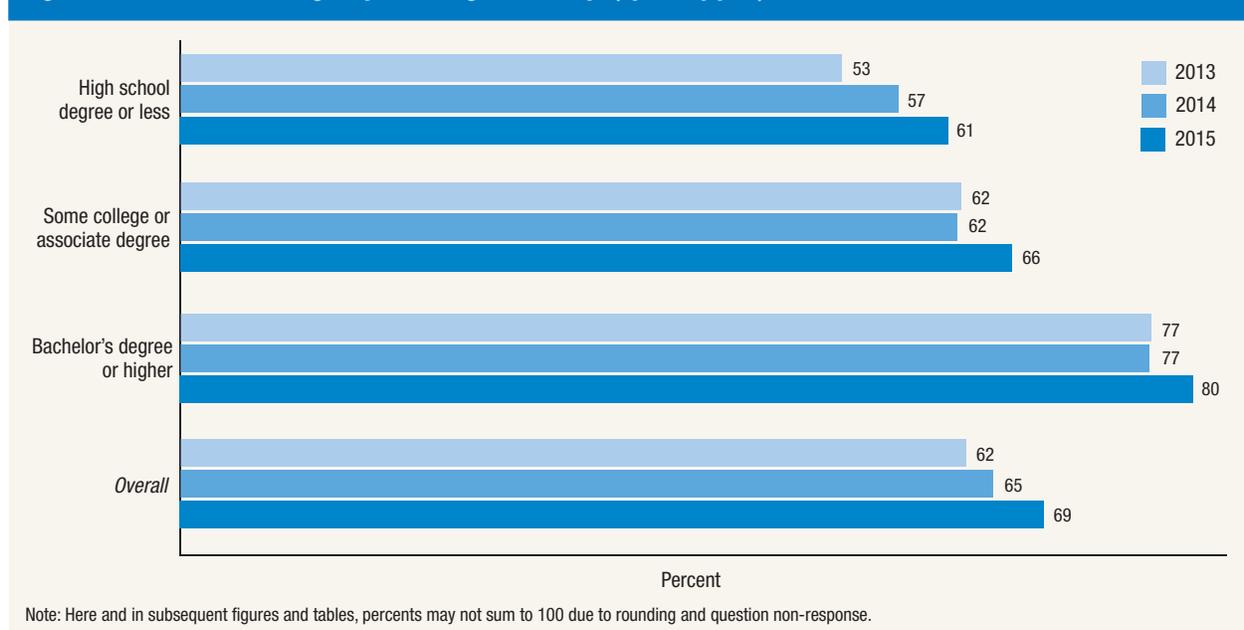
⁵ References to statistical significance throughout this report are based on the 90 percent confidence level. Results for 2013 may deviate slightly from those presented in the *Report on the Economic Well-Being of U.S. Households in 2013*. This reflects a change in weighting criteria in 2014 that included income brackets when weighting respondents to match the U.S. population. To ensure that any changes since 2013 reflect actual trends, rather than methodological differences, the 2013 data were re-weighted using the same weighting criteria as subsequent surveys for the purposes of comparisons within this report.

These improvements in self-assessed well-being have occurred across the socioeconomic spectrum. Since current income and self-assessed financial well-being are likely codetermined by recent financial circumstances, the relationship between well-being trends and socioeconomic characteristics is considered by comparing trends in well-being for those with different levels of education. Respondents with a bachelor’s degree or higher are by far the most likely to report that they are at least doing okay financially, with four out of five such individuals reporting they are doing okay or living comfortably. However, the likelihood of reporting this level of overall well-being has increased since 2013 for respondents with all levels of education (figure 1).

Nevertheless, while the self-assessed financial well-being of adults shows continued improvement in 2015, just under one-third of respondents still report that they are either “finding it difficult to get by” (9 percent) or are “just getting by” (22 percent) financially. This represents approximately 76 million adults who are struggling to some degree to get by. The likelihood of experiencing this level of financial stress is also not uniform in the population. In particular, single parents, racial and ethnic minorities, and respondents with lower levels of income or education are all more likely to report that they were having some level of difficulty getting by financially (table 2).⁶

The survey also tracks overall economic well-being through the alternate approach of asking respondents whether they are better off now financially than they were 12 months ago. Measuring well-being in this way is important for tracking individuals’ economic trajectories, as some respondents may feel that their well-being has improved or declined but has not done so sufficiently to shift responses to the question

⁶ As is discussed in additional detail in the “Income and Savings” section of this report, income is measured in this report as the income of the respondent and his or her spouse or partner. This may differ from the total income received by all members of the household.

Figure 1. Adults who are “doing okay” or “living comfortably” (by survey year)

on their contemporaneous well-being. Additionally, without asking respondents directly about the trajectory in their well-being, potential declines in well-being for those who were already finding it difficult to get by would be overlooked, which can then yield

an unbalanced picture of economic progress (see box 1).

When asked how they are faring financially compared to a year earlier, individuals are more likely to say that their financial well-being improved in the past year than to say that it declined. However, consistent with results from the 2014 survey, the responses to this question provide some evidence that economic advancement continues to be experienced to a greater degree for respondents in higher socio-economic circumstances. Among those with only a high-school degree or less, respondents are just 1 percentage point more likely to report that they are better off than they were a year earlier than to say that they are worse off. Hence, the net-positive assessment of economic trajectories that is seen for the overall population is almost completely driven by respondents with at least some college education (table 3).

Table 2. Overall well-being (by family income, race, ethnicity, education, marital, and parental status)

Percent

Characteristic	Finding it difficult to get by	Just getting by	Doing okay	Living comfortably
Family income				
Less than \$40,000	17.7	31.6	38.5	12.1
\$40,000–\$100,000	4.4	19.4	47.3	28.8
Greater than \$100,000	1.8	7.9	36.6	53.7
Race/ethnicity				
White, non-Hispanic	8.5	20.3	40.7	30.3
Black, non-Hispanic	10.3	28.3	40.9	20.4
Hispanic	12.3	24.7	42.6	20.5
Education				
High school degree or less	12.9	25.9	41.2	19.8
Some college or associate degree	8.9	25.1	42.1	23.9
Bachelor's degree or more	5.7	13.8	39.5	40.9
Marital and parental status				
Unmarried, no children under 18	12.1	25.0	41.7	21.0
Married, no children under 18	5.6	15.3	42.5	36.7
Unmarried, children under 18	18.7	34.3	33.7	13.3
Married, children under 18	6.9	22.2	39.9	31.0
Overall	9.4	22.0	41.0	27.6

Employment, Multiple Jobs, and Informal Work

Closely related to overall economic well-being is one's employment status. In the survey, 57 percent of respondents report being employed, while 19 percent are retired, 7 percent are disabled and not working, 6 percent are homemakers, 4 percent are students, and 7 percent are not employed (including both those looking and not looking for work) or on temporary

Box 1. Tracking Well-Being over Time among Re-Interviewed 2014 Survey Respondents

Somewhat different pictures of the inclusiveness of recent economic improvements emerge in the survey based on the responses to the two questions “Overall, which one of the following best describes how well you are managing financially these days?” and “Compared to 12 months ago, would you say that you are better off, the same, or worse off financially?” Tracking responses among all respondents to the former question over time in the cross-sectional data, it appears that individuals across the socioeconomic spectrum improved at relatively even rates from 2014 to 2015. However, based on all responses to the latter question, it appears that improvements over the previous year were largely confined to those of higher socioeconomic status with greater levels of education.

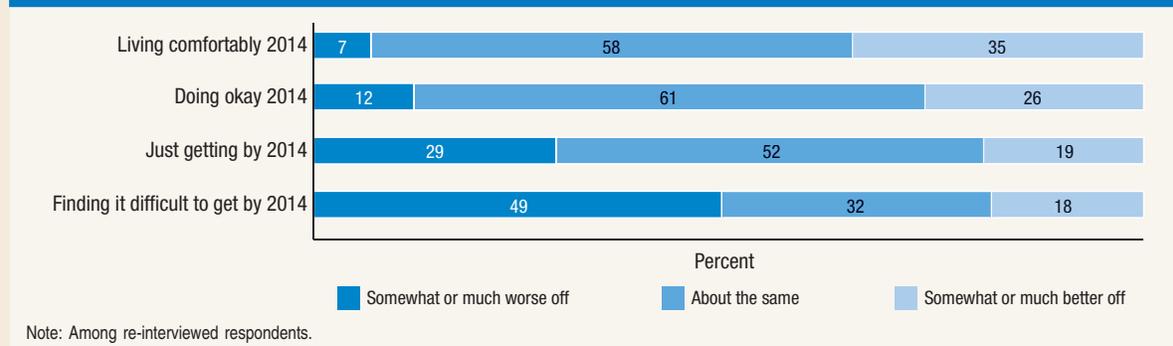
The panel of re-interviewed respondents can offer insights into these divergent observations. The 2015 survey selected 2,117 respondents from the 2014 survey to be re-interviewed about their financial experiences so that the well-being of these respondents can be linked over time. It is therefore possible to observe information over time on the respondents’ contemporaneous well-being and link this information to how individuals feel that their well-being has changed over the past 12 months.

Among this group of re-interviewed respondents, those who were well off in 2014 are the most likely

to say in the 2015 survey that they are better off than they were a year earlier. Thirty-five percent of re-interviewed respondents who were already living comfortably in 2014 indicate that they are even better off than they had been in the previous year. In contrast, only 18 percent of the disproportionately less-educated individuals who were finding it difficult to get by in 2014 report that they are somewhat or much better off in 2015. Nearly half of those who had been finding it difficult in 2014 now say that they are actually worse off than they had been a year earlier (figure A).

By tracking the responses of re-interviewed respondents over time, it is clear that while more individuals across the socioeconomic spectrum now feel that they are doing okay than was the case a year earlier (as was observed in the main text of this report), many respondents who were struggling in 2014 feel that, if anything, their well-being has deteriorated even further during the past year. However, given that these respondents were already reporting that their well-being was at the lower tail of the contemporaneous self-assessed well-being scale, this further deterioration in their financial circumstances can only be observed by asking how their well-being has changed over time and not just by asking how they are faring economically today.

Figure A. Self-assessed trajectory in financial well-being in 2015 for individuals with different levels of contemporaneous well-being in 2014



layoff. The employment-population ratio in the SHED is comparable to that reported by the Bureau of Labor Statistics using Current Population Survey data.⁷

⁷ In addition to the 57 percent of respondents who report being employed, about 2 percent of respondents indicate that they are primarily a student but also have a full-time or part-time job, and about 2 percent indicate that they are primarily retired but

Among the respondents who are employed, the SHED attempts to gauge the extent to which individuals who have a job desire additional employment

also have a full-time or part-time job. Looking at respondents ages 20 and older in this survey, 60 percent report having a job of any kind. This compares to a 61.5 percent employment-population ratio reported by the Bureau of Labor Statistics for this age group in October 2015 (see www.bls.gov/news.release/empsit.t01.htm).

Table 3. Compared to 12 months ago, would you say that you are better off, the same, or worse off financially? (by education)

Education level	Somewhat or much worse off	The same	Somewhat or much better off	Better off minus worse off
High school degree or less	21.3	56.1	22.4	1.1
Some college or associate degree	18.9	51.5	29.2	10.4
Bachelor's degree or more	14.7	54.0	31.1	16.4
Overall	18.5	54.0	27.3	8.8

to supplement their income. It does so by asking non-self-employed respondents whether they would prefer to work more, less, or the same number of hours that they currently work at their current hourly wage from their main job.⁸ Thirty-five percent of these respondents indicate that they would prefer to work more hours at their current wage, which is nearly identical to the 36 percent with this preference in the 2014 survey. Lower-income respondents, non-Hispanic blacks, Hispanics, younger respondents, and those with less education are the most likely to say that they would prefer to work more hours than they currently do (table 4).

One way in which some respondents may supplement their income is by taking on multiple jobs or part-time work. Another is through work performed outside of a formal employment situation, including activities such as selling handcrafted goods, freelance work for a company as an independent contractor, or providing services for others independently. Over one-fifth of employed adults indicate that they are either working multiple jobs, that they are doing informal work for pay, or that they are both working multiple jobs and doing informal work for pay (figure 2).⁹ Among respondents who report no formal employment, the survey similarly finds a robust level of informal work. Twenty-seven percent of non-student, non-retired respondents who do not have formal employment report that they are doing some form of work for pay that is not through a formal job.

⁸ The question specifically asks respondents about their preference for more work at their current hourly wage in order to assess pent-up demand for more work, rather than demand that may exist for better work at a higher salary.

⁹ Informal work is considered work for pay that the respondent reports performing that is not through a formal job. Retirees, students, and individuals who are out of work due to a disability were not asked about multiple jobs or informal work, and are excluded from the calculations in this section.

Table 4. If you were paid the same hourly rate that you make at your main job regardless of the number of hours you work, would you prefer to work fewer hours, the same number of hours, or more hours than you currently work? (by family income, race and ethnicity, age, and education)

Characteristic	Work fewer hours	Work the same number of hours	Work more hours
Family income			
Less than \$40,000	5.0	46.7	47.4
\$40,000–\$100,000	6.7	60.4	32.5
Greater than \$100,000	9.6	65.6	24.6
Race/ethnicity			
White, non-Hispanic	8.2	61.0	30.4
Black, non-Hispanic	6.0	49.5	43.3
Hispanic	3.5	53.1	42.9
Age			
18–29	4.4	49.6	45.5
30–44	6.7	58.0	34.8
45–59	7.3	60.4	32.0
60+	12.0	64.6	22.1
Education			
High school degree or less	6.7	55.4	37.6
Some college or associate degree	6.5	54.6	37.9
Bachelor's degree or more	7.6	61.6	30.6
Overall	6.9	57.5	35.1

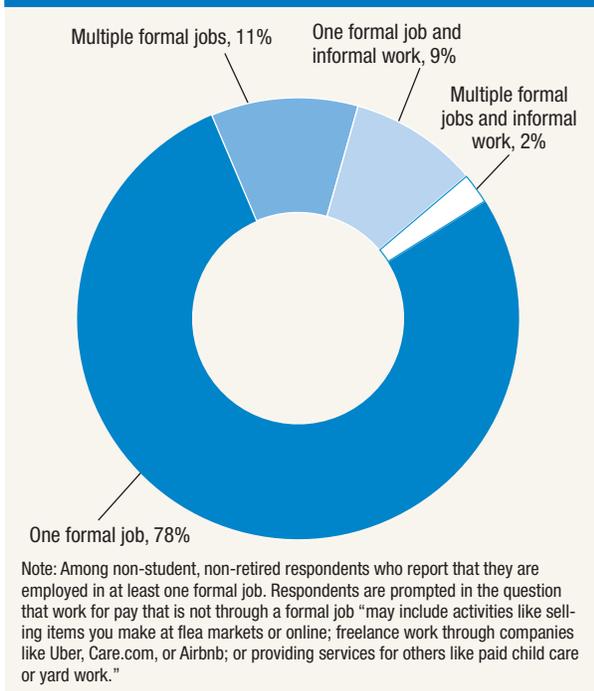
Note: Among respondents who are currently employed for someone else or who work as a consultant or contractor.

There is evidence that young adults are more likely to be taking on informal work than those in older cohorts. Approximately 20 percent of non-students under age 30 report engaging in some form of informal work, whereas 15 percent of those ages 30 to 44 and only about 11 percent of those age 45 or older are doing so. While not all differences by education and income group are statistically significant, there is also some evidence that those most likely to engage in such activities are individuals who have lower incomes but higher levels of education (table 5).

Self-Assessed Financial Challenges

The survey also explores the well-being of respondents by posing an open-ended question that inquires about any financial challenges that they currently face. Respondents were asked either to check a box indicating that they face no financial challenges or provide a response to the question, “In a couple of words (150 character max), please describe the main financial challenges or concerns facing you or your family?” Forty-nine percent of respondents (unweighted) checked the box, while most of the

Figure 2. Number of jobs and types of work performed by employed respondents



remaining 51 percent of respondents provided some response to the open-ended question.¹⁰ The content in these responses was then coded based on terms included in the responses in order to identify broad themes under which the respondents’ financial challenges can be grouped.¹¹

While there is no statistically significant difference by income in the likelihood of respondents saying that

¹⁰ Five percent of respondents provided no response to the open-ended question and did not check the box indicating that they had no challenges. This group may include some people who had no concerns and others who simply chose not to provide an answer.

¹¹ Sentences in which the respondent mentions any of the terms retire, pension, old age, Medicare, SSI, IRA, 401(k), or Social Security were grouped into the “retirement” theme; those that mentioned student loan, college, school, education, tuition, degree, university, or student were grouped into the “education” theme; those mentioning job, employ, laid off, part-time, hours, full-time, overtime, cutback, skills, salary, wage, or work were grouped into the “jobs” theme; those mentioning food, gas, bills, utilities, rent, or mortgage, or car were grouped into the “short-term concerns” theme; those mentioning medical, medicine, health, insurance, Obamacare, Medicaid, and Medicare were grouped into the “medical” theme; and those mentioning credit card, loan, debt, or owe were grouped into the “debt” theme. Responses can be included in multiple themes, as the categories are not mutually exclusive. All results based on the text analysis of responses are unweighted.

Table 5. Adults reporting any informal work (by education and family income)

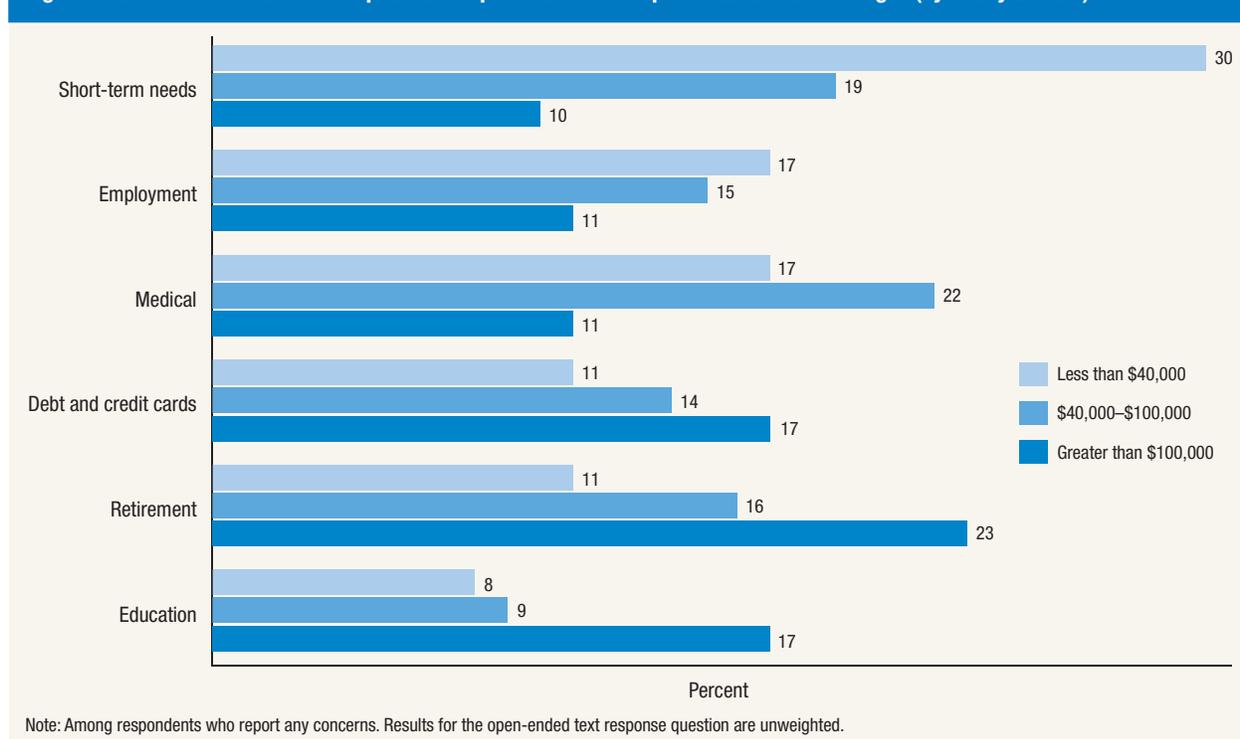
Education level	Percent		
	Less than \$40,000	\$40,000–\$100,000	Greater than \$100,000
High school degree or less	15.4	11.0	6.1
Some college or associate degree	18.2	12.7	10.6
Bachelor’s degree or more	21.1	18.3	12.7

Note: Excludes students, retirees, and individuals reporting that they are out of work due to a disability.

they faced no financial challenges, the types of challenges differ greatly by income. Short-term challenges, such as rent, food, gas, utilities, and other bills, are reported as a financial challenge most frequently by respondents whose family income is under \$40,000 per year. Similarly, while a number of respondents in all income groups discuss employment concerns, these too are most common among lower-income respondents. Health care concerns are most common among lower- and middle-income respondents. In contrast, concerns relating to retirement or education are each most prevalent among respondents in the upper-income group (figure 3).¹²

The difference in the array of financial concerns can be seen visually in the word clouds in figure 4 (on page 13). Each word cloud includes the 75 most frequently observed words in the description of individuals’ challenges, with the size of the word reflecting its frequency. The word clouds closely mirror the observations regarding major challenges by income group that could be ascertained from figure 3. Among lower-income respondents, “bills” is the most commonly reported word. In contrast, “retirement” is the most dominant word to appear in the self-reported financial challenges of higher-income respondents. This provides some additional evidence that higher-income individuals are concerned about their long-run financial health, whereas those lower in the income distribution may be unable to focus on these long-run concerns as they struggle to meet their short-term financial obligations.

¹² Looking at concerns about retirement for individuals with different income levels who are within age bands, it remains true that higher-income individuals are more likely to mention concerns about retirement and less likely to mention concerns about short-term challenges. Therefore, while it is true that the greater concerns about retirement among higher-income individuals in part reflects the concerns of older individuals who are both closer to retirement and have higher income, income clearly plays an important role even independent of age.

Figure 3. Areas of concern cited in open-ended question on self-reported financial challenges (by family income)

Financial Expectations for 2016

While the survey primarily focuses on the current financial situation of respondents and how it has changed over the prior 12 months, it also asks individuals how they expect their financial situation to change in the coming year. Here, the trend in survey results over time is less positive than that seen for the current situation. Twenty-three percent of respondents expect their income to be higher in the next 12 months (through October 2016) than it had been in the previous 12 months. This is 6 percentage points lower than was seen when the same question was asked in the 2014 survey.¹³

As was the case in the 2014 survey, optimism about future income growth is correlated with the age of

respondents. Younger individuals are the most optimistic about their income trajectory in the near term, with 37 percent of those under age 30 believing their income will increase in the year after the survey, and 28 percent of those between ages 30 and 44 expecting income growth over the same period. Expectations about income growth then decline with age (table 6). The low 10 percent of respondents age 60 or older who expect their income to increase in the coming year may partially reflect the lack of a cost of living increase for those on Social Security in 2016—which was announced approximately two weeks before the survey went into the field.

Also consistent with the prior year's survey, those with lower incomes are the least optimistic about rising incomes going forward. Among those in the lowest income group, 20 percent of respondents expect that their income will be higher in the coming year. This compares to just over 30 percent of the respondents in the highest income group who expect rising incomes.

¹³ Since the survey was fielded in October/November of 2015, questions regarding the coming 12 months reflect respondents' opinions on their incomes through approximately October/November 2016. Responses about the previous year should reflect the period from approximately November/December 2014 through October/November 2015.

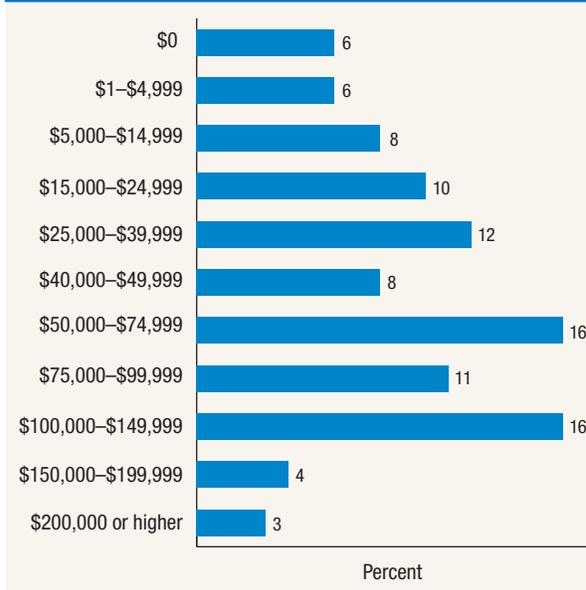
Income and Savings

An important measure of economic well-being is whether respondents feel that they have sufficient income to cover their expenses without incurring debt. To capture the extent to which individuals feel that they are able to both pay current expenses and save for the future, the survey asks a series of questions related to their income, income sources, and rate of savings. Most respondents report that they saved at least some of their income in the year prior to the survey, although a sizeable minority indicate that their spending exceeded their income. The survey results also demonstrate that spending and savings behaviors differ greatly by income, as lower-income respondents are less likely to be saving and more likely to be spending more than they earn.

Income Amounts and Sources

Survey respondents are asked about the income that they and their spouse or partner received in the past year from all sources. Recognizing that respondents may have imperfect recall about their income, and that some individuals are sensitive about reporting their precise income level, they are asked to provide this information in income ranges. Thirty percent of respondents report that their income in the last 12 months was less than \$25,000, and 42 percent report that their income was under \$40,000 (figure 5). The median family income is in the range between \$40,000 and \$49,999.¹⁴ The distribution of incomes

Figure 5. Family income distribution



varies based on individual demographic characteristics (see box 2).

Respondents are also asked about the sources of income that they and their spouse or partner received in the past year. While wages and salaries are the dominant form of income for many families, 63 percent of adults report that they or their spouse received at least some form of non-wage income. The common forms of non-wage income differ across the life-course, however. Among young adults (ages 18 to 29), freelance and hobby income was the most commonly received non-wage income (table 7). Among the three older cohorts, freelance income is less common but interest and dividends increase in prevalence. Additionally, those who are at or near retirement (age 60 and older) commonly report receiving Social Security and pension income—each of which is substantially less common for those in the younger age brackets. (The sources of income among retirees is discussed further in the “Retirement” section of this report.)

¹⁴ When comparing the income distribution of SHED respondents and their spouse or partner to that seen in the 2015 March Current Population Survey, the two series are similar, although the SHED observes more respondents with incomes between \$100,000 and \$149,999 and fewer with incomes between \$5,000 and \$39,999. Recognizing that the household income distribution closely matches the March Current Population Survey, this may partially reflect that unmarried partners in the SHED are asked about the income that they and their partner receive, whereas the Current Population Survey treats these individuals as living in two separate families, so the partners cannot be directly linked. It also may reflect some SHED respondents who report their household income rather than just their own and their spouse’s.

Box 2. Income Profiles by Demographic Groups

A primary focus of this report is the analysis of well-being for subsets of the adult population in order to provide insights into the differing financial experiences of individuals from different backgrounds or who face different individual circumstances. In many cases, these comparisons are made based on the income of the respondent, although for some questions comparisons based on other relevant individual characteristics are also considered.

Consistent with that seen in other data, including the U.S. Census Bureau's Current Population Survey, the family income of survey respondents is correlated with a number of individual and demographic characteristics that are considered in this report. Young respondents (ages 18 to 29) are disproportionately likely to have a family income less than \$40,000, as are respondents with lower levels of education (table A). Single respondents—and particularly single women—are more likely to have lower levels of income than are their married counterparts. Non-Hispanic black and Hispanic respondents are more likely to report lower levels of income than are non-Hispanic white respondents. Respondents who report a disability or functional limitation are also disproportionately low income. Furthermore, incomes appear to vary based on whether the respondent lives in a metropolitan area. These relationships between income levels and individual characteristics are valuable to remember when considering the links between individual characteristics and the financial well-being measures that are discussed in this report.

Table A. Family income levels (by demographic characteristics)

Characteristic	Less than \$40,000	\$40,000–\$100,000	Greater than \$100,000
Percent			
Age			
18–29	64.4	24.5	11.1
30–44	33.3	36.9	29.8
45–59	30.2	37.5	32.3
60+	45.6	37.1	17.3
Education			
High school degree or less	55.4	34.9	9.6
Some college or associate degree	47.9	34.0	18.1
Bachelor's degree or more	20.9	34.3	44.8
Race/ethnicity			
White, non-Hispanic	36.8	37.2	26.0
Black, non-Hispanic	54.0	31.3	14.7
Hispanic	58.8	27.4	13.8
Gender and marital status			
Single women	69.6	23.3	7.1
Single men	61.5	27.8	10.7
Married couple	21.4	42.6	36.0
Disability status			
Health problem or work limitation	66.7	25.3	8.0
No limitation	36.4	36.7	26.9
Metropolitan area			
Metropolitan	41.0	34.3	24.8
Non-metropolitan	50.9	35.5	13.6
Overall	42.4	34.4	23.1

Respondents are also asked whether anyone else in their household besides a spouse or partner received any income in the past year. Twenty-six percent of all respondents indicate that there is an additional earner in their household, and 32 percent of respondents with a family income under \$40,000 report having an additional earner in their household (table 8).

The higher frequency of additional earners in the household of lower-income individuals is consistent with the higher propensity for these individuals to live with someone outside of their immediate family more generally, as discussed in the “[Home Ownership and Living Arrangements](#)” section of this report.

Table 7. Which of the following income sources did you and/or your spouse receive in the past 12 months? (by age)

Income source	18–29	30–44	45–59	60+	Overall
Wages or salaries	76.1	84.0	78.5	36.3	67.9
Self-employment	11.0	15.1	16.3	12.7	13.9
Freelance work or hobbies	18.2	15.4	11.9	6.1	12.5
Interest, dividends, or rental income	12.3	17.2	24.0	35.7	23.0
Social Security	2.2	4.8	13.2	75.6	25.6
Supplemental Security (SSI)	2.5	4.8	6.0	5.0	4.7
Unemployment income	3.3	4.1	3.4	1.9	3.1
Pension income	0.8	2.2	11.7	49.8	17.3
Any other income	11.2	10.1	8.6	18.0	12.1

Table 8. Did anyone in your household other than you and your spouse/partner earn income from any source in the past 12 months? (by family income)

Income category	Percent responding "Yes"
Less than \$40,000	31.9
\$40,000–\$100,000	22.2
Greater than \$100,000	21.3
Overall	25.9

Note: Includes respondents living alone.

Spending Relative to Income

When asked how their spending compares to their income, 48 percent of adults say that they spent less than they made in the last 12 months and 31 percent report that their spending was equal to their income. The frequency of saving is 7 percentage points higher than that observed in 2014 and 9 percentage points above that seen in 2013.¹⁵ However, there are still 15 percent of respondents who report that they spent more than they earned and an additional 6 percent who report that they had no income at all. Consistent with that observed in the 2014 survey, lower-income respondents are more likely to report that their

¹⁵ A methodological difference between the 2014 and 2015 survey may result in a slight understatement of the increase in the number of individuals whose spending was less than, or equal to, their income over time. In 2014, all respondents were asked about their spending relative to their savings, whereas in 2015, respondents who have zero income are assumed to spend more than they earn. To the extent that individuals with zero income report that their spending equals their income, this will impact the comparison over time.

spending exceeded their income than those at higher-income levels (figure 6).

An alternate approach to measuring savings in the survey is to directly ask respondents who are not fully retired what portion of their income was set aside as savings. This question specifically asks respondents to include 401(k) savings and other retirement savings facilitated through work, thereby prompting them to consider savings more broadly than just funds saved out of their take-home pay. As such, reported frequencies of saving are higher than the fraction of respondents who say that they spend less than they earn.

Considering this broad measure of savings, 68 percent of respondents who are not fully retired indicate that they saved at least a portion of their income in the past 12 months. Among respondents who did save, however, 40 percent report saving less than 5 percent of their income and two-thirds report saving 10 percent or less.

Non-retirees with higher levels of income are more likely to report that they are saving money than those lower in the income distribution. Less than half of non-retirees making under \$40,000 per year report saving some of their income in the previous 12 months, whereas three-quarters of those in the middle-income group (\$40,000 to \$100,000) and 90 percent of those in the highest income group (over \$100,000) indicate that they saved a portion of their income. Similarly, the fraction of higher-income respondents who are saving at least 10 or 20 percent of their income outpaces the frequency of such high

Figure 6. In the past 12 months, would you say that your and your spouse's total spending was more, the same, or less than your income? (by family income)

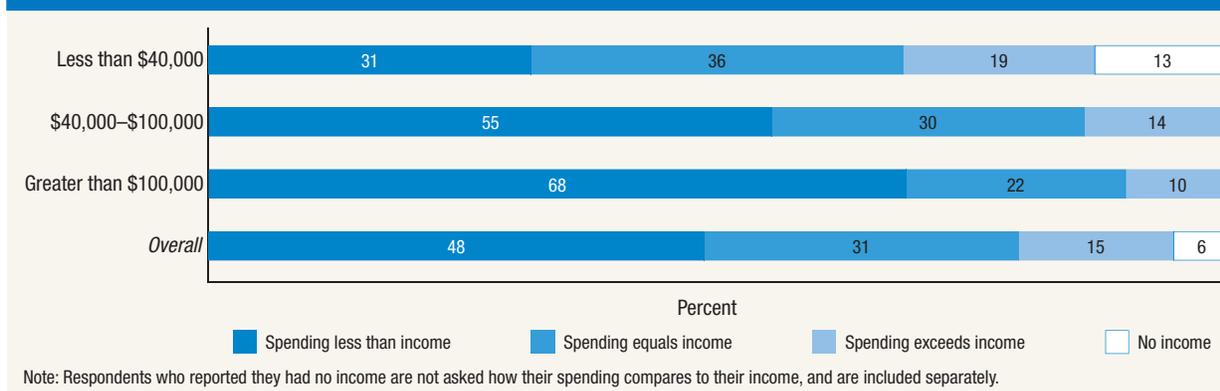
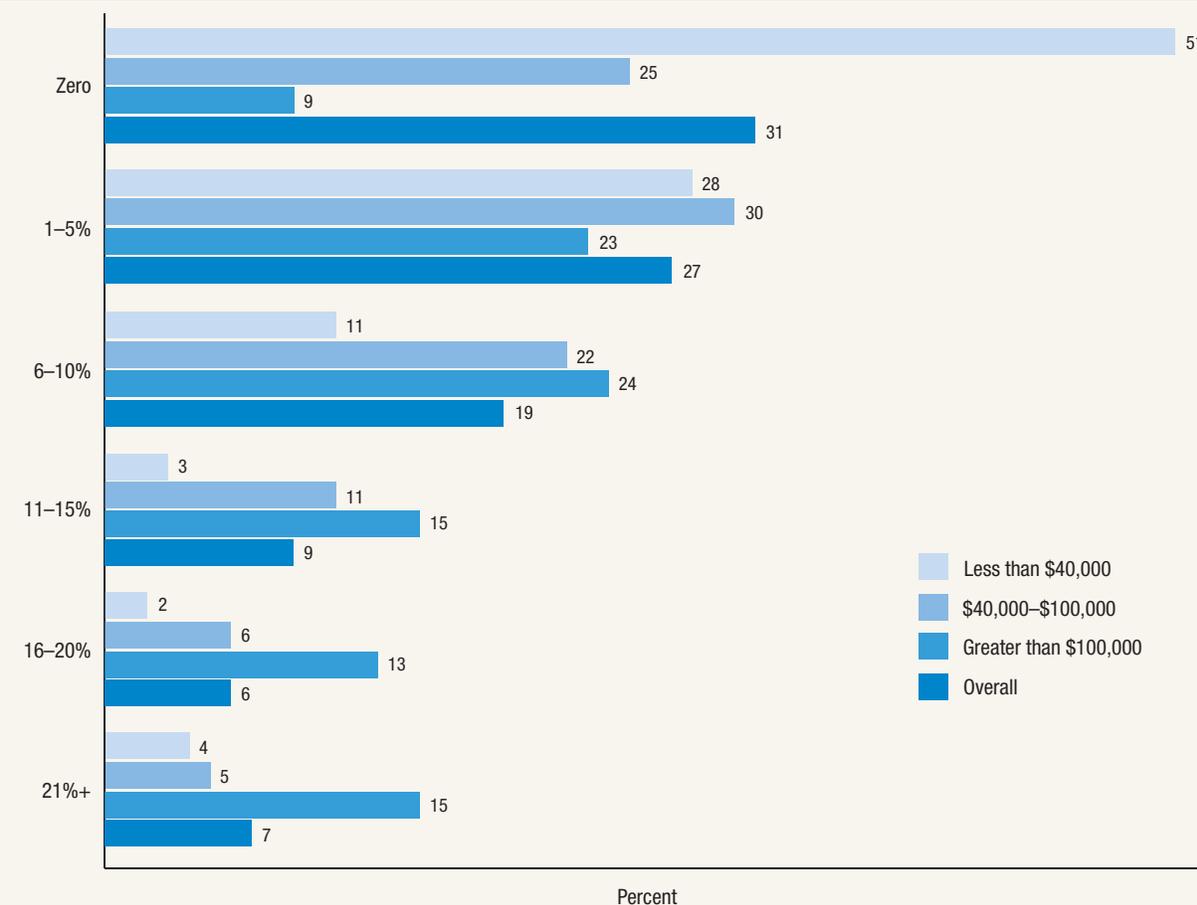


Figure 7. Percent of income saved among non-retirees (by family income)

Note: Among respondents not fully retired who had at least some income in the past year.

rates of saving for lower- or middle-income adults (figure 7).

Income and Spending Volatility

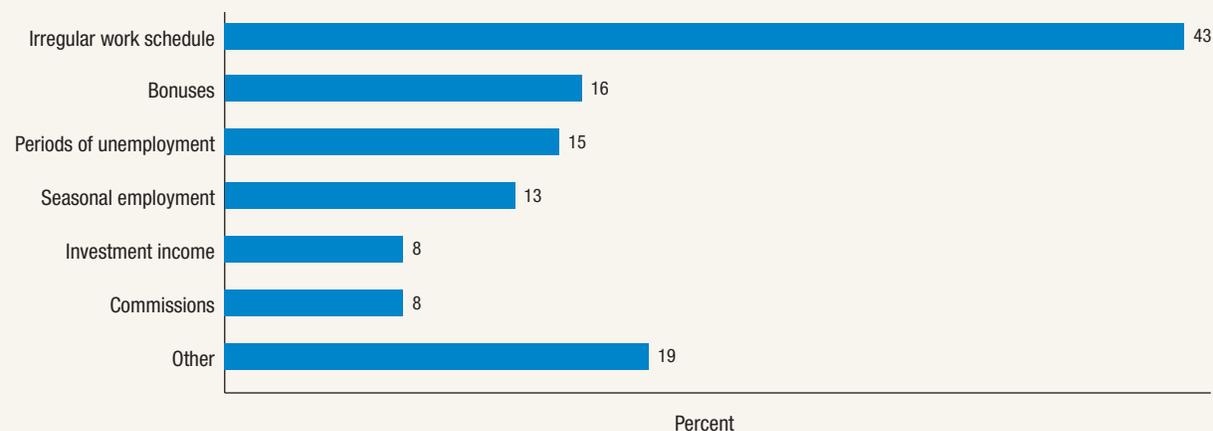
While many economic surveys, including the SHED, focus their analyses on one-year periods, summing one year's worth of income and expenses may mask substantial volatility that occurs for some families on a monthly basis. In order to assess this volatility, the SHED asks respondents about the level of consistency of both their spending and savings.

Two-thirds of respondents report that their income is roughly the same from month to month, 20 percent indicate that their monthly income varies occasionally, and 12 percent report that their income often varies quite a bit from month to month. This level of income volatility is similar to that observed in 2013, which is the most recent year in which this question

was asked previously. When asked the reason their income varies, 43 percent indicate that it is due to an irregular work schedule (figure 8). Only 16 percent of those with volatile incomes attribute the volatility to bonuses, which is the next most-frequently cited reason.

Respondents are also asked about the stability of their expenses from month to month. Overall, individuals are somewhat less likely to report stable expenses than they are to report stable incomes. Fifty-five percent of adults indicate that their expenses are roughly the same each month, compared to the 67 percent who say that their income is roughly the same each month. Income and expense volatility also appear to be correlated, as over 40 percent of those whose income often varies say that their expenses do as well—whereas just 5 percent of those whose income is roughly the same amount each month feel that their expenses often vary.

Figure 8. Please indicate whether each of the following is a reason that your income changed from month to month in the past year

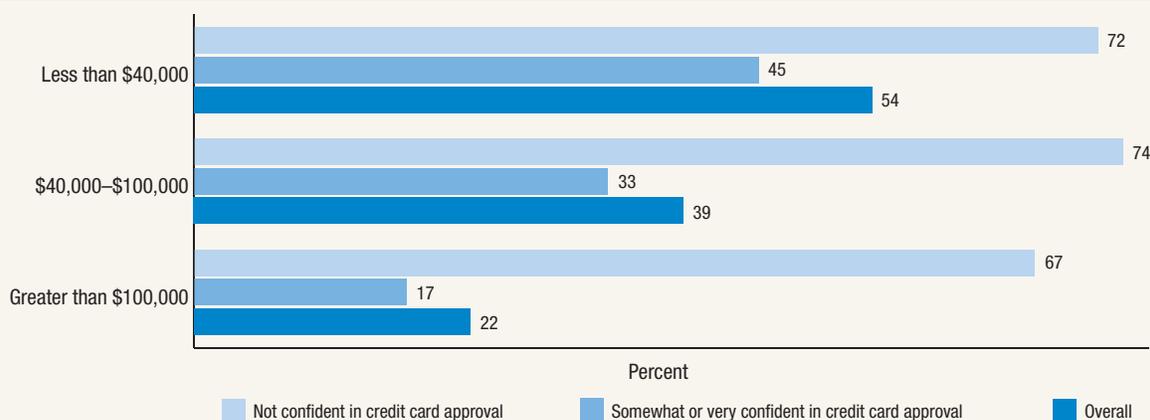


Note: Among respondent whose income varies somewhat or quite a bit from month to month.

Recognizing that income and expense fluctuations may be innocuous for some individuals but may cause financial stress for others, the survey also assesses the relationship between volatility and economic hardship. It does so by asking those who indicate at least some variation in their monthly income or expenses a follow-up question about whether they had any months when they struggled to pay their bills because their income was unusually low or their expenses were unusually high. Overall, 42 percent of those with volatile incomes or expenses report that they struggled to pay their bills at least once in the last year due to this kind of volatility.

The potential for hardship from volatile incomes and expenses appears to be greatest among lower-income respondents and among credit-constrained respondents. Among those with volatile incomes or expenses whose family income is under \$40,000 per year, 54 percent report that they struggled to pay their bills due to this volatility. Among lower-income respondents who are not confident that they would be approved for a credit card if they were to apply for one, an even higher 72 percent report that they struggled to pay their bills due to income or expense fluctuations (figure 9).

Figure 9. Respondents with income or expense fluctuations who have struggled to pay their bills some months because of these fluctuations (by income and perceived credit access)



Note: Among respondents whose income or expenses vary somewhat or quite a bit from month to month.

Economic Preparedness and Emergency Savings

A key consideration regarding household finances and overall economic well-being is the ability to withstand financial disruptions. Just under one-fifth of adults indicate that they experienced a financial hardship in the prior year, and many Americans remain ill-prepared for such a financial disruption. While slightly more Americans have a safety net to withstand a small financial disruption than was the case in recent years, nearly half lack the resources to easily handle such an event. This lack of a financial safety net appears to have negative repercussions for some individuals when they face a financial challenge. Over one-quarter of respondents report having gone without medical treatment due to an inability to pay, and almost half of those who had an unexpected out-of-pocket medical expense in the prior year report that they currently have unpaid debt from that expense.

Financial Hardships

Eighteen percent of respondents indicate that either they, or their family living with them, experienced some form of financial hardship in the previous year. This is a 6 percentage point improvement over that seen in the 2014 survey, when 24 percent of respondents indicated that they experienced some form of financial hardship. Among those who experienced a hardship, 35 percent report that either they or their spouse or partner lost a job (3 percent indicate that both they and their spouse or partner lost a job). Twenty-six percent say that either they or their spouse or partner had their work hours cut, 36 percent had a health emergency, and 4 percent received a foreclosure or eviction notice (figure 10).

Figure 10. Which of the following economic hardships did you or your family living with you experience in the past year?

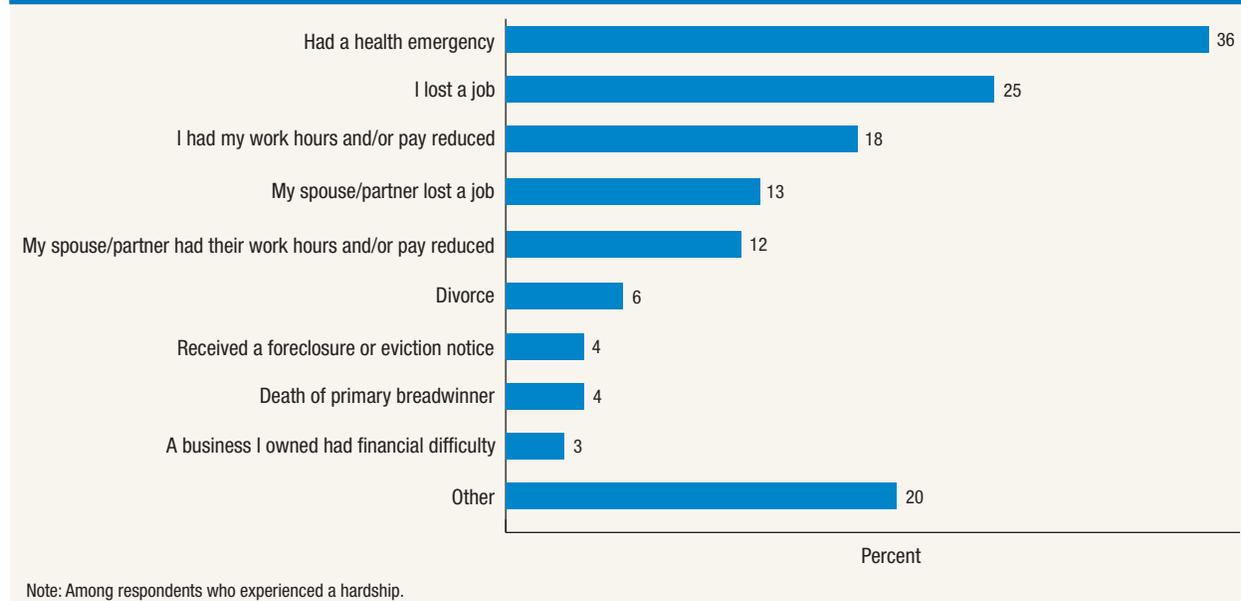


Table 9. Propensity to use a tax refund anticipation loan, pawn shop loan, payday loan, auto title loan, or paycheck advance (by income and whether experienced a hardship)
Percent

Income category	Among respondents who report a hardship	Among respondents who do not report a hardship
Less than \$40,000	20.5	8.1
\$40,000–\$100,000	11.0	3.7
Greater than \$100,000	9.3	1.2
Overall	16.5	4.7

Many individuals who experienced a financial hardship in the prior year indicate that over the same time frame they also drew down savings, undertook some form of borrowing, or both. Respondents who experienced a hardship, and particularly lower-income respondents who experienced a hardship, are more likely to report borrowing through an alternative financial service such as a tax refund anticipation loan, pawn shop loan, payday loan, auto title loan, or paycheck advance (table 9). Respondents who experienced a financial hardship are also almost twice as likely to have borrowed from, or withdrawn funds from, their retirement account as those who did not experience a hardship. Fifteen percent of non-retirees who experienced a hardship report that they borrowed from and/or cashed out a retirement account in the prior year, whereas 8 percent of those who did not experience a hardship borrowed from and/or cashed out their retirement savings.

Emergency Savings

In order to assess individuals' preparedness for a financial hardship should one occur, the survey asks respondents several questions related to their ability to withstand emergencies of varying levels of severity. The results differ by the severity of the emergency presented, but, overall, many individuals appear ill-prepared for financial emergencies that may arise.

When asked if they have set aside an emergency or rainy day fund that would cover three months of expenses, nearly half of respondents (47 percent) indicate that they do. However, it is possible that personal savings alone do not fully reflect the way that individuals prepare for such a large financial disruption. Some individuals may, instead, expect to borrow or rely on others in these instances. To capture this possibility, respondents who do not have three

months of emergency savings are asked the follow-up question, "If you were to lose your main source of income (e.g., job, government benefits), could you cover your expenses for 3 months by borrowing money, using savings, selling assets, or borrowing from friends/family?" An additional 21 percent of respondents indicate that they could cover three months of expenses using this broad array of options.

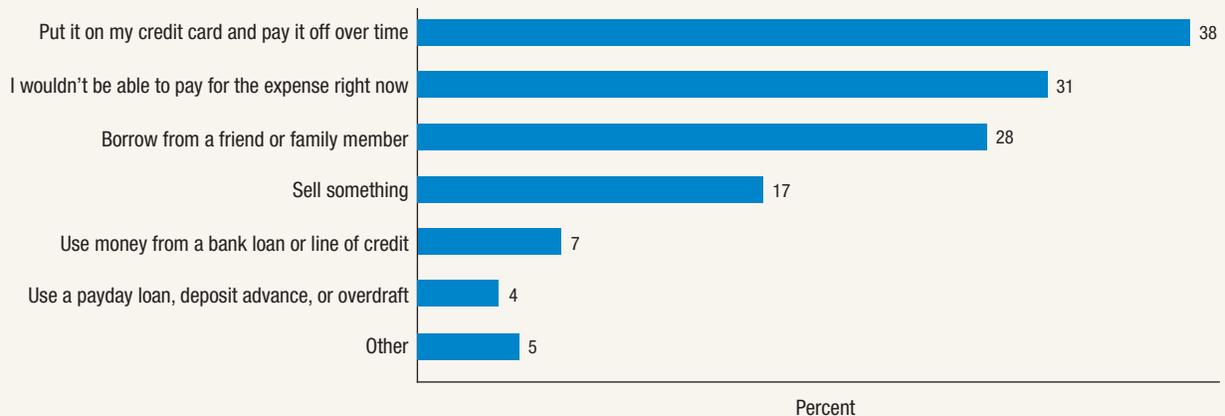
When combining the 21 percent of adults who indicate they could cover three months of expenses using assets or borrowing with the 47 percent who could cover three months of expenses using their personal savings, 68 percent of all respondents report that they would be prepared for a three-month financial disruption. Just under one-third of respondents in the 2015 survey indicate that they would not be prepared for a three-month long financial disruption and could not cover their expenses in such a situation, even by borrowing. This is nearly unchanged from the 32 percent of respondents in the 2014 survey who indicated that they could not cover their expenses in such a situation by borrowing.

To determine individuals' preparedness for a smaller-scale financial disruption, respondents are asked how they would pay for a hypothetical emergency expense that would cost \$400. Just over half (54 percent) report that they could fairly easily handle such an expense, paying for it entirely using cash, money currently in their checking/savings account, or on a credit card that they would pay in full at their next statement (collectively referred to here as "cash or its functional equivalent"). The remaining 46 percent indicate that such an expense would be more challenging to handle and that they either could not pay the expense or would borrow or sell something to do so.

Specifically, among respondents who would not pay the expense in-full using cash or its functional equivalent, 38 percent would use a credit card that they pay off over time and 31 percent simply could not cover the expense. Over a quarter would borrow from friends or family, and smaller fractions would either sell something, use a payday loan, bank overdraft, or bank loan (figure 11).

The fraction who indicate that they would pay for an emergency expense using cash or its functional equivalent is quite similar to that seen in 2014, when 53 percent said that they would pay for a \$400 expense in this way. However, it does represent a con-

Figure 11. Ways that individuals will cover a \$400 emergency expense when not using cash or its functional equivalent



Note: Among those who would not pay the expense in-full using cash or its functional equivalent.

tinued modest improvement from that seen in 2013, when 50 percent of respondents indicated that they would use cash or its functional equivalent to cover an emergency expense of this magnitude.

The approach to paying a \$400 emergency expense varies substantially by income, and by the race and ethnicity of the respondent. Only 34 percent of respondents whose family income is under \$40,000 would pay the \$400 expense using cash or its functional equivalent, far below that seen among those in the higher-income groups (figure 12). Similarly, while 61 percent of non-Hispanic white respondents say that they would pay such an expense using cash or its

functional equivalent, a lower 38 percent of Hispanic respondents and 36 percent of non-Hispanic black respondents would pay this way.

There also is some evidence that respondents differ in how they would pay for this type of expense based on their gender and marital status. While married men and women are likely to report that they would pay for this sort of modest emergency expense using cash or its functional equivalent at relatively similar rates, the same is not true for unmarried respondents. Unmarried women—and particularly those who are widowed, never married, or unmarried but living with a partner—are more likely to report that they

Figure 12. Respondents who would completely pay an emergency expense that costs \$400 using cash or a credit card that they pay off at the end of the month (by family income, race, and ethnicity)

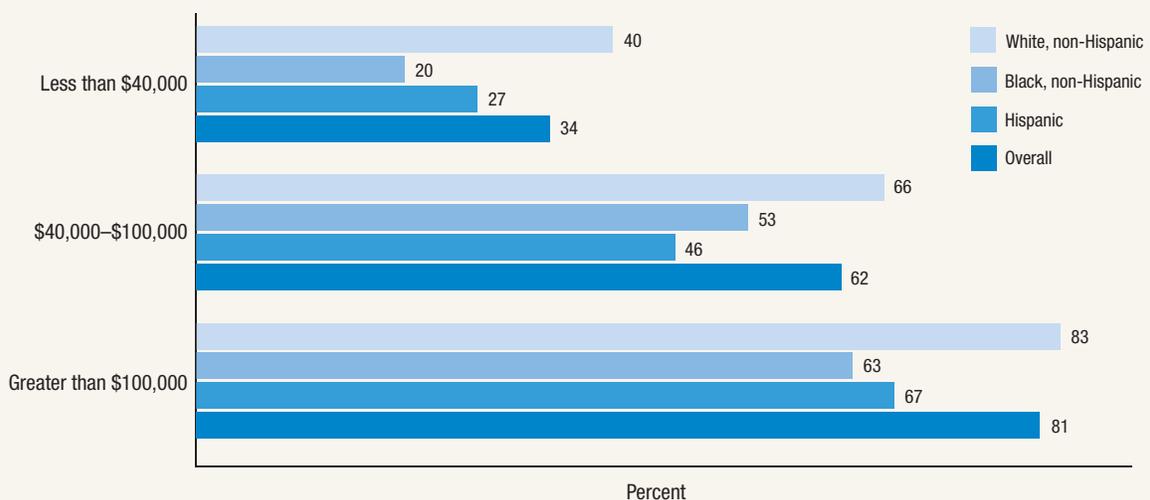


Table 10. Respondents who would completely pay an emergency expense that costs \$400 using cash or a credit card that they pay off at the end of the month (by gender and marital status)

Percent		
Marital status	Men	Women
Married	65.3	63.2
Widowed	65.7	41.8
Divorced/separated	41.8	38.3
Never married	46.2	40.7
Living with partner	58.7	34.4
Overall	57.4	51.5

could not pay a \$400 expense or would use some form of borrowing than are men with an equivalent marital status (table 10).

Respondents who indicate that they would pay the \$400 expense using resources other than cash or its functional equivalent are also asked what the largest expense is that they could cover using cash on hand or money in their bank account. Thirty-nine percent of these respondents report that the largest expense that they could cover using cash on-hand is under \$100. A further 16 percent indicate that they could only cover an expense between \$100 and \$200, and 22 percent could cover an expense between \$200 and \$400. The remaining 22 percent report that they *could* cover over a \$400 expense—suggesting that for this subset of respondents, paying the \$400 expense in-part or in-full by using other means reflects a preference of payment methods rather than a necessity.¹⁶

Insurance against Financial Risks

An additional way that individuals can insulate themselves from the negative repercussions of a financial shock is through insurance policies that cover specific economic risks. Respondents in the survey are asked whether they currently have various types of insurance. The vast majority of adults indicate that they have health insurance, auto insurance, and—among those who own their home—homeowners insurance. Just over half report having life insurance. However, only one-quarter have disability insurance and fewer than one in seven have long-term care insurance (table 11).

¹⁶ It is also possible, however, that some who say that they could pay \$400 or more using cash or its functional equivalent but would pay another way are making that choice not due to a payment preference, but instead because the cash is reserved for other bills that would otherwise go unpaid. This possibility cannot be observed directly in the survey.

Table 11. Are you currently covered by each of the following types of insurance? (by family income)

Percent				
Insurance type	Less than \$40,000	\$40,000–\$100,000	Greater than \$100,000	Overall
Health insurance	74.5	92.4	98.4	86.1
Auto/car insurance	66.4	92.5	97.8	82.6
Homeowners or renters insurance	40.9	79.6	92.6	66.3
Life insurance	32.5	64.6	80.5	54.6
Disability insurance	11.0	27.4	47.4	25.1
Long-term care insurance	6.6	15.5	22.7	13.3
Funeral insurance	8.8	8.2	8.0	8.4

Consistent with the likelihood of having emergency savings, the odds that an individual has insurance against financial hardships is highly correlated with income. The highest-income respondents, whose family income is over \$100,000, are more than three times as likely to have long-term care insurance and more than four times as likely to have disability insurance as those whose family income is under \$40,000. They also are more likely to have health insurance, auto insurance, and homeowners or renters insurance. The only category of insurance where there was not a substantial difference in coverage rates by income was funeral insurance, which is held by 8 percent to 9 percent of adults of each income level.

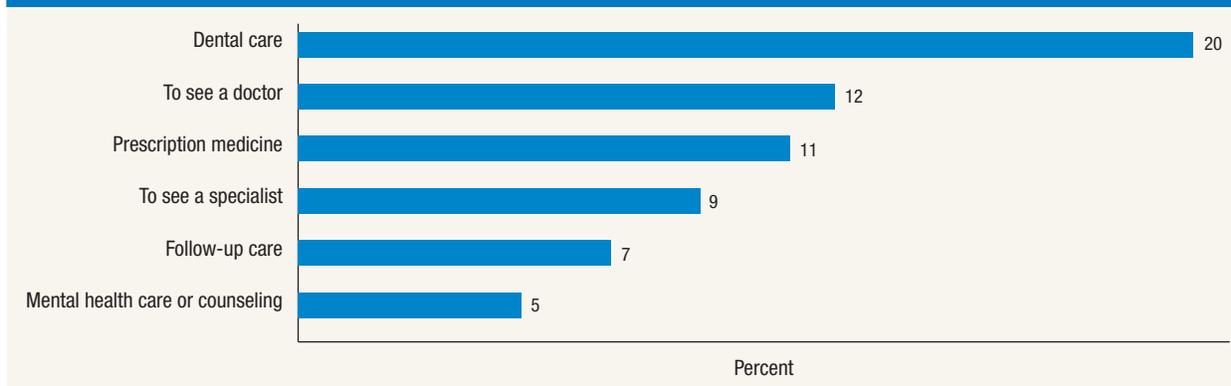
Emergency Spending on Health Care

Although emergency expenses can take many forms, out-of-pocket expenses for health care are a particular concern for many individuals. Twenty-two percent of respondents experienced what they describe as a major unexpected medical expense that they had to pay out of pocket in the 12 months prior to the survey.

Among those who report that they had a major unexpected medical expense, the median out-of-pocket cost was \$1,200 and the mean was \$2,782.¹⁷ Consistent with the earlier finding that many adults are ill-prepared for modest financial shocks, 46 percent of those who report a major out-of-pocket medical expense in the prior year also indicate that they currently have debt or unpaid balances related to these medical expenses.

¹⁷ The mean is higher than the median due to a long right-tail of the distribution, including one respondent reporting that his or her out-of-pocket medical expenses were \$1,000,000 in the last 12 months. Excluding this extreme case, the mean out-of-pocket medical expense for those who reported one was \$2,383.

Figure 13. During the past 12 months, was there a time when you needed any of the following, but did not get it because you could not afford it?



Many respondents also report that they went without some type of care because they were unable to afford it. One-fifth of all respondents went without dental care in the prior 12 months because they could not afford it. Twelve percent went without a doctor visit, 11 percent went without prescription medicine, and 9 percent went without a visit to a specialist (figure 13). Overall, 27 percent of respondents report going without at least one of these types of care because they could not afford it. This is a statistically significant decline relative to the 31 percent of respondents in the 2014 survey who reported that they forewent medical care.

The likelihood of foregoing medical care due to cost is inversely correlated with one's income. Among those whose family income is under \$40,000, 39 percent have gone without some form of medical treatment in the preceding 12 months. This fraction is 23 percent among respondents with incomes between \$40,000 and \$100,000, and just 10 percent among respondents making over \$100,000.

One potential avenue for alleviating this inability to cover health care expenses is through health insurance, which can reduce the probability of large expenses and/or the hardship from such expense. However, while having health insurance reduces the probability of foregoing medical treatment due to an inability to pay, it does not eliminate it. Among unin-

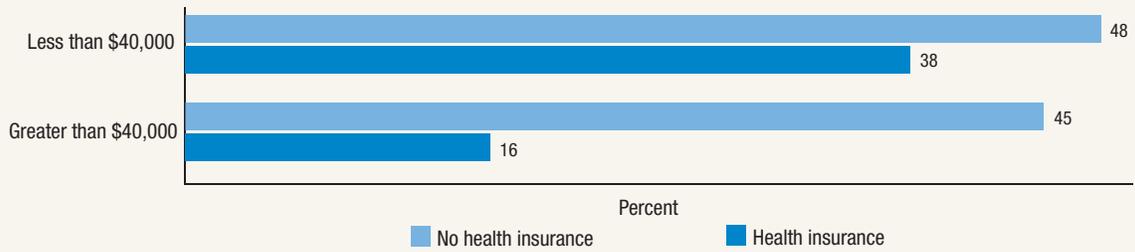
sured respondents, 47 percent report that they had gone without some form of medical treatment in the preceding 12 months. This compares to 24 percent of respondents who have health insurance report that they went without some form of medical treatment in the same period.¹⁸

The impact of insurance on the likelihood of missing medical treatments differs based on one's income. Among respondents with incomes below \$40,000, those with health insurance are 10 percentage points less likely to have foregone medical treatment than those who are uninsured (figure 14). This is well below the 29 percent difference in treatment-avoidance rates between those with and without insurance for those whose income is over \$40,000.¹⁹ However, it cannot be determined from these results whether this difference reflects coverage gaps in insurance policies or if it results from an inability of some lower-income individuals to afford the copayments and coinsurance on procedures for which they are insured.

¹⁸ Since the survey asks respondents about their current health insurance status, but also asks about whether they missed medical treatments in the previous year, it is possible that some respondents who currently have insurance were uninsured at the point at which they were unable to afford treatment.

¹⁹ The two higher-income groups are combined due to the very small number of respondents with incomes over \$100,000 who lack insurance.

Figure 14. During the past 12 months, was there a time when you needed medical treatment, but did not get it because you could not afford it? (by family income and health insurance status)



Note: The \$40,000–\$100,000 and over \$100,000 income categories are combined due to the small number of respondents with an income over \$100,000 who lack health insurance.

Banking, Credit Access, and Credit Usage

Banking and credit access can be important tools for wealth accumulation and for establishing the resources to withstand short-term economic hardships. The survey finds that lacking a bank account or using alternative financial services is prevalent among lower-income respondents. The results also show that a sizeable minority of those who applied for credit report that they had difficulties getting approved. However, despite the challenges that some face when trying to access credit, a majority of respondents do feel that credit would be available to them if they were to desire it.

Unbanked and Underbanked

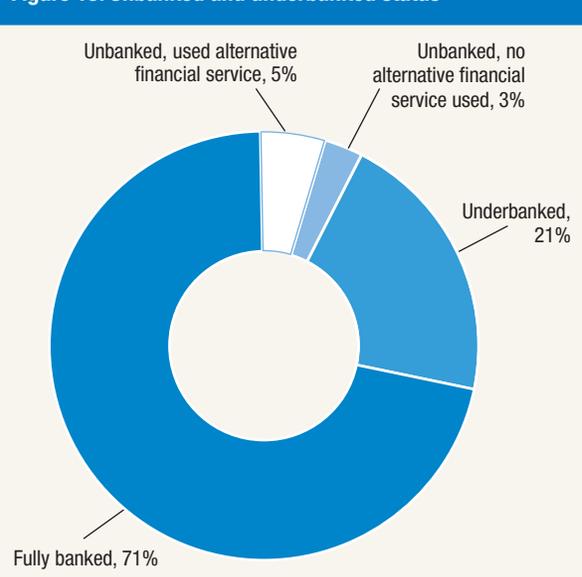
Eight percent of adults in the survey are unbanked, meaning they do not have a checking, savings, or money market account.²⁰ Nearly two-thirds of those who are unbanked report that they have, however, used some form of alternative financial service (AFS) in the prior year—such as a check cashing service, money order, pawn shop loan, auto title loan, pay-check advance, or payday loan. In addition to the 8 percent of adults who are unbanked, 21 percent are underbanked, defined as having a depository account but also using at least one alternative financial service in the prior year (figure 15).²¹

The likelihood of being unbanked or underbanked varies substantially by income, with lower-income

²⁰ Among these respondents who do not have a checking, savings, or money market account, 63 percent use some form of alternative financial services, while 37 percent neither have a traditional bank account nor use alternative financial services.

²¹ The fraction of adults who are underbanked is higher than that observed in the 2014 survey due to a methodological change and is not directly comparable to the earlier results. In the 2015 survey, alternative financial services are examined by asking a series of questions that inquire about specific types of services rather than combining all services into a single question. These changes increased the probability of respondents reporting that they have used these services. The frequencies observed with this revised question are in line with those observed in the Census Bureau's Unbanked and Underbanked supplement to the Current Population Survey in 2013.

Figure 15. Unbanked and underbanked status



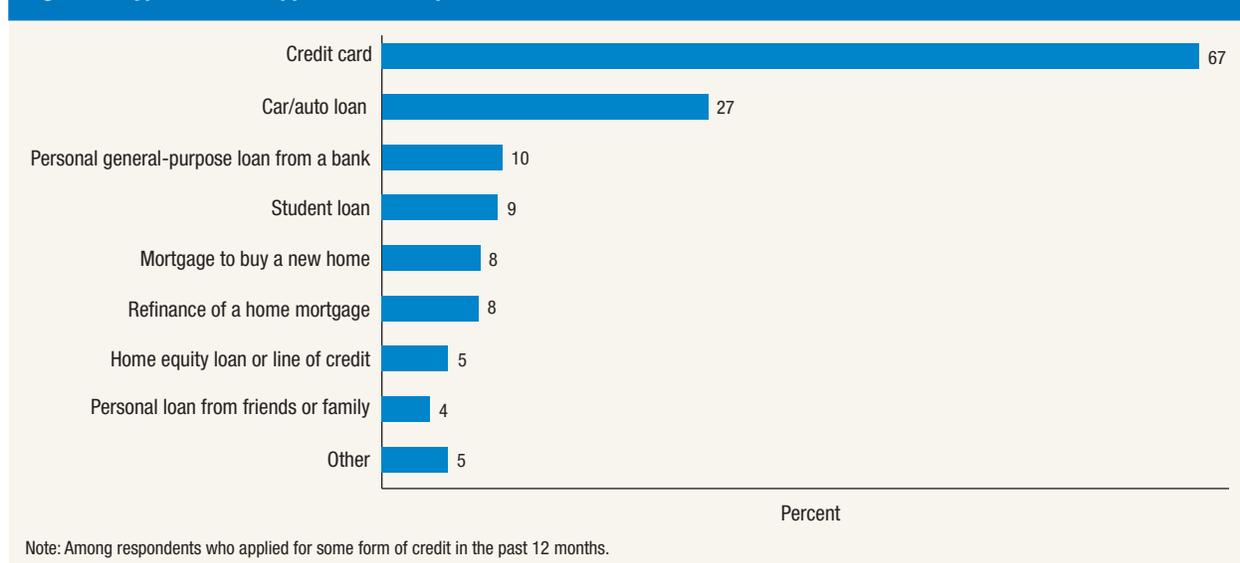
adults being much less likely to have a traditional banking relationship (table 12). Among individuals with incomes under \$40,000 per year, just over half (56 percent) are fully banked. This compares to 88 percent of those in the highest income group who are fully banked.

In order to gain insight into the types of alternative financial services that individuals are using, the ser-

Table 12. Unbanked and underbanked status (by family income)

Income category	Percent			
	Unbanked (no AFS used)	Unbanked (used AFS)	Underbanked	Fully banked
Less than \$40,000	5.8	10.1	26.9	56.3
\$40,000–\$100,000	0.9	1.5	19.5	78.0
Greater than \$100,000	0.5	0.4	11.1	87.7
Overall	2.9	4.9	20.6	71.1

AFS Alternative financial service.

Figure 16. Types of credit applied for in the past 12 months

vices can be broadly subdivided into borrowing and lending products (pawn shop loans, payday loans, auto title loans, paycheck advance, and tax refund anticipation loans); check cashing services; and money transfer services (money orders). By far, money transfer services are the most frequently used form of alternative financial service, with 77 percent of adults who used an alternative financial service indicating that they used either a money order or an international remittance. Just over one-third of those who used an alternative financial service in the past 12 months indicate that they used a check cashing service, whereas just over one-quarter used an alternative financial service to borrow money from the service provider.²²

Credit Applications and Outcomes

The survey also inquires about respondents' applications for credit in the prior year. Thirty-nine percent of respondents have applied for some type of credit in the prior 12 months, up from 37 percent in 2014 and 31 percent in 2013. Among those who applied for credit, credit cards and auto loans were the most common application types, with 67 percent reporting that they applied for a credit card and 27 percent reporting that they applied for an auto loan (figure 16).

²² It cannot be observed, however, the extent to which money orders are being used to borrow or lend money to other individuals directly.

Table 13. In the past 12 months, has each of the following happened to you?

Credit outcome	Percent	
	Yes	No
Denied credit	26.0	73.7
Offered less credit than applied for	16.8	82.2
Also put off applying for other credit because you thought you would be denied	18.5	80.4

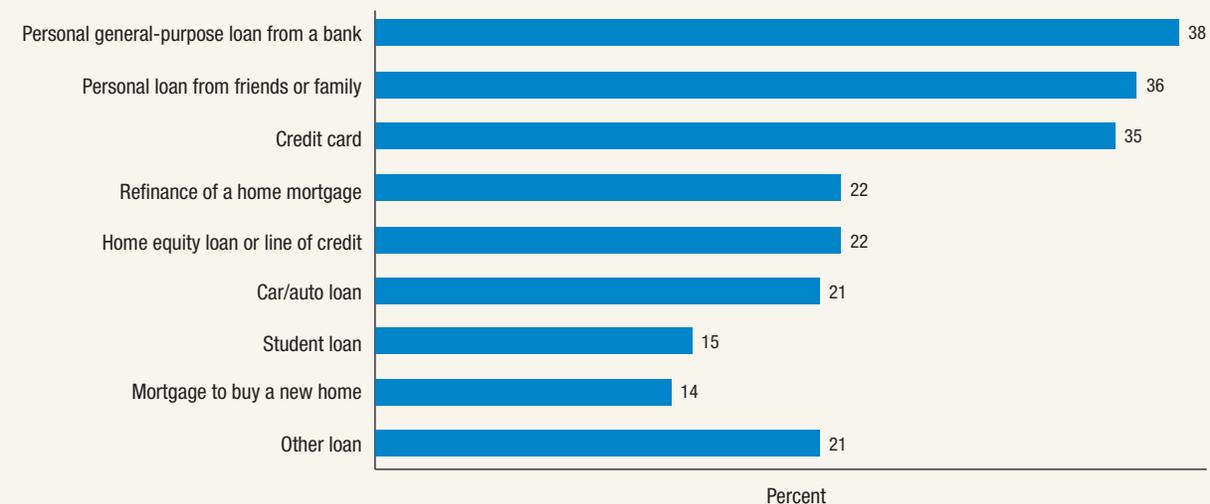
Note: Among respondents who report having applied for credit in past 12 months.

Twenty-six percent of respondents who applied for credit were denied credit at least once (10 percent of the entire population). However, some respondents who applied for credit also appeared to be limited in their credit access without receiving an outright denial—either by being offered less credit than they desired or by putting off a credit application because they expected to be denied (table 13).²³

The rate of denial differs by the form of credit applied for. Personal loans and credit cards are the most commonly denied form of credit. Thirty-eight percent of those applying for a personal loan were denied or offered less credit than requested for at least one personal loan application. Among credit card applicants, 35 percent report at least one credit

²³ Respondents can select more than one adverse credit outcome or decision, so overall 35 percent of respondents were either denied outright, offered less credit, or put off applying for additional credit due to a fear of denial.

Figure 17. Respondents who received at least one denial or offer of less credit for each credit type among those applying for that type of credit



Note: Among respondents who applied for each type of credit.

card denial or lower credit offer. In contrast, approximately 80 percent of applicants for each other form of credit indicate that their application was approved for the full amount requested (figure 17).

The rate of denial also differs by the family income of the respondent. Forty-eight percent of lower-income respondents who applied for credit were either denied or offered less credit than requested. Among respondents with an income over \$100,000, one-in-five credit applicants report that they were denied or offered less credit than requested in the past year.

Additional Demand for Credit and Perceived Credit Access

A challenge with tracking the demand for credit and credit availability based on applications submitted is that the majority of adults do not submit an application in any given year. Recognizing this, the survey also includes questions on credit availability that are asked of all respondents and of respondents who did not apply for credit.

Some respondents who did not submit a credit application may have desired credit but opted against applying due to a perceived inability to obtain approval or for other reasons. When the respondents who did not apply for credit are asked whether they desired credit but did not apply, 12 percent report that they had a desire for additional credit. Fifty-

six percent of those who desired additional credit indicate that they did not apply because they expected to be turned down or denied.

Among the entire adult population, just under half (46 percent) expressed a desire for additional credit in the prior year, either by submitting an application or by stating their desire for credit but not applying. Eighteen percent of all respondents—and 40 percent of those who expressed a desire for credit—indicate some real or perceived difficulty in accessing credit, either through an outright credit denial, being offered less credit than requested, or through an expectation of denial that caused them to put off some or all of their credit applications.

While the desire for credit is similar across income groups, the rate of denial and expected denial is substantially higher for lower-income respondents. Fifty-six percent of lower-income respondents who desired credit were either denied or offered less credit on one of their credit applications (21 percent), expected to be denied credit so did not apply (19 percent), or both (15 percent). In contrast, 34 percent of those with a family income between \$40,000 and \$100,000 and 23 percent of those in the highest income group who desired credit were either denied, offered less credit, or expected to be denied.

An alternate way to consider perceived credit availability is to ask respondents whether they feel that their credit application would be approved if they

Table 14. If you applied for a credit card today, how confident are you that your application would be approved? (by family income)

Percent				
Income category	Very confident	Somewhat confident	Not confident	Don't know
Less than \$40,000	32.4	25.2	32.0	10.2
\$40,000–\$100,000	61.5	22.9	12.9	2.4
Greater than \$100,000	79.2	13.0	7.2	0.6
Overall	53.3	21.6	19.6	5.3

were to apply today. This allows for an assessment of credit availability among the entire adult population rather than only among those who applied or expressed a desire for credit.

Most adults appear confident in their ability to obtain a credit card if they were to apply for one. Three-quarters of respondents are somewhat or very confident in their ability to obtain a credit card, and over half are very confident in their likelihood of approval. However, consistent with that seen among those who desired credit, confidence in approval varies substantially by income (table 14). Fewer than one-third of respondents with a family income under \$40,000 say that they are very confident that their credit card application would be approved.

The lower rate of credit confidence among lower-income adults may partially reflect the large fraction of respondents in this income range who lack good credit. Less than half of respondents making under \$40,000 per year rate their credit score as “good” or better. This compares to 90 percent of those in the highest income group who feel that they have good, very good, or excellent credit (figure 18). In general,

respondents who report having poor, fair, or unknown credit also lack confidence in their ability to obtain a credit card, with only 32 percent feeling somewhat or very confident that their application would be approved. These results do not vary much by income level. Among those who believe their credit rating to be good or better, 94 percent of respondents feel that they would be approved, including 90 percent of borrowers in the lowest income group who rate their credit this way.

The survey results also indicate that confidence that a credit application will be approved is lower among non-Hispanic blacks and Hispanics than it is for non-Hispanic whites. Among white respondents, 60 percent are very confident that they would be approved for a credit card should they apply, compared to 35 percent of Hispanics and 39 percent of black respondents with this level of confidence. These differences in perceived credit access are consistent with those seen in the 2014 survey—which asked a similar question but focused on mortgage applications rather than credit card applications—and may be at least partially attributable to differences in income and other socioeconomic factors that also vary by race and ethnicity.

Credit Card Usage

In addition to exploring the availability of credit, the survey considers the ways in which individuals use credit cards. Overall, 77 percent of respondents report that they have at least one credit card. When asked how often they carry a balance on their card, 42 percent of those with a card report that they always paid their bill in full during the prior year.

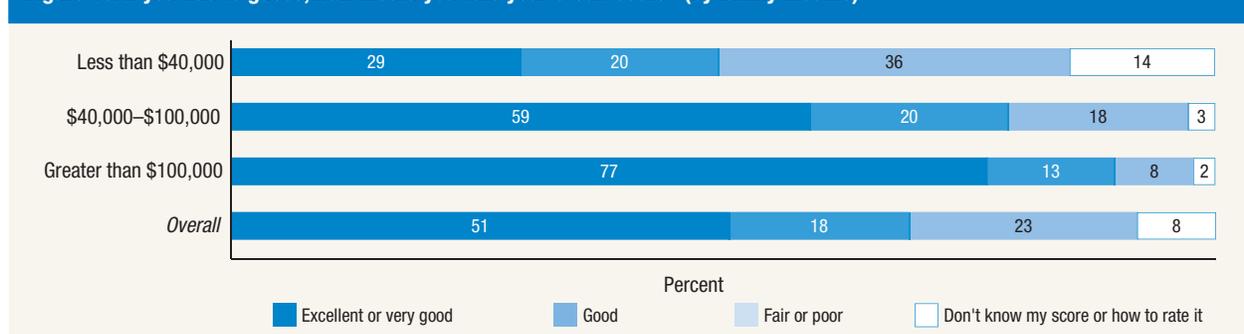
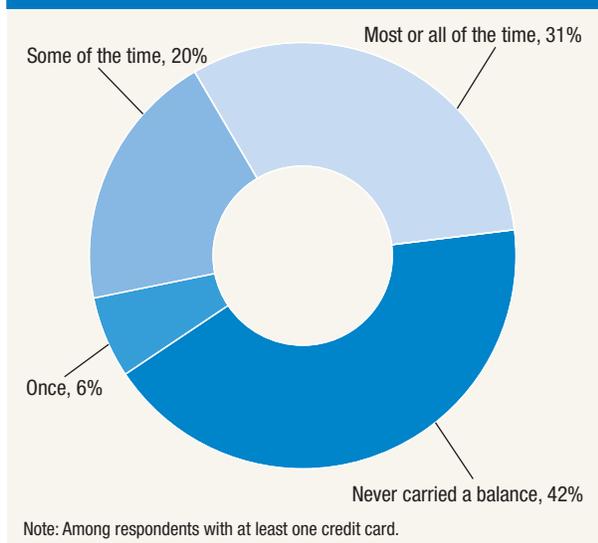
Figure 18. If you had to guess, how would you rate your credit score? (by family income)

Figure 19. In the past 12 months, how frequently have you carried a balance on one or more of your credit cards?



Just over half report that they carried a balance some, most, or all of the time (figure 19). Among the respondents who carried a balance at least once, approximately half indicate that they made only the minimum payment on their cards some or all of the time and 9 percent made the minimum payment once. The remaining 40 percent say that they always paid more than the minimum payment.

Both access to a credit card and the use of a credit card differ substantially by the income of respondents. Only 59 percent of respondents with an income under \$40,000 per year have at least one credit card, whereas 87 percent of those with an

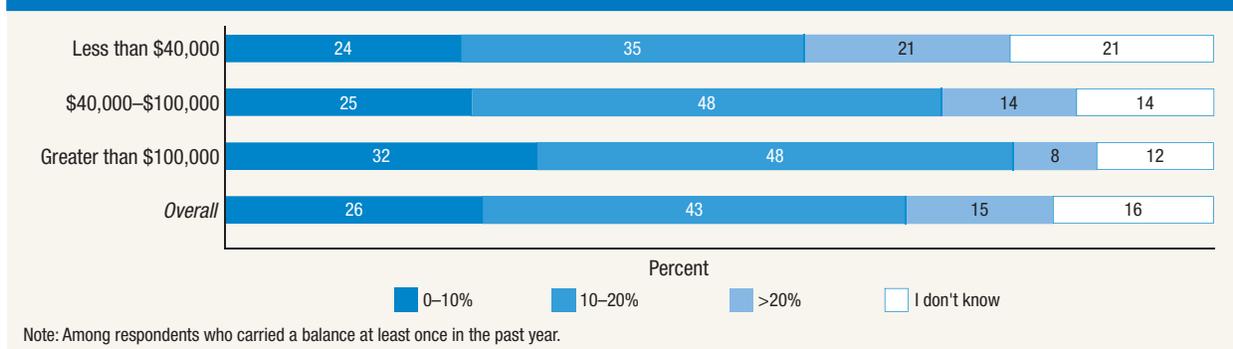
Table 15. Credit card access and usage (by family income)
Percent

Income category	No credit card	Made only minimum payment at least once	Carried a balance at least once, but always pay more than minimum	Always paid in full
Less than \$40,000	41.1	24.9	11.9	21.6
\$40,000–\$100,000	12.9	29.1	22.0	35.9
Greater than \$100,000	6.3	24.9	21.6	47.3
Overall	23.2	26.3	17.6	32.5

income between \$40,000 and \$100,000 and 94 percent of those with an income over \$100,000 report having a card (table 15). Lower-income respondents with a credit card are also less likely to pay their bill in full each month and are more likely to indicate that they made only the minimum payment at least once.

Respondents who have carried a balance are also asked about the interest rate on the credit card that they use most often. Here, it appears that of those who carry a balance, lower-income respondents are less likely than others to know the interest rate that they pay and, among those who do know their interest rate, they often report paying a higher rate than respondents whose income is higher. Over one-fifth of individuals whose family income is below \$40,000 per year and that carried a balance report that the interest rate on their main credit card is over 20 percent. In contrast, fewer than 10 percent of those in the highest income category that carried a balance report that their interest rate is at this level (figure 20).

Figure 20. What is the interest rate on the credit card that you use most often? (by family income)



Housing and Household Living Arrangements

Housing represents one of the largest expenses in most families' financial picture and, as such, one's housing situation is closely tied to their economic well-being. Partially reflecting the level of resources necessary to purchase and maintain a home, respondents who own their home are more likely to report that they are either "doing okay" or "living comfortably" (77 percent) than those who rent (54 percent).

Recognizing the importance of housing to one's overall well-being, the SHED poses a series of housing-related questions to survey participants. The survey finds that most respondents are satisfied with the quality of their home and neighborhood, although satisfaction rates differ based on the income level of the neighborhood. The results also illustrate that most homeowners believe that the value of their home has increased in recent years, although the extent to which respondents believe values are increasing is not uniform across the country.

Home Ownership and Living Arrangements

Approximately 16 percent of respondents report that they live alone and just under half live with only their spouse or partner and children under age 18. However, 15 percent of adults indicate that they live with their parents, 9 percent report living with an adult child who is not in school, 10 percent report living with extended family members, and 5 percent report living with one or more roommates (table 16). Of the 15 percent of respondents who are living with their parents, 47 percent are ages 18 to 24, but slightly over half (53 percent) are age 25 or older. Lower-income respondents are also more likely to live with someone other than their spouse or dependent children under age 18. Forty-seven percent of respondents whose family income is less than \$40,000 live with at least one person outside of their immediate family, compared to 28 percent of middle-income respondents and 23 percent of higher-income respondents who

Table 16. Do each of the following types of people currently live with you in your household?

Category	Percent
Living alone (unique)	15.7
Spouse/partner	62.5
Children under age 18	27.7
Adult children (all in school full time)	5.3
Adult children (at least one not a full-time student or unknown)	9.4
Parents	15.0
Extended family (grandparents, siblings, aunts, uncles, etc.)	10.2
Roommate(s)	5.1
Other	0.9

live with someone other than a spouse or dependent child under age 18.

In addition to asking respondents who they live with, the survey asks respondents about the ownership status of their current residence. Sixty-one percent of SHED respondents report that they or their spouse or partner own their home, while 27 percent rent and 11 percent neither own their home nor pay rent.²⁴ Housing tenure is closely tied to the age and income of respondents. Thirty-two percent of respondents ages 25 to 29 own their home and 39 percent of lower-income adults own their home, each of which is well below the homeownership rates for older and higher-income individuals (table 17). There also are differences in tenure rates, along with the rates of owning other assets, by the race and ethnicity of the respondent (see box 3).

Reflecting both the increased housing stability that often comes from owning as well as the older average age of homeowners, respondents who own their home report a substantially longer duration of living in their current residence than those who rent or who neither own nor rent. Among homeowners, the

²⁴ Since the SHED asks respondents about whether they or their spouse or partner own their home, and not whether the house is owned by anyone living in the home, this number is not directly comparable to somewhat higher homeownership rates from the Census Bureau's American Community Survey.

Table 17. Which one of the following best describes your housing arrangements? (by age and family income)

Percent			
Characteristic	Own	Rent	Neither own nor rent
Age			
18–24	10.0	34.7	54.6
25–29	31.6	48.7	19.4
30–44	59.2	32.8	7.7
45–59	76.6	20.1	3.2
60+	80.6	16.3	2.6
Family income			
Less than \$40,000	38.6	39.9	21.2
\$40,000–\$100,000	72.8	22.1	4.8
Greater than \$100,000	85.8	10.1	3.9
Overall	61.4	26.8	11.4

median duration in their current residence is 13 years and the average duration is 16 years. Among renters, the median duration is just three years and the average duration is five years.

Neighborhood Satisfaction and Reasons for Moving

Many factors contribute to an individual's choice of where to live and whether to buy a home, including the location, the quality of the home, and the attributes of the neighborhood. Overall, 70 percent of adults report that they are either mostly or completely satisfied with the overall quality of their neighborhood. Additionally, a majority of adults indicate that they are mostly or completely satisfied with their neighborhood safety, the quality of their schools, the quality of local amenities, the quality of their home, and the cost of their home. However, there are differences in satisfaction levels based on whether the individual owns their home (figure 21).

Across all measures of satisfaction, homeowners are more likely to report that they are satisfied with their house and neighborhood than are renters. Specifically, while 76 percent of homeowners are mostly or completely satisfied with their neighborhood quality overall, only 58 percent of renters report this level of satisfaction. This may reflect differences in the houses and neighborhoods where owners live relative to renters, as well as differences in the psychological commitment to a house and neighborhood required for someone to decide to purchase a given home.

While neighborhood satisfaction is generally high, there is also substantial variation in perceptions of

the neighborhood quality based on the income level of the local area. Among respondents in neighborhoods with low to moderate rates of poverty, where fewer than 20 percent of residents have income below the poverty line, over three-quarters of respondents are satisfied with the overall quality of their neighborhood and majorities are satisfied with the other aspects of their housing and community conditions. However, among respondents living in census tracts with high or very high poverty levels, the neighborhood satisfaction rates are lower. Among those living in high-poverty census tracts, where between 20 percent and 40 percent of residents are poor, 54 percent of respondents are mostly or completely satisfied with their overall neighborhood quality. Among those living in very high-poverty census tracts, this overall satisfaction rate falls even further to 35 percent (table 18).²⁵ A similar pattern is observed for each of the specific aspects of neighborhood and housing satisfaction, with lower satisfaction rates in communities with higher rates of poverty.

Reflecting that non-Hispanic black and Hispanic respondents are disproportionately likely to live in high-poverty and very high-poverty census tracts, neighborhood satisfaction is also lower among black and Hispanic respondents than among white respondents. While 76 percent of non-Hispanic white respondents are mostly or completely satisfied with their overall neighborhood quality, this percentage is 57 percent among non-Hispanic black respondents and 59 percent among Hispanic respondents.

In order to gain additional insight into the factors that contribute to housing choices, the survey also asks renters who moved in the past two years what factors contributed to their moving to their current home. The options presented can be grouped into moves resulting from a change in life circumstances (including a relocation or a change in family status), moves to find a better quality house or neighborhood, and moves to save money. Forty-seven percent of renters who moved recently indicate that they moved, at least in part, due to changes in life circumstances, with 35 percent reporting that they relocated to a new city and 18 percent reporting that they had a change in family status (responses to the separate

²⁵ Poverty-level census tract information is obtained from the Census Bureau's 2010–14 American Community Survey five-year sample. The choice of cutoffs at 20 percent and 40 percent of the population in poverty are based on the thresholds used by Alemayehu Bishaw, "Changes in Areas with Concentrated Poverty: 2000–2010," *Census Bureau American Community Survey Reports ACS-27* (June 2014), www.census.gov/content/dam/Census/library/publications/2014/acs/acs-27.pdf.

Box 3. Asset Accumulation by Race and Ethnicity

When considering the well-being of individuals in different subsets of the population, one finding that is apparent in the SHED results is the stark difference in asset holdings across different races and ethnicities. This asset gap exceeds that which can be explained only by current income. It also is broadly consistent with findings from the Survey of Consumer Finances that there is a wealth gap between individuals of different races and ethnicities.¹

Relative to that seen among white respondents, non-Hispanic black and Hispanic adults are less likely to own their home, less likely to own a car, less likely to have three months of emergency savings, less likely to cover a \$400 emergency expense without borrowing, and less likely to have any retirement savings (table A). They also are less likely to have acquired human capital assets, as they report substantially lower rates of completing a bachelor's degree than is seen among non-Hispanic white respondents.

Additionally, to the extent that non-Hispanic black and Hispanic respondents have these assets, they are more likely to have loans that reduce their equity in the asset. While there are only minor differences across races and ethnicities in the propensity of homeowners to have a mortgage, differences in borrowing rates emerge for other assets. Fifty-one percent of non-Hispanic black car owners and 43 percent of Hispanic car owners report that they have an auto loan. This compares to 38 percent of non-Hispanic white car owners who currently owe money on a car loan. The difference in the propensity to owe education debt is even more prevalent. Forty-nine percent of non-Hispanic black respondents with a bachelor's degree and 40 percent of Hispanic respondents with a bachelor's degree currently owe education debt from that education, compared to the 19 percent of non-Hispanic white respondents with a bachelor's degree who owe money on education debt.

¹ See Jeffrey P. Thompson and Gustavo Suarez, "Exploring the Racial Wealth Gap Using the Survey of Consumer Finances," *FEDS Working Paper Series 2015-076* (Washington: Board of Governors of the Federal Reserve System, 2015).

Table A. Asset ownership rate (by race and ethnicity)
Percent

Asset type	White, non-Hispanic	Black, non-Hispanic	Hispanic
Homeowner	67.8	47.7	47.3
Car or truck owner	82.6	61.1	65.13
Has 3 months of emergency savings	52.1	33.6	35.3
Would cover \$400 expense without borrowing	60.8	36.4	38.3
Has any retirement savings	73.7	60.3	57.1
Has at least a bachelor's degree	32.3	23.7	17.6

These differences in asset accumulation are partially attributable to demographic and socioeconomic characteristics that are correlated with the race and ethnicity of the respondent. However, while adding controls for the gender, age, education, marital status, and parental education to regressions weakens the magnitude of these relationships between asset ownership and race/ethnicity, in almost all cases the relationships remain statistically significant. The only exception is that, with controls, non-Hispanic blacks are no longer significantly less likely to have obtained a bachelor's degree than non-Hispanic white respondents, although the sign of the point estimate remains negative.² Additionally, even adding controls for current employment status and income only impacts the significance of the difference across races and ethnicities for retirement savings and emergency savings between non-Hispanic white and Hispanic respondents, while the gap in these retirement savings between non-Hispanic white and non-Hispanic black respondents remains significant. In the case of each of the other assets considered, the difference in asset ownership between non-Hispanic white and black respondents and between non-Hispanic white and Hispanic respondents remains significant even with all of these demographic and socioeconomic controls included.

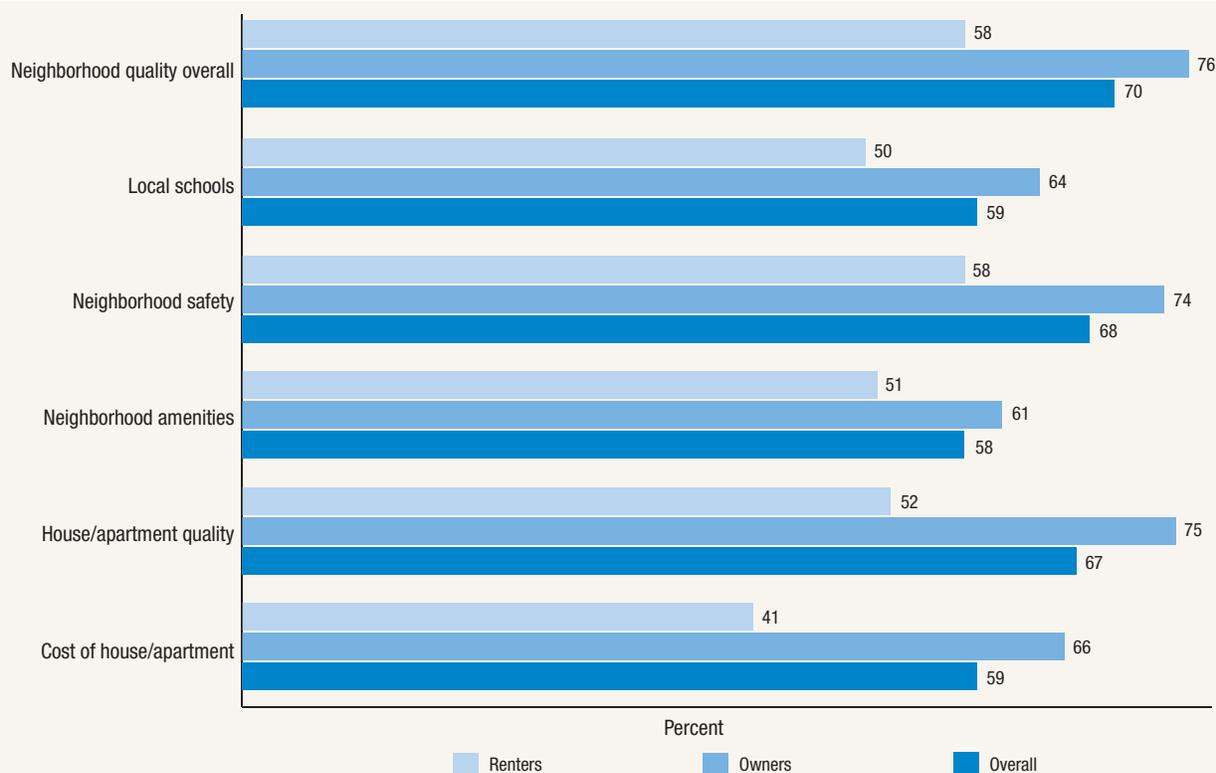
² Own education and income are both excluded from the covariates in the regression considering the likelihood of having a bachelor's degree, since one's education is expected to influence his or her income level rather than the reverse.

responses exceed those moving for life circumstances combined because the answers are not mutually exclusive). Twenty-nine percent report that they moved in order to save money, and 24 percent report that they moved for either a better quality home or a better-quality neighborhood (table 19).

Home Value and Housing Expenses

Among homeowners, 67 percent currently have a mortgage, and among mortgage holders, the average monthly mortgage payment is \$1,225, with a median

Figure 21. Respondents who are “mostly satisfied” or “completely satisfied” with each neighborhood characteristic (by housing tenure)



Note: Responses to the cost of the house/apartment are among respondents who either own or rent.

payment of \$1,100. Among renters, the average rent payment is \$855 and the median payment is \$760. Both the median reported mortgage and the median reported rent have increased relative to 2014, when they were \$1,068 and \$700 respectively—although the

increase in median mortgage payments is not statistically significant.

Looking at the trend in home values, a majority of homeowners believe that the value of their home increased in the 12 months prior to the survey. When asked to compare the current value of their home to the value one year prior (in fall 2014), 17 percent of homeowners say that the value of their home is now lower, while 27 percent say that the value has stayed

Table 18. Respondents who are “mostly satisfied” or “completely satisfied” with each neighborhood characteristic (by census tract poverty rate)

Percent

Characteristic	Live in low- to moderate-poverty area (less than 20 percent)	Live in high-poverty area (20–40 percent)	Live in very high-poverty area (over 40 percent)
Neighborhood quality overall	76.9	53.9	35.1
Local schools	64.6	45.7	31.0
Neighborhood safety	75.4	50.1	36.3
Neighborhood amenities	63.3	43.6	30.5
House/apartment quality	71.5	58.2	40.7
Cost of house/apartment	61.3	53.1	42.8

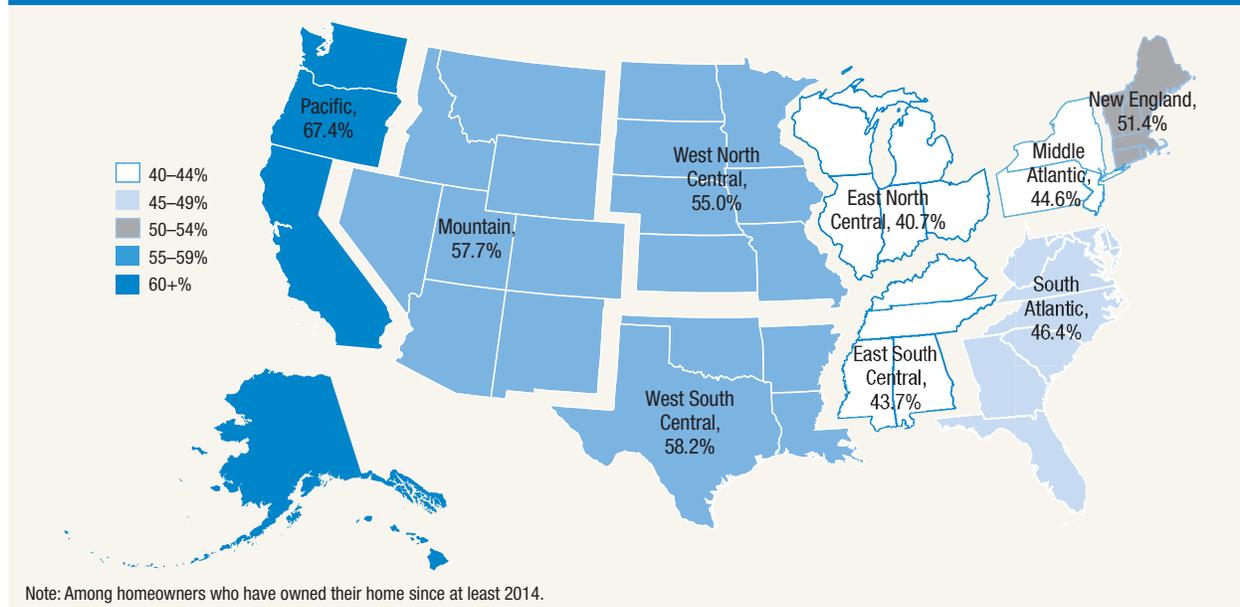
Note: Responses to the cost of the house/apartment are among respondents who either own or rent.

Table 19. Reasons reported by renters who moved recently for moving to their current home

Reason	Percent
Relocated to a new city	35.5
Change in family status	17.6
Larger or better quality home	18.9
Better quality neighborhood or schools	12.0
To save money/cheaper place to live	28.8
Other	17.1

Note: Among respondents who rent their home and have moved since 2014.

Figure 22. Homeowners who think that the value of their home is higher than it was 12 months ago (by census division)



the same and 51 percent say that their home now has a higher value.²⁶ Consistent with that seen in the SHED for the past two years, respondents in the Pacific division of the United States are the most likely to think that their home increased in value over this period, with over two-thirds of respondents believing that their home has risen in value.²⁷ Those in the South Atlantic, Mid-Atlantic, East South Central, and East North Central divisions, however, each had fewer than half of homeowners report that they feel that the value has appreciated in the prior year (figure 22).

Perceptions of the recent trajectory of home values are also correlated with the local neighborhood conditions. Fifty-three percent of homeowners living in low- to moderate-poverty census tracts believe that their home increased in value over the prior year. In census tracts where over 20 percent of individuals are

in poverty, 45 percent believe that their home value has recently increased.²⁸ Recognizing that perceptions of home values trends are self-reported, particular caution is warranted in interpreting these results. Nevertheless, this difference in perceived home value trends illustrates a potential concern that rising home values may not benefit individuals living in all communities equally.

Most homeowners also express optimism about the trajectory of home prices going forward. Eight percent of homeowners believe that home prices in their neighborhood will decline in the year after the survey, compared to 43 percent who expect home prices to rise. Optimism about future home prices is also highest in the Pacific division of the United States, where 58 percent of respondents expect home prices in their neighborhood to rise, compared to 6 percent who expect home prices to fall (figure 23).

Home Purchase Decision

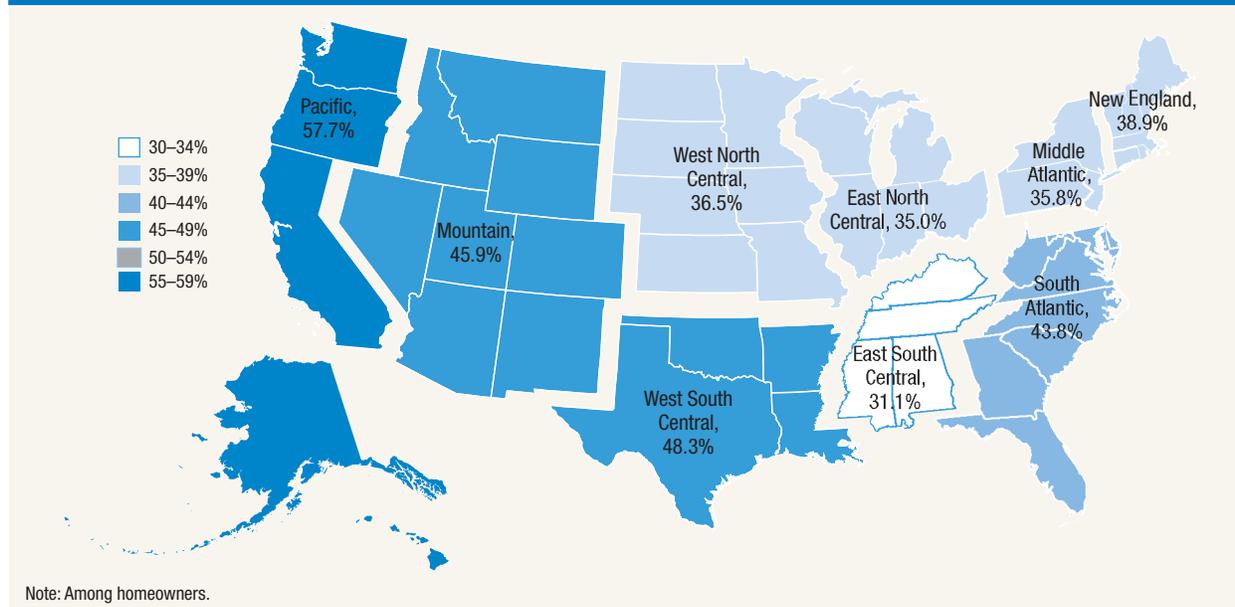
Among all respondents, 9 percent report that they probably or definitely will purchase a home in the 12 months following the survey. An additional 9 per-

²⁶ The 2015 survey changed from a three-point scale (with answer choices that the home value is higher, the same, or lower than a year earlier) to a five-point scale (with options that the value is much higher, somewhat higher, the same, somewhat lower, or much lower) when asking respondents about the recent trajectory in their home value. This change likely accounts for the lower number of respondents in 2015 who feel that their home value is unchanged over the past 12 months relative to that observed in the previous year's survey.

²⁷ Census divisions are considered here, rather than states, in order to ensure sufficient sample sizes to make meaningful comparisons. Additional information on the nine census divisions is available at www.census.gov/geo/reference/gtc/gtc_census_divreg.html.

²⁸ The poverty status of the respondent's census tract is based on the five-year American Community Survey results from 2010 through 2014. As such, the level of poverty considered in each tract predates the survey, which mitigates concerns about reverse causality.

Figure 23. Homeowners who think that home prices in their neighborhood will increase in the next 12 months (by census division)



cent of respondents report that they do not know if they will buy a home in the next year. The likelihood of purchasing is higher among renters, with 16 percent of those who currently rent indicating that they probably or definitely expect to purchase a home.

In order to assess how seriously respondents are considering a purchase, as well as to better understand the path buyers take toward a home purchase, the survey asks respondents who expect to purchase a home in the next year, or who do not know if they will buy a home, about the steps that they have taken toward this endeavor.

A majority of prospective home buyers (60 percent) report that they have researched houses on their own, and nearly as many (54 percent) report that they have checked their credit. Thirty-six percent indicate that they have talked to a real estate agent in their home search, and just over a quarter indicate that they have talked to a bank or lender about obtaining a mortgage. Obtaining a preapproval for a mortgage is less frequent, with 17 percent indicating that they have taken that step toward buying a home.

Researching houses independently and checking credit are the most common home-buying tasks for respondents irrespective of their level of certainty in purchasing a home. Predictably, however, the more certain a respondent is that they will purchase a

house in the next year, the more likely that they are to have taken each of the steps in the home buying process (table 20).

An important aspect of purchasing a home is acquiring sufficient resources to fund a down payment. To assess the usual sources of these funds for a down payment, the survey asks all respondents who purchased a home since 2001 what sources were used to fund their home purchase in addition to their mortgage. Among all buyers during this time, personal savings and proceeds from the sale of a previous home were used most frequently—by 56 percent and

Table 20. Have you taken each of the following steps in planning for a home purchase? (by likelihood of purchasing a home in the next year)

Step	Percent			
	Definitely will buy	Probably will buy	Don't know	All
Researched houses on your own	90.8	72.6	43.7	59.8
Checked your credit	83.7	71.3	34.7	53.9
Talked to a real estate agent	68.2	45.1	21.9	35.8
Attended open houses	53.1	32.9	16.7	26.9
Talked to a bank or lender	64.2	30.0	14.5	26.0
Received a mortgage preapproval	41.2	20.2	9.4	17.1
Submitted an offer on a house	27.6	9.3	3.9	8.7

Note: Among respondents who say that they will definitely, probably, or don't know if they will buy a house in the next year.

35 percent of homebuyers, respectively. The other sources of funds were each used by 15 percent or fewer of homebuyers.

However, among young homeowners (under age 35), a higher 23 percent report that they used a loan or gift from family or friends to help fund the down payment on their current house (table 21).²⁹ When further restricting the sample to young first-time homeowners—thereby excluding those who have already moved on to their second or third house—the fraction who relied on a loan or gift from family or friends increases to 28 percent. Approximately 10 percent of young first-time homeowners say that they relied exclusively on a loan or gift from family or friends for their down payment. Nevertheless, even among young first-time homebuyers, personal sav-

²⁹ The small number of respondents who volunteer that they used an inheritance to fund their down payment are included in this group.

Table 21. In addition to your mortgage, what sources of funds did you use (if any) when you purchased your current home? (by age)

Percent		
Source of funds	Under age 35	All ages
Personal savings	63.0	55.6
Proceeds from sale of previous home	15.5	34.8
Loan or gift from family/friends	23.4	13.8
Second mortgage	3.3	5.2
Assistance from government program or nonprofit	5.6	4.8
Other	2.1	4.5
None	15.5	13.3

Note: Among respondents who purchased a home since 2001. Respondents who volunteered that the funds came from an inheritance are included with loans or gifts from friends or family.

ings is the dominant source for funding a home purchase, with 65 percent reporting that personal savings were used to fund the purchase.

Automobile Purchase Decisions and Auto Lending

Outside of a house, an automobile is typically one of the largest financial assets that individuals own. These vehicles are often financed at least in part by borrowing. As a result of this borrowing, auto loans are the third largest form of debt in the United States, behind housing debt and student loan debt, with over \$1 trillion of auto loans outstanding in the third quarter of 2015.³⁰ In order to evaluate decision-making in the car buying process and the sources of information that consumers rely on when obtaining an auto loan, the 2015 survey includes questions on the purchase decision and on automobile lending.

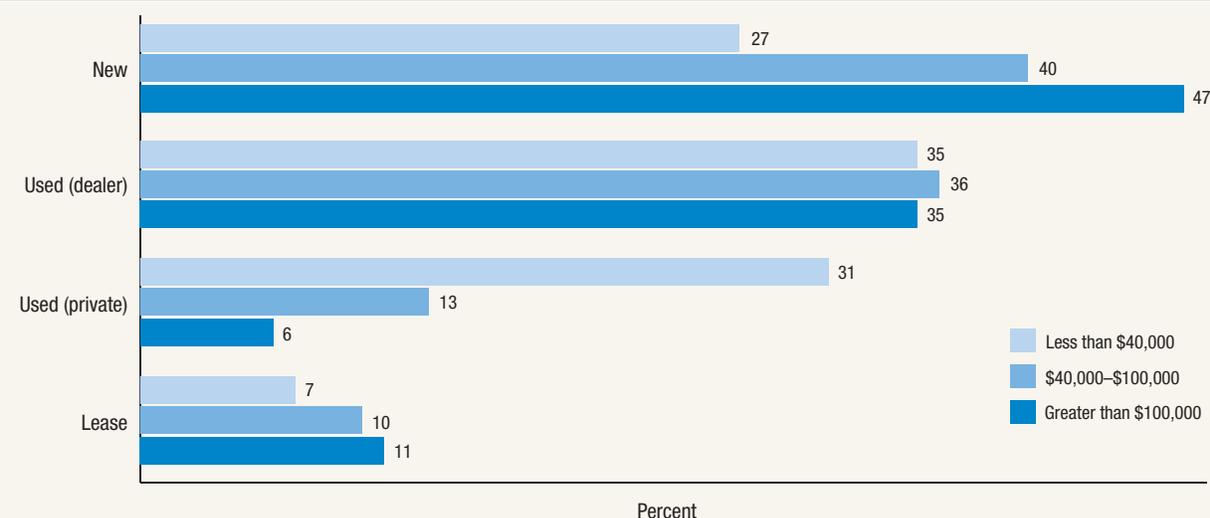
³⁰ Federal Reserve Bank of New York, *Quarterly Report on Household Debt and Credit* (November 2015), www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2015Q3.pdf.

Purchase and Financing of Newly Acquired Vehicles

Twenty-four percent of adults report that either they or their spouse or partner acquired (purchased or leased) a new or used car or truck in the prior year. Of those who bought or leased an automobile, 38 percent purchased a new vehicle, 35 percent purchased a used vehicle from a dealership or car salesman, 17 percent purchased a used vehicle from a private seller, and 9 percent leased a vehicle.³¹

³¹ Respondents who purchased or leased multiple vehicles in the previous year are instructed to report on the vehicle which they acquired most recently.

Figure 24. Source of newly acquired automobiles (by family income)



Note: Among respondents who purchased or leased a vehicle in the past 12 months.

Table 22. Expected ownership period and purchase prices of newly acquired automobiles (by type of transaction)

Transaction type	Expected ownership period (years)		Purchase price (percent)				
	Mean	Median	Less than \$10,000	\$10,000–\$20,000	\$20,000–\$30,000	\$30,000–\$40,000	Greater than \$40,000
New	8.6	9.0	5.5	18.7	34.7	26.5	14.1
Used (dealer)	8.3	8.0	19.9	43.8	22.2	8.9	5.0
Used (private)	5.7	5.0	78.4	15.4	4.8	0.0	0.9
Leased	4.0	3.0	—	—	—	—	—
Overall	7.6	6.0	24.8	27.9	24.2	14.6	8.1

Note: Among respondents who purchased or leased a vehicle in the past year. Respondents who leased a vehicle are not asked for the purchase price.

The source from which individuals acquire vehicles varies greatly by income level. Among lower-income respondents who bought or leased a vehicle in the prior year, two-thirds acquired it used, and 31 percent purchased that vehicle from a private seller. Over half of higher-income respondents who acquired a vehicle, on the other hand, either leased the vehicle or purchased it new (figure 24).

Among all respondents who acquired a car or truck in the prior year, the median period over which they expect to keep that vehicle is six years. However, the expected life of the vehicle varies greatly based on whether it was leased, purchased new, or purchased used. Respondents who purchased a new, unused vehicle expect to keep it for a median of nine years. This compares to a median expected holding period of five years for those who purchased their automobile from a private seller (table 22). The shorter holding period for vehicles purchased from private sellers likely reflects the lower price of these cars. Seventy-eight percent of used vehicles purchased from private sellers were purchased for less than \$10,000.

Approximately two-thirds of the respondents who purchased a new or used vehicle in the prior year took out a loan to finance that purchase.³² Half of these loans were taken out from the location where the vehicle was purchased, and 47 percent came from a bank, credit union, or Internet lender.

Consistent with the earlier observations (see the “Banking, Credit Access, and Credit Usage” section) that lower-income respondents are less likely to feel that credit is available were they to apply, respondents whose family income is below \$40,000 who

³² These results only include automobile loans used for the purchase of a newly acquired vehicle and do not include automobile title loans that respondents may take out to borrow money using a car that they already own as collateral.

bought a car in the past year are less likely to have taken out a loan for their vehicle (table 23). However, this result is also at least partially attributable to the fact that lower-income buyers disproportionately purchase their car from private sellers. These private-party transactions may have fewer available options for obtaining a loan, as well as lower purchase prices which can reduce the demand for a loan.

The length of auto loans for vehicles purchased recently vary in length. The median loan length is between 49 and 60 months (4 to 5 years). Approximately one-quarter of the loans are 36 months or less whereas 31 percent are 61 months or longer (figure 25). Comparing the expected holding period for newly acquired vehicles with the length of the loan, the vast majority of buyers expect to hold their car long enough to completely pay off the initial loan. However, 12 percent of car buyers who used a loan to finance the purchase took out a loan with a longer repayment period than their expected horizon for continuing to own the car.

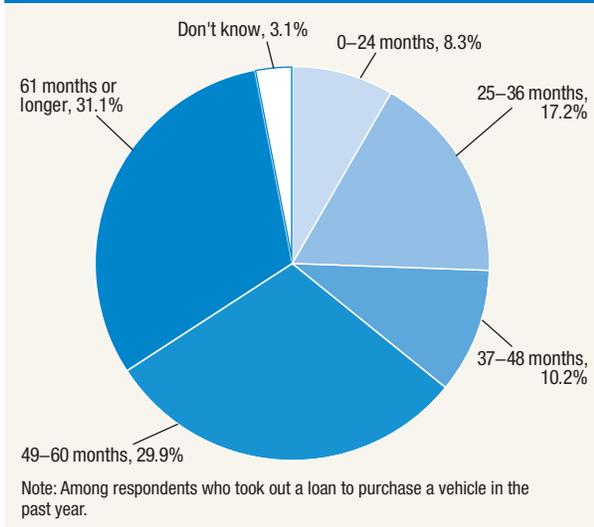
There is also substantial variation in the interest rate that individuals pay on their auto loans. Just over

Table 23. Use of auto loans to finance car purchases (by family income)

Income category	Percent			
	No	Yes, from seller	Yes, from bank, credit union, or Internet lender	Yes, from other source
Less than \$40,000	44.6	24.0	28.5	2.6
\$40,000–\$100,000	28.9	36.2	33.0	1.8
Greater than \$100,000	28.1	39.4	31.1	1.4
Overall	34.1	32.9	30.9	1.9

Note: Among respondents who purchased a vehicle in the past year.

Figure 25. Length of auto loans for vehicles purchased in the past year



one-fifth of recent borrowers received an interest rate of under 2 percent for their auto loan, and 36 percent received an interest rate of between 2 percent and 3.99 percent. An additional 16 percent pay between 4 percent and 5.99 percent on their auto loan, while 15 percent pay over 6 percent on the loan. Eleven percent of borrowers do not know the interest rate on their loan. Perhaps reflecting the promotional

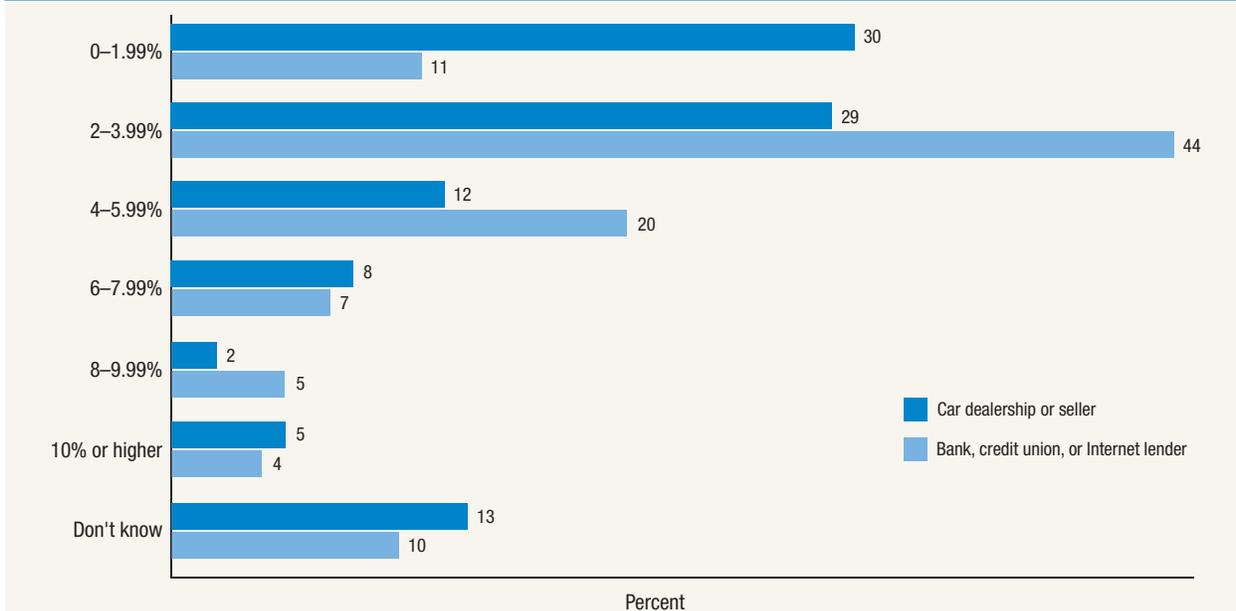
interest rates that some car dealerships offer, it appears that interest rates of under 2 percent are more commonly received from the dealer or car salesman where the car was purchased than from a bank, credit union, or Internet lender (figure 26).

This higher propensity of sub-2-percent interest rates from car dealers than from banks or other lenders is true for purchasers of both new and used cars. However, in the used car market there also is evidence of consumers receiving expensive financing more frequently from car sellers than they do from banks, credit unions, or Internet lenders. Among consumers who purchased a used car from a dealership or car lot, one-tenth of those who financed the car through the seller pay an interest rate of over 10 percent. In comparison, only 5 percent of used car loans from banks, credit unions, or Internet lenders have a double-digit interest rate.

Factors in the Car Purchase and Lease Decision

A series of questions in the survey are designed to understand the financial decisions that consumers make leading up to their vehicle purchase or lease. Although these questions are focused on decisions

Figure 26. Interest rate on car loans (by source of the loan)



Note: Among respondents who took out a loan to purchase a vehicle in the past year.

encountered when buying or leasing a car, they may also provide insights into how other large financial decisions are considered.

When deciding where to purchase or lease their vehicle, 70 percent of all consumers report that they compared prices from different sellers. Among just those who financed their purchase with a loan, 73 percent compared prices on the car or truck from different sellers, whereas 53 percent report that they compared interest rates or loan terms from different sellers. Hence, while a majority of consumers shopped around for both the vehicle price and loan terms, the fraction who compared prices on the vehicle significantly exceeds the fraction who compared prices on their loan.

Consumers are also asked about the sources of advice that they turned to when deciding how to finance their auto purchase. Half of car buyers report that they did not use advice from anyone else in deciding how to finance their car purchase. Twenty-three percent report that they used advice from friends or family, 20 percent found advice online, 15 percent used advice from the car dealer or car salesman, and 7 percent used advice from a banker or lender. Forty-seven percent of those who used advice from the car dealer or car salesman (7 percent of all car buyers) indicate that this was the only advice used for financing their vehicle.

When purchasing or leasing a vehicle, there are a number of financial factors that consumers may consider. These include the total purchase price of the car, the monthly payment amount, cash due upfront with the purchase, terms of the loan, or the amount offered for the trade-in of a used vehicle. Just over three-quarters of these consumers negotiated the purchase price of the vehicle, and 55 percent said that the purchase price was the most important factor. However, at least 30 percent of respondents report that they negotiated on each of the other factors presented, and 27 percent say that the monthly payment amount—not the purchase price—was the most important factor in their decision (table 24).

Likely reflecting the greater liquidity constraints of lower- and middle-income respondents, the monthly payment amount is of greater importance to consumers with lower incomes. Thirty-three percent of car buyers and leasers whose income is under \$40,000, and 29 percent of those whose income is between \$40,000 and \$100,000, indicate that the monthly payment was their most important factor in

Table 24. When you bought or leased this car or truck, which of the following (if any) did you negotiate with the seller? Which one of these did you consider to be the most important?

Factor	Percent	
	Negotiated	Most important
Purchase price	76.1	54.8
Monthly payment	40.0	27.1
Upfront payment	37.3	3.1
Interest rate on loan	31.6	6.1
Length of loan	36.6	2.7
Trade-in amount	37.2	6.0

Note: Among respondents who bought or leased a vehicle in the past year.

negotiations. Among those whose income is over \$100,000, 19 percent report that they prioritized the monthly payment.

These respondents who focus on having lower monthly payments when negotiating for their car may be expected have longer loan terms in order to reduce the monthly payments for a car of a given price. The survey finds some evidence that this is the case. Among buyers who indicate that a lower monthly payment was a priority when negotiating, 44 percent of those who financed their purchase took out a loan with a term longer than five years. This compares to 21 percent of those for whom the vehicle price was the main concern that took out a loan with a term of over five years (table 25).

Auto Loan Performance

In order to monitor the performance of auto loans, and the characteristics of borrowers who are struggling to make their loan payment, the survey asks all respondents who own a car whether they currently owe money on loans for their vehicles. Thirty-nine percent of all respondents who own a car or truck report that they owe money on a loan for a vehicle that they own. When combined with those who lease a vehicle, 45 percent of all adults with a car or truck are making payments on at least one vehicle.

Among those respondents who are making vehicle loan or lease payments, 8 percent report that in the last year they have missed or been late making one or more car payments. The likelihood of having missed a payment is substantially higher among lower-income respondents, with 15 percent of those whose income is under \$40,000 and also have an auto loan

Table 25. Length of auto loans (by the most important factor when negotiating the car purchase)

Percent

Factor	0–24 months	25–36 months	37–48 months	49–60 months	61 months or longer	Don't know
Purchase price	11.4	19.0	10.5	35.2	20.6	3.2
Monthly payment	4.7	20.5	1.3	28.0	44.0	1.6
Upfront payment	7.4	26.1	15.6	22.4	20.1	8.5
Interest rate on loan	0.0	11.3	17.9	13.8	51.9	5.1
Length of loan	10.8	0.0	9.9	24.7	54.6	0.0
Trade-in amount	0.2	11.5	24.5	32.7	28.3	0.0

Note: Among respondents who took out a loan to purchase a vehicle in the past year.

or lease indicating that they have missed one or more car payments.³³

Respondents who missed an auto loan or lease payment frequently appear to also be struggling in other aspects of their financial lives. Sixty-percent of respondents with a credit card who missed an auto payment in the prior year report that they carried a balance on their credit card most or all of the time

³³ Since this question is asked of respondents who currently have an outstanding auto loan or lease, it will not capture respondents who had their vehicle repossessed due to missed payments. It also will not capture respondents who were making payments during the year but have since completely paid off their loan.

during that time—which is nearly double the rate among the general population with a credit card. Forty-four percent of credit card holders who missed an auto payment also report making only the minimum payment on their credit card most or all of the time, compared to 12 percent of the general population with a credit card that only make the minimum payment most or all of the time. Additionally, 45 percent of respondents with a mortgage who missed a car loan payment also indicate that they missed two or more mortgage payments in the last 12 months, far exceeding the 4 percent of all adults with a mortgage who missed multiple mortgage payments.

Higher Education and Human Capital

Whether an individual attends college and completes his or her degree has long been understood to be a major determinant of lifetime income and financial well-being. However, as real college costs and the percentage of students borrowing to pay for education both continue to rise, some have questioned if the relationship between higher education and lifetime returns may now be more complicated. The survey asks respondents about their educational experience, their perceptions of the value of their degree, and—among those who did not complete a college degree—why they did not continue their education. The survey also inquires about the financing of education and the use of student loans, which is discussed in the “[Education Debt and Student Loans](#)” section of this report.

The survey results show that most adults who went to college believe that the value of their education meets or exceeds the costs, although the perceived value of higher education varies widely depending on program completion, type, and major. In particular, while respondents who have a degree from traditional public or nonprofit institutions overwhelmingly report that their education was worth the cost, perceptions of the value of one’s degree are less positive among non-completers and respondents who graduated from a for-profit school.

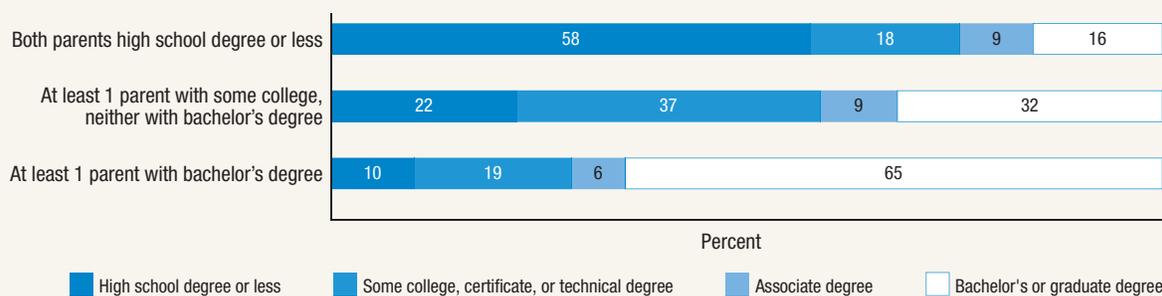
Higher Education Decisions by Family Background

The likelihood that an individual attends college is highly correlated with the education of his or her parents. Among young adults ages 25 to 34 whose parents both have a high school degree or less, 58 percent completed no education beyond high school themselves and only 16 percent obtained at least a bachelor’s degree. Among similarly aged respondents with at least one parent who received a bachelor’s degree, 65 percent report that they received a bachelor’s degree, whereas only 10 percent have no education beyond high school ([figure 27](#)).

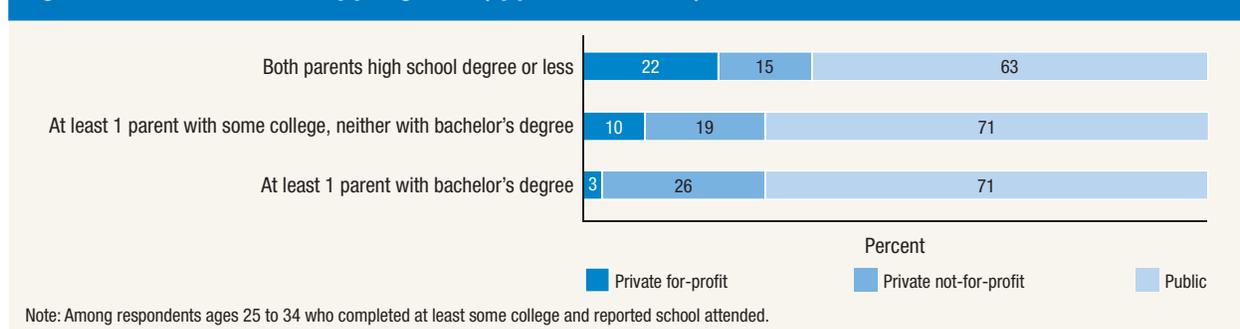
Among those who do attend college, family background also influences the type of school that they attend. Twenty-two percent of young adults ages 25 to 34 who went to college but whose parents did not report that they attended a private for-profit institution. For comparison, among respondents with at least one parent who has a bachelor’s degree, 3 percent attended a for-profit institution ([figure 28](#)).³⁴ As will be discussed later in this section

³⁴ Recognizing the relatively small sample size of young adults who attended college but whose parents did not, these calculations were also considered for a broader age band of respon-

Figure 27. Educational attainment of young adults (by parents’ education)



Note: Among respondents ages 25 to 34.

Figure 28. Institutions attended by young adults (by parents' education)

and in the “[Education Debt and Student Loans](#)” section of this report, the type of institution attended appears to be correlated with both the perceived value of one’s degree and the likelihood of falling behind on one’s student loans.

Value of Higher Education by Educational Characteristics

In order to monitor the perceived value of higher education, the survey asks respondents who completed at least some college whether they believe that the lifetime financial benefits of their postsecondary education outweigh the lifetime financial costs. Overall, 51 percent of respondents feel that the benefits of their education exceed the costs and an additional 27 percent of respondents feel that the costs and benefits are about the same. Just 20 percent of respondents believe that the costs of this education exceed the financial benefits that it produced.

While perceptions of the value of one’s education are generally positive, responses to this question vary based on the characteristics of the respondent’s education. Among non-completers (respondents who attended college but failed to complete at least an associate degree), 35 percent feel that the education was worth the cost, whereas 27 percent feel that the costs outweigh the benefits.³⁵ For those who completed at least an associate degree, the likelihood of viewing the degree as beneficial is much greater. Among these degree completers, 62 percent feel that the benefits of their education outweighed the costs,

dents—ages 25 to 44. When doing so, the results are consistent with those presented here.

³⁵ When limiting the sample to those who have not completed an associate degree and who are not currently enrolled, 31 percent feel that their education was worth the cost and 27 percent feel that the costs outweigh the benefits.

compared to just 16 percent who feel the costs outweigh the benefits.

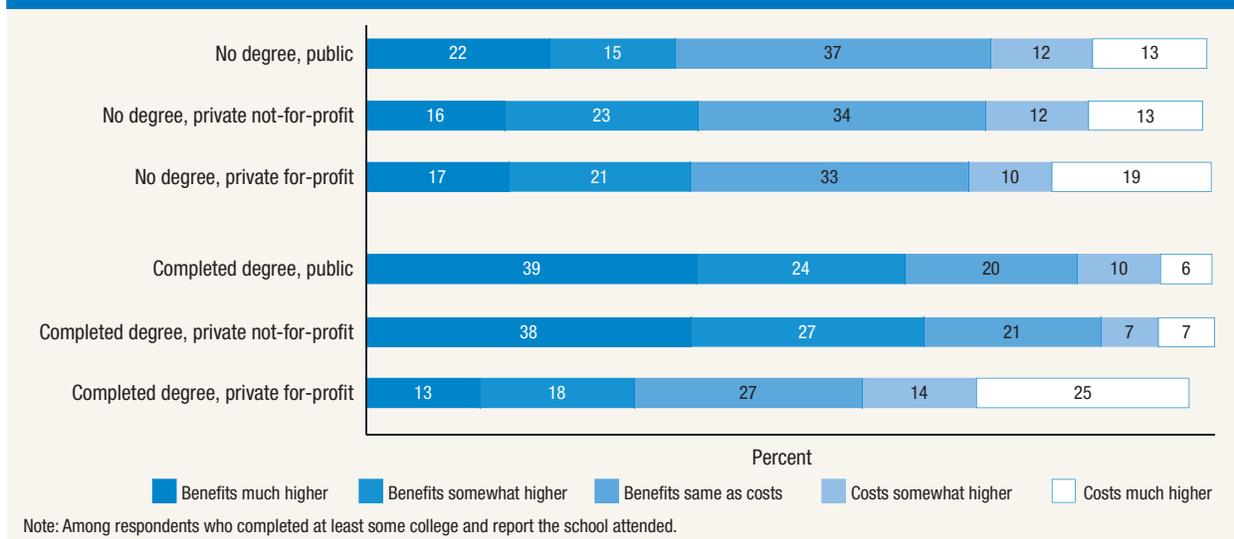
Self-perceptions of the value of one’s education also vary based on the type of institution attended. Among non-graduates, the type of institution attended has no statistically significant impact on the self-perceived value of the education. However, among those who completed their degree, substantial differences emerge based on where the individual went to school ([figure 29](#)). Over 60 percent of graduates from public or not-for-profit institutions report that the value of their degree exceeded the cost. But among graduates of for-profit institutions, only 32 percent feel that their degree was worth the cost.

Additionally, this difference is not purely due to the selectivity of the institutions. Schools attended were also analyzed by how selective (accepting a small number of applicants) or how inclusive (accepting a larger share of applicants) they are based on the Carnegie Classification™.³⁶ Among respondents who completed a degree from a part-time or inclusive public or not-for-profit institution, 56 percent feel that the benefits outweigh the costs. Among respondents who completed a degree from a similarly inclusive for-profit institution, just 26 percent feel that the benefits exceed the costs.

As was observed in the 2014 survey, there is also some evidence from this year’s survey results that the field of study impacts how respondents with similar

³⁶ The Carnegie Classification™ defines selective institutions as those whose first-year students’ test scores place most of these institutions in roughly the middle two-fifths of baccalaureate institutions and more selective institutions as those whose first-year students’ test scores place these institutions in roughly the top fifth of baccalaureate institutions. Inclusive institutions extend educational opportunities to a wide range of students with respect to their academic preparation. For more details on the Carnegie Classification, see <http://carnegieclassifications.iu.edu/>.

Figure 29. Overall, how would you say the lifetime financial benefits of your bachelor's degree, associate degree, or most recent educational program compare to its financial costs? (by completion of at least an associate degree and institution type)



levels of education value their degree (table 26). While sample sizes for any given degree are small, when looking just at respondents who completed at least an associate degree, those with degrees in engineering, computer science, or physical sciences are the most likely to report that the benefits of their degree exceed the costs. In contrast, respondents with

at least an associate degree who majored in a vocational/technical field, social/behavioral sciences, or humanities are the least likely to report that the benefits exceed the costs. Nevertheless, across every major, those who completed at least an associate degree are more likely to say that the benefits exceed the costs than to say that the costs outweigh the benefits.

Table 26. Overall, how would you say the lifetime financial benefits of your bachelor's or associate degree program compare to its financial costs? (by field of study)

Field of study	Benefits outweigh costs	About the same	Costs outweigh benefits
Engineering	76.9	17.3	5.7
Computer/information sciences	73.9	17.4	7.8
Physical sciences/math	71.8	9.4	18.3
Education	67.5	18.4	14.1
Life sciences	64.7	19.8	15.5
Law	64.0	21.9	11.8
Business/management	63.9	21.0	15.0
Health	59.7	22.7	16.5
Vocational/technical	51.7	34.5	13.8
Social/behavioral sciences	49.7	22.7	27.3
Humanities	47.7	26.7	25.1
Undeclared	46.2	32.0	18.1
Other	51.2	17.8	29.2
Did not state	58.9	9.6	10.8

Note: Among respondents who completed at least an associate degree.

A potential determinant of whether respondents feel that the education yielded a net benefit is whether they found employment and, among those employed, if that employment is within their field of study.³⁷ Among employed respondents who completed their degree and are employed in an occupation that is closely related to their major, 67 percent feel that their education was worth the cost. Among those who are employed, but in an unrelated or unknown occupation, 56 percent feel that their education was worth the cost. An even lower 47 percent of non-employed, non-retired degree recipients feel that their education was worth the cost (figure 30).

³⁷ Occupations are classified as being closely related to the field of study by meeting one of two criteria. Using the self-reported occupation and field of study in the SHED data, an occupation and field are considered closely related if either (1) the occupation is the most commonly reported occupation among respondents with that field of study or (2) the field of study is the most commonly reported field among degreed workers of that occupation.

Table 27. Knowing what you know now about the benefits and costs of your education, if you could go back and make your education decisions again would you have done each of these things? (by education level)

Percent		
Response	Some college, certificate, or technical degree	Associate, bachelor's, or graduate degree
Chosen a different field of study	37.1	33.6
Attended a different school	32.3	22.4
Completed less education or not attended college	15.1	5.6
Completed more education	69.2	41.9

Note: Among respondents who completed at least some college.

Desire to Change Educational Decisions

The responses to the question of whether one’s education was worth the cost suggest that degree completion, type of institution, and choice of major all play a role in whether individuals feel that their educational investment paid off. In order to gain further insight into the dimensions on which respondents feel their educational investments were lacking, the survey also asks respondents what they would do differently if they could go back and make their educational decision again.

Among respondents who started college but did not complete their degree, over two-thirds say that, if they could make their educational choices again, they would have completed more education (table 27). Just 15 percent would have either not attended college or completed less education. Notably, even among respondents who feel that the costs of their education outweigh the benefits, 68 percent of non-graduates report that they would have completed more education, compared to 24 percent who would

have completed less education or not gone to college. This suggests that many non-graduates who feel that their education was not worth the cost believe that their failure to complete a degree contributed to the low return on their investment.

Among respondents who completed at least an associate degree, the pattern of responses is similar. Forty-two percent of these respondents would have completed more education—which includes 64 percent of associate degree recipients who would have completed additional education. Only 6 percent would have either completed less education or not attended college.

This question also provides evidence that respondents who attended a for-profit institution have a higher level of regret about their choice of school than those who attended a not-for-profit or public institution. Forty-nine percent of respondents who went to a for-profit school say that they would have attended a different school if they could make their educational decisions again. This compares to 28 percent of individuals who attended a not-for-profit institution and 21 percent of individuals who attended a public institution that say they would have attended a different school.

Reasons for Not Starting or Not Finishing College

Thirty-percent of respondents in the survey have completed at least a bachelor’s degree and 13 percent have completed a certificate, technical degree, or associate degree. By contrast, 37 percent indicate that they have no education beyond high school, and an additional 20 percent have completed some college but did not complete a certificate or degree. In order to better understand the decisionmaking process of

Figure 30. Overall, how would you say the lifetime financial benefits of your bachelor's or associate degree program compare to its financial costs? (by employment in a field related to field of study)

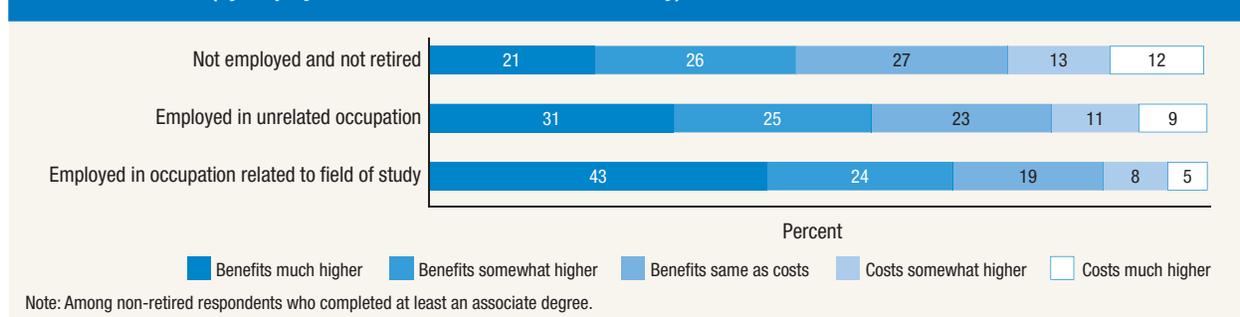


Table 28. Reasons for not attending college or not completing college

Percent

Reason	Reason for not attending college	Reason for not completing degree
Too expensive	29.2	28.0
Family responsibilities	23.4	40.4
Wanted to work	30.3	33.5
Simply was not interested in college	37.5	n/a
Simply was not interested in continuing college	n/a	22.0
Was not admitted	1.2	n/a
Low grades	n/a	9.2
Benefits were not worth the cost	11.9	16.0
Other	9.3	14.4

Note: Among respondents who did not attend college or did not complete degree and are not currently enrolled in school.
n/a Not applicable.

those who have no education beyond high school or who completed some college but have no certificate or degree from that education, the survey asks these respondents what influenced that enrollment decision. Respondents could select all responses that applied to their situation.

Among respondents who completed a high school degree but who did not attend college, the most common reasons provided for why they did not attend college are that they simply were not interested (38 percent), because they wanted to work (30 percent), because they felt it was too expensive (29 percent), or because of family responsibilities (23 percent) (table 28). The reasons cited for not attending college differ, however, based on the race and ethnicity of respondents. A lack of interest is cited by 44 percent of white respondents, compared to 28 percent of non-Hispanic black respondents and 24 percent of Hispanic respondents. Hispanic respondents, instead, most frequently cite family responsibilities (39 percent) as the reason for not attending college.

Turning to students who attended college but did not finish and are no longer enrolled, family responsibilities are the most common reason cited for leaving college without a degree. This is consistent with the results from the 2014 survey. Forty percent of respondents who did not complete a degree report that family responsibilities contributed to this decision. This compares to 34 percent who say that they left school because they wanted to work, 28 percent who felt it was too expensive, and 22 percent who were simply not interested in continuing. Among

women who left college without their degree, a somewhat higher 44 percent say that family responsibilities contributed to this decision.

In order to better understand the details of family responsibilities that prevent the completion of college, respondents who cite family responsibilities as a reason why they did not attend or complete college are asked to provide additional details regarding these responsibilities. Just under half of those who cite family responsibilities mention their children or parental responsibilities as a reason for the decision to not continue college when presented with the follow-up question. Seventeen percent include a mention of their parents—often indicating that they had to care for an elderly parent or take on the responsibilities of a parent who has died. Additionally, 18 percent mention a marriage or divorce, 14 percent mention money or bills, and 9 percent explicitly mention a death or illness in the family.³⁸

Women are much more likely than men to cite children or parental responsibilities as the family responsibility that kept them from attending or completing college. Fifty-five percent of women (and 58 percent of women under age 45) who cite family responsibilities as a reason for this decision reference children or parental responsibilities in the follow-up question. Thirty-five percent of men (and 32 percent of men under age 45) who left college due to family responsibilities include children and parental responsibilities in their explanation.

Job Readiness

One of the primary objectives of higher education is to provide individuals with the human capital necessary for them to contribute to the workforce and fulfill their career objectives. In order to assess respondents' current readiness for the job market, non-retirees are asked about their level of confidence in

³⁸ References to children or parental responsibilities include mentions of the words child, baby, kid, twins, babies, son, daughter, pregnant, single mother, single mom, single father, single dad, single parent, start a family, or starting a family. References to one's own parents are those that do not include the references to children listed above, but mention any of the terms parent, mom, dad, mother, father, grandma, or grandpa. References to an illness or death include those that mention sick, ill, illness, disease, disability, elderly, health, Alzheimer's, death, died, or widow. References to divorce or marriage include mentions of the terms divorce, married, marriage, spouse, engaged, fiancé, or fiancée. References to money and bills include mentions of the terms money, cost, afford, expensive, or bills. Results on these text responses are all unweighted.

Table 29. Thinking about your current education and work experience, how confident are you that you have the skills necessary to get the kinds of jobs you want now? (by education)

Percent

Education level	Very confident	Somewhat confident	Not confident	Not employed and not looking	Don't know
Less than a high school degree	15.1	27.8	19.9	26.3	11.0
High school	29.0	36.7	17.2	11.3	5.8
Some college, certificate, or technical degree	28.5	40.6	17.0	11.0	2.9
Associate degree	39.0	38.6	12.5	5.6	4.3
Bachelor's or graduate degree	50.2	37.1	7.9	3.4	1.3

Note: Among non-retired respondents.

having the skills necessary to get the kind of jobs that they want. Thirty-five percent of respondents report that they are very confident that they have the skills necessary for the kinds of jobs that they want today, and 37 percent report that they are somewhat confident. This represents an improvement from the 28 percent of respondents who were very confident and 39 percent who were somewhat confident about their job skills when this question was last asked in 2013.³⁹

Confidence in having the appropriate skills for the labor market differs, however, based on the level of education of the respondent. As one's education level

increases, confidence in having the appropriate skills necessary for today's labor market increases as well (table 29).

Respondents who are not confident that they have the appropriate skills for the job market are then asked for the reasons why they lack confidence. Just over half (52 percent) feel that they need more education, followed by needing additional job training (37 percent). Twenty-six percent of respondents who feel they lack the appropriate job-market skills think that their skills are out of date, 26 percent feel that the job market is changing faster than they can keep up, and 17 percent think that the kind of job that they are qualified for is not available. Likely reflecting their different positions in the life cycle of skill acquisition, younger respondents, ages 18 to 29, disproportionately report that they either need more education or more job training, whereas older respondents, age 45 and older, disproportionately report that their skills are out of date or that the job market is changing faster than they can keep up (table 30).

Table 30. Reasons for lack of confidence in job market skills (by age)

Percent

Reason	18–29	30–44	45–59	60+	Overall
Need more education	64.9	58.9	38.3	32.3	52.0
Need more job training	49.3	37.7	29.4	19.7	37.2
Skills are out of date	11.6	30.0	33.3	38.5	25.8
Job market changing faster than I can keep up	15.4	22.9	39.1	31.8	26.2
The kind of job I'm qualified for is not available	14.4	15.4	17.1	25.3	16.6

Note: Among respondents who are not confident that they have the skills necessary to get the kinds of jobs that they want now.

Education Debt and Student Loans

Among young adults who attend college, it is increasingly expected that at least a portion of their education will be financed through a student loan or other forms of borrowing. The survey asks respondents about their use of borrowing to finance their education and the status of student loans acquired for their education. The results show that the repayment status of student loans is highly correlated with the respondent's family background and the type of institution that they attended. In particular, individuals who either did not complete their degree or who attended a for-profit institution are disproportionately likely to fall behind on their student loan payments.

Education Debt Overview

Twenty-seven percent of adults report that they borrowed money to pay for expenses related to their own education, including 15 percent who currently owe money on these loans and 12 percent who borrowed money that they have since repaid. Among just those who completed at least some education beyond high school, 41 percent acquired at least some debt to finance that education, and half of those who completed at least a bachelor's degree acquired at least some debt in the process. Reflecting the increased rates of education borrowing among more recent

Figure 31. Use of student loans to finance own education, including loans that have been fully repaid (by age and highest degree completed)

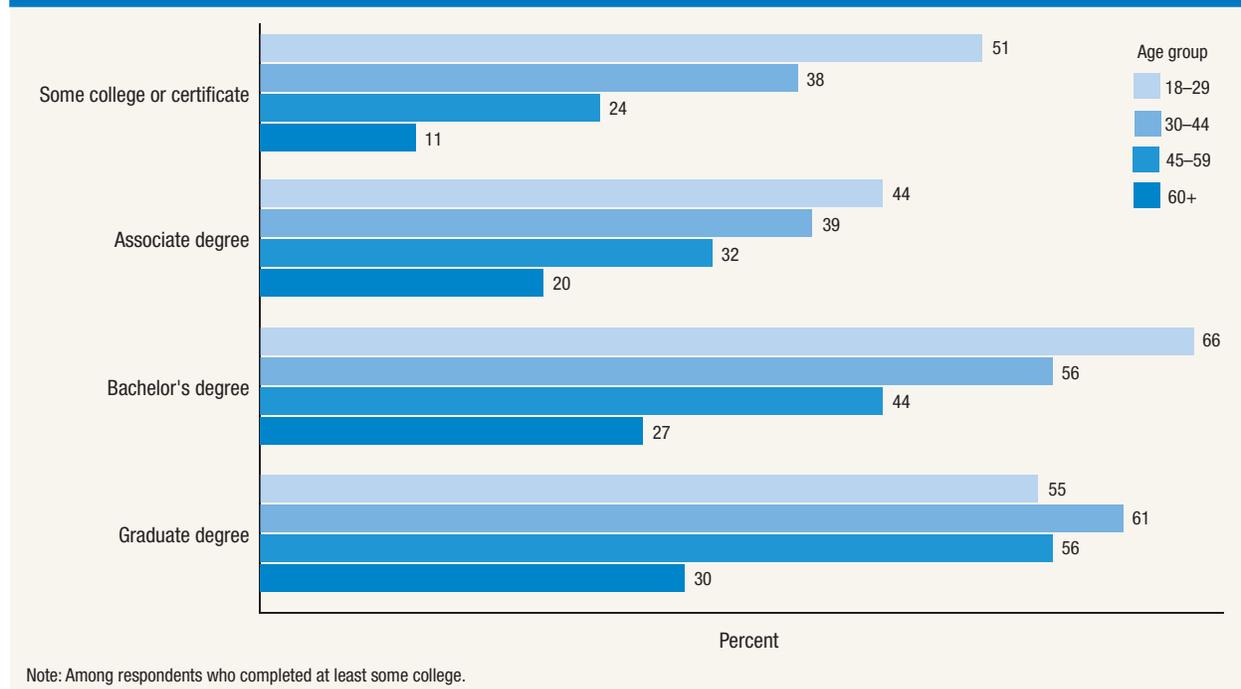


Table 31. Form and amounts of education debt currently owed for own education

Form of debt	Percent of debt holders with form of debt	Mean debt (dollars)	Median debt (dollars)
Student loan	94.3	30,156	12,000
Home equity loan	2.5	57,550	40,400
Credit card	20.5	7,574	3,000
Other loan	4.3	11,969	9,000
Total	100.0	32,585	14,000

Note: Among respondents who have at least some debt outstanding for their own education. Some respondents have more than one type of debt.

cohorts of college attendees, respondents under age 45 are more likely to have taken out loans for each level of education (figure 31).

While education debt is often in the form of student loans, this is not the exclusive form of borrowing to pay for higher education expenses. Among respondents who report that they currently owe money for their educational expenses, 94 percent report owing money on student loans, but 21 percent have education-related credit card debt, 3 percent have a home equity loan or line of credit used for education expenses, and 4 percent have education debt of some other form.⁴⁰

Among respondents who report that they currently owe student loan debt for their own education, the mean level of this debt is \$30,156 and the median is \$12,000. (The median amount of education debt is consistently lower than the mean due to some individuals with large levels of debt). While education-related credit card debt levels are lower, the median amount of education-related credit card debt among those who have this debt is \$3,000. Looking at all debt acquired for the respondent's own education combined, the median level of education debt is \$14,000 (table 31).

The amount of outstanding education debt is closely related to the level of education that the individual acquired. Among respondents who have some college

⁴⁰ Respondents who indicate that they have "other" debt for their education are asked to specify its form. Among those who provide additional specificity to this follow-up question, the most common responses are auto loans, personal loans, or borrowing from relatives.

or a certificate, the median outstanding education debt is \$8,000;⁴¹ for those with an associate degree, it is \$9,900; and among respondents with a bachelor's degree, the median is \$19,162.⁴² Respondents who have completed a graduate degree are disproportionately likely to have large debt levels: the median debt for respondents with a master's degree is \$36,000 and for those with a professional degree or a doctoral degree it is \$100,000.

Not all respondents who have outstanding education debt are currently making payments on all of their loans. Thirty-nine percent of respondents with outstanding student loan debt from their own education indicate that one or more of their loans are in deferment. Eighteen percent report that they are behind or in collections on one or more of their loans (approximately half of whom also report that they have some loans in deferment or forbearance). Among those who indicate that they are currently making payments on one or more loans for their own education, the average monthly payment is \$533, with a median payment of \$180.

In addition to asking respondents about the financing of their own education, the survey also asks respondents if they borrowed money for the education of other family members. The results indicate that education debt extends beyond that acquired by the individual obtaining the education. In addition to the 15 percent of individuals who currently owe money on loans for their own education, 4 percent owe money for a spouse's education and 5 percent hold debt acquired for a child's or grandchild's education. Reflecting that some individuals owe money for multiple persons' educations, 22 percent of individuals say that they currently owe money on education loans for themselves or someone else.

⁴¹ Respondents who report having education debt, but also indicate that the highest education they have completed is a high school degree or less are included here with those who have some college. These respondents likely started a degree program or took classes beyond high school, but consider themselves to have just a high school degree given the lack of a higher education credential.

⁴² This should not be viewed as the median level of debt that respondents undertake for a bachelor's degree. Respondents who have started, but not completed, a graduate degree will be included here, since their highest degree completed is a bachelor's degree. However, for these individuals, a portion of their total debt outstanding may be for their graduate education.

Student Loan Payment Status by Demographic and Education Characteristics

Among respondents who currently have outstanding student loans from their own education, 18 percent are behind on their payments. The likelihood of being behind is greatest among those who completed less education. Twenty-six percent of respondents with outstanding loans with some college, a certificate, or a technical degree are behind on their debt, and 21 percent of those that completed an associate degree are behind.⁴³ This compares to 12 percent of respondents with outstanding loans who completed a bachelor's degree and 7 percent of those with a graduate degree who are behind.

Notably, the inverse relationship between one's level of education and the likelihood of falling behind on payments also means that respondents with higher levels of student loan debt actually, and perhaps counterintuitively, have a lower rate of falling behind on payments than those with lower levels of debt. Twenty-two percent of respondents with less than \$10,000 of outstanding debt are behind on their payments and 17 percent of those with between \$10,000 and \$25,000 of debt are behind. Among respondents with over \$100,000 of debt, the frequency of being behind on student loan payments is a lower 11 percent.

One limitation of focusing exclusively on those who currently owe money on their student loan debt when evaluating repayment status is that it excludes respondents who have successfully repaid their loan. As a result, it is possible for population groups that have a high rate of rapid repayment to appear as though default rates are high due to the exclusion of these successful repayments. Recognizing the value of including all loans when looking at the status of repayment, the remainder of this section considers the repayment status of all borrowers, including both those who have completely repaid their loan and those who have not. Among all respondents who have ever incurred debt from their own education, 9 percent report that they are currently behind on

their payments, 47 percent have outstanding debt and are current on their payments, and 44 percent have completely paid off their loans.⁴⁴

Consistent with that observed when considering just those with outstanding student loan debt, the fraction of all borrowers—including those who have completely repaid their loan—who are behind on their student loan debt is greatest for those with lower levels of education. Seventeen percent of individuals who ever borrowed for their education but failed to complete any degree or who have just a certificate or technical degree are behind on their debt.⁴⁵ This compares to 10 percent of all borrowers who completed an associate degree that are behind, 6 percent of bachelor's degree recipients, and 3 percent of graduate degree recipients who are behind on their payments.

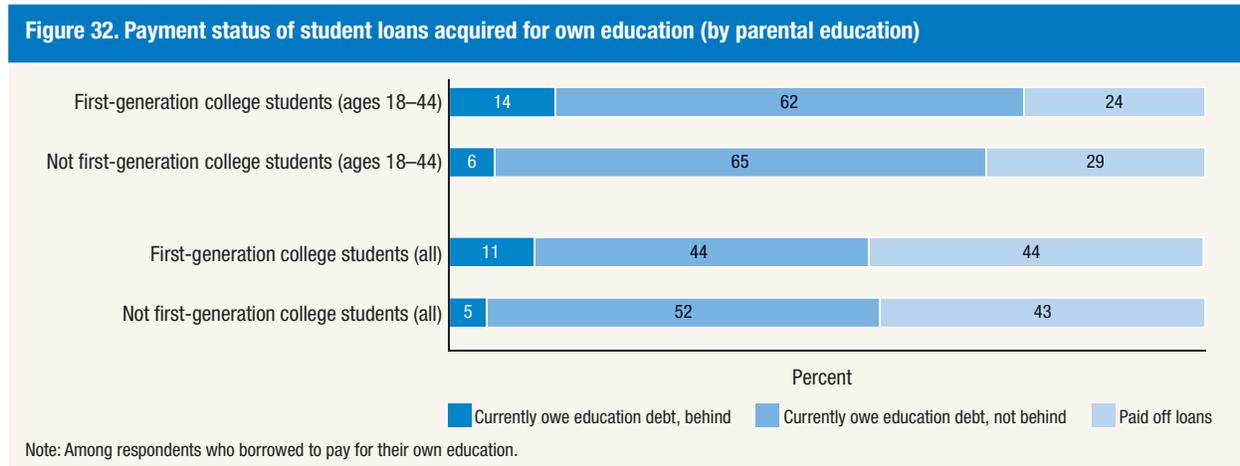
First-generation college students who took out a student loan for their education are also disproportionately likely to report being behind on their payments. As was also observed in the 2014 survey, among respondents under age 45, first-generation college students who ever borrowed are more than twice as likely to be behind on their payments as borrowers with a parent who completed a bachelor's degree (figure 32). This suggests that these individuals from lower socioeconomic backgrounds are disproportionately likely to be burdened by their student loan payments, either because they are less likely to have completed a degree, because the returns on the degree obtained are lower, or because they lack a financial safety net to help them manage the payments if the degree does not pay off.

Similar differences also emerge based on the race and ethnicity of respondents. Black and Hispanic borrowers are much more likely than white borrowers to be behind on their loan, and are less likely to have completely repaid their loan (figure 33). The divergence of student loan repayment rates by race and ethnicity suggests that the burden of unmanageable student loan debt may be of greater concern, on average, among individuals who are black or Hispanic than it is for white individuals. This too may be the

⁴³ The rate of being behind on payments for those with some college, a certificate, or a technical degree who are behind on their payments includes respondents who report that their highest degree is a high school degree or less who report that they are behind. These respondents likely incurred debt for higher education but, given their lack of completion of a higher degree, still consider their highest level of education to their high school education.

⁴⁴ Respondents who currently owe education debt, but report that it is not student loan debt, are not asked about the payment status. These respondents are included here with those who are current on their payments. Excluding these respondents does not substantively alter these results.

⁴⁵ Among respondents who did not complete any degree and report that they are not currently enrolled in an educational program, a somewhat higher 20 percent indicate that they are behind on their payments.



result of either differences across races and ethnicities in respondents’ socioeconomic or educational backgrounds, in their postsecondary educational experiences, or in the wages received for a given credential that then influence their ability to repay student loans.

In addition to differences in loan repayment rates by the level of education and socioeconomic backgrounds of borrowers, one may expect that the type of institution attended could affect the ability to repay student loans. The survey observes that borrowers who attended for-profit institutions are more likely to report being behind on student loan payments than those who attended public or nonprofit schools (table 32). While 7 percent of students who attended a public institution are behind on their student loan payments, 21 percent of those who

attended a for-profit institution report that they are behind.

This lower repayment performance for students who attended for-profit institutions may be partially attributable to differences in the rate of return across education sectors.⁴⁶ However, just as degree completion is closely related to the socioeconomic and demographic backgrounds of students, students attending for-profit institutions are disproportionately likely to be first-generation college students or minority students and are less likely to complete their degree. Over 95 percent of respondents who attended

⁴⁶ See David J. Deming, Claudia Goldin, and Lawrence F. Katz, “The For-Profit Postsecondary School Sector: Nimble Critters or Agile Predators?” *Journal of Economic Perspectives* 26, no. 1 (Winter 2012): 139–64, for a discussion of the rates of return by education sector.

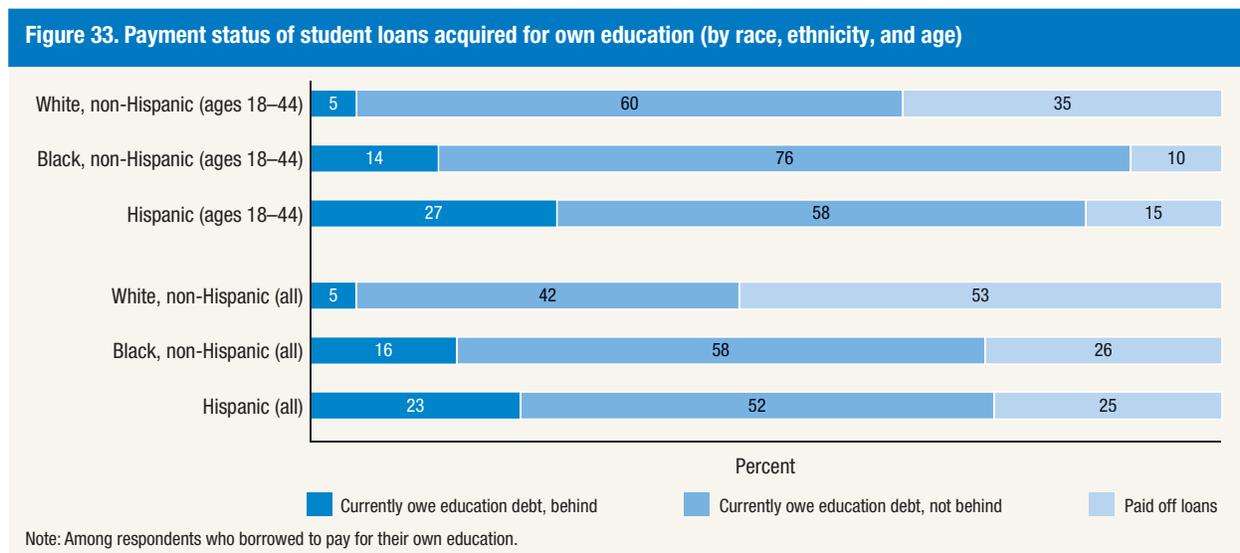


Table 32. Payment status of student loans acquired for own education (by institution type)

Percent

Institution type	Currently owe education debt, behind	Currently owe education debt, not behind	Paid off loans
Public	6.6	49.2	44.2
Private not-for-profit	4.6	42.4	53.0
Private for-profit	21.4	52.8	25.8
Overall	9.5	47.0	43.5

Note: Among respondents who borrowed to pay for their own education.

for-profit institutions went to either part-time/two-year institutions or to institutions classified by the Carnegie Classification™ as having inclusive admissions criteria. In contrast, over half of students attending nonprofit or public institutions went to schools with selective or more-selective admissions criteria.

In order to assess whether the differences in payment status between attendees of for-profit, nonprofit, and public institutions are simply due to differences in their selectivity, the student loan payment status of respondents who attended for-profit schools can be compared to that of students who attended two-year or inclusive public or nonprofit institutions, excluding those who attended selective or more selective public or nonprofit schools. (A similar comparison was considered for the value of degrees in the “[Higher Education and Human Capital](#)” section of this report). When doing so, the gap between public, nonprofit, and for-profit institutions shrinks but does not disappear completely. Twelve percent of students who borrowed to attend a two-year or inclusive public or nonprofit institution report that they are behind on their student loans. While this is a higher rate of being behind on loans than that seen for all students attending public or nonprofit institutions, it remains below the 21 percent of students who borrowed to attend a for-profit institution that are behind.

Retirement

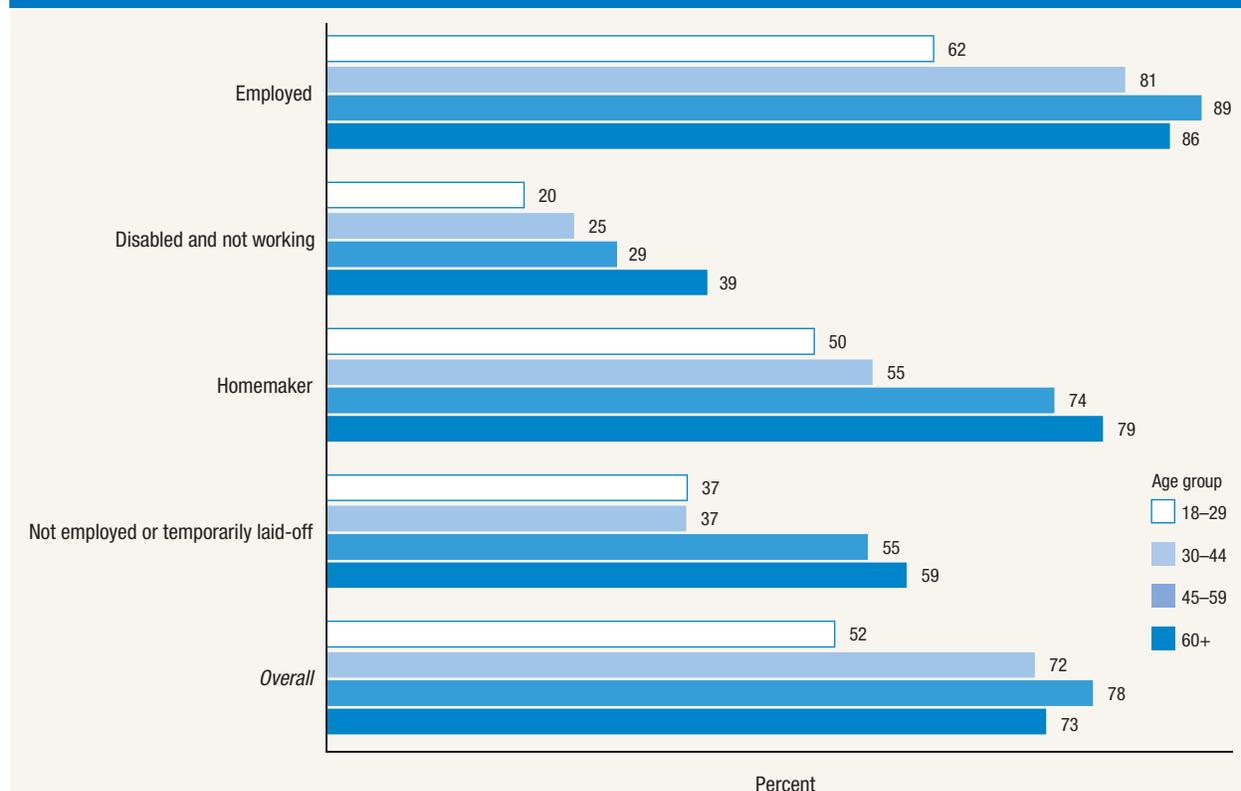
The survey also considers the extent to which respondents are preparing for the longer-term financial needs that they will face in retirement. To assess respondents' preparedness for their retirement years, the survey asks questions that probe their retirement plans, their retirement savings, and their expected path toward retirement. In general, the results demonstrate that many individuals, and especially those with lower incomes, are struggling to save for retirement. Additionally, even among those who are saving for retirement, a slight majority of respondents indi-

cate that they have no or limited confidence in their ability to manage their self-directed retirement investments.

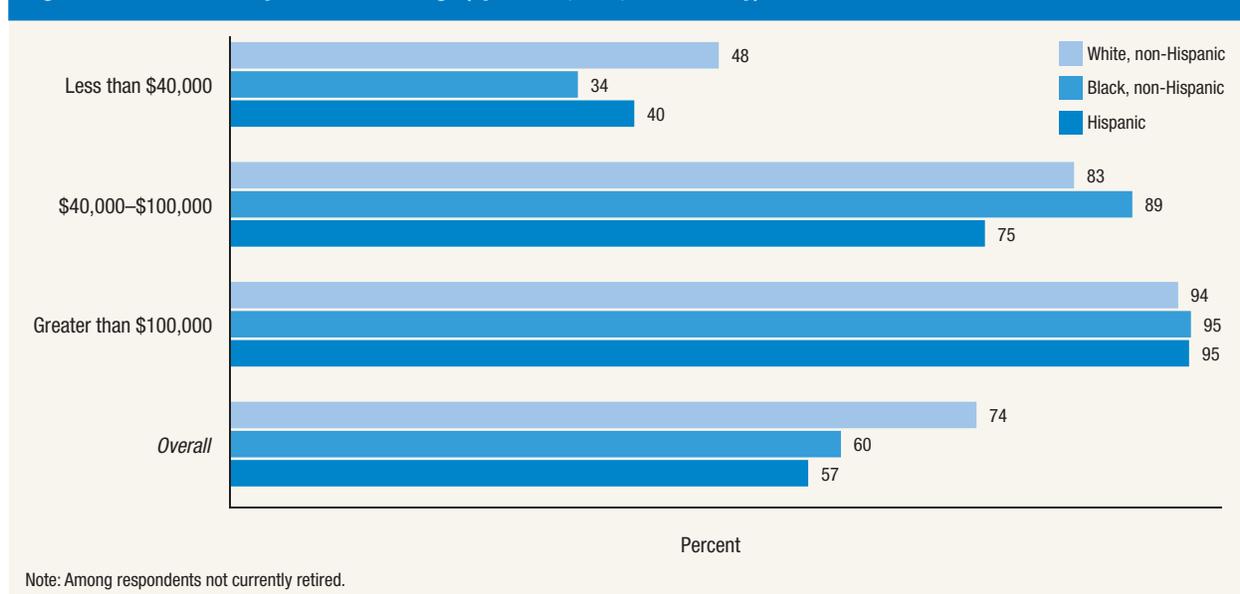
Saving for Retirement

Many respondents report that they lack retirement savings. When asked what types of retirement savings or pension they have, 31 percent of non-retired adults report that they have no retirement savings or pen-

Figure 34. Presence of any retirement savings (by age and employment status)



Note: Among respondents not currently retired.

Figure 35. Presence of any retirement savings (by income, race, and ethnicity)

sion whatsoever. This is unchanged from the percent of respondents in 2014 who reported no retirement savings.

The patterns of retirement savings differ substantially—and not surprisingly—by age. The percentage of people indicating that they lack retirement savings decreases with age. Nearly half of those ages 18 to 29 report that they have no retirement savings or pension, whereas approximately three-quarters of non-retirees age 45 or older have at least some savings. However, whether respondents have retirement savings as they approach retirement is highly dependent on their employment status (figure 34). While almost 90 percent of employed respondents age 45 or older have retirement savings, less than a third of those who are out of work due to a disability do. Since 13 percent of non-retired respondents ages 45 to 59 and 20 percent of non-retired respondents age 60 or older report that they are out of work due to a disability, these individuals constitute a sizeable fraction of the respondents who lack savings as they approach retirement age.

The lack of retirement savings is particularly acute for respondents with limited incomes and for racial and ethnic minorities. Sixty percent of non-Hispanic black respondents and 57 percent of Hispanic respondents have at least some retirement savings, compared to 74 percent of non-Hispanic white respondents (figure 35). Looking at retirement savings by income, 94 percent of respondents with a

family income over \$100,000 report that they have at least some retirement savings, and 82 percent of those making between \$40,000 and \$100,000 per year have some retirement savings. Among respondents making under \$40,000 per year, 44 percent have any retirement savings.

Since saving for retirement varies by employment status, individuals in lower-income families are less likely to have savings in part because they are less likely to be working. However, non-self-employed full-time workers in lower-income families are still much less likely to have savings (60 percent) than non-self-employed full-time workers in families with an income between \$40,000 and \$100,000 (90 percent) or over \$100,000 (98 percent). This suggests that a portion of the gap is also due to either differences in retirement benefits for the types of jobs held by individuals lower in the income distribution, or the fact that even these lower-income individuals who work full time lack the financial capacity or wherewithal to save and contribute to retirement accounts.

In addition to collecting information on whether respondents have any retirement savings, those who do have savings are asked to indicate all the ways they are saving for retirement. The most commonly reported form of retirement savings is a defined contribution plan, such as a 401(k) or 403(b) plan, which 48 percent of non-retirees possess. This is nearly twice the 25 percent of non-retirees who participate in a traditional defined benefit pension plan through

an employer. Twenty-seven percent of respondents report that they have an individual retirement account (IRA), and 41 percent indicate that they have savings outside of a formal retirement account. Additionally, 15 percent of respondents report having real estate or land that they plan to sell or rent to generate income during retirement, and 6 percent report having retirement savings through the ownership of a business. Each of these findings are largely consistent with those observed in 2014.

The survey also looks at whether respondents have borrowed or cashed out their retirement savings, and observes that at least some non-retired respondents who have, or had, retirement savings do not necessarily consider these savings to be sacrosanct. Four percent of those with retirement savings report that they borrowed money from a retirement account during the year before the survey. Moreover, 4 percent of those with such accounts report that they cashed out (permanently withdrew) some or all of their retirement savings in the prior 12 months, and 1 percent indicate that they both borrowed money from and cashed out retirement accounts in that time. Additionally, 5 percent of non-retirees without retirement savings say that they borrowed from and/or cashed out their retirement savings, reflecting that some individuals previously had savings but have depleted the funds in those accounts.⁴⁷

Self-Directed Retirement Savings

As self-directed retirement savings are increasingly the expected approach to prepare for retirement, the survey seeks to better understand why some individuals are not saving for their retirement by asking employed respondents who do not participate in a 401(k) (or similar) plan a series of questions designed to capture why they do not participate.⁴⁸ Among respondents who are employed for somebody else (thereby excluding those who are self-employed or contractors, along with those who are not working), 36 percent of respondents do not have a 401(k), or

similar, account.⁴⁹ Of those who work for somebody else and do not invest in such a plan, 53 percent report that their employer does not offer a plan, 5 percent report that their employer offers a plan for which they are not eligible, and 19 percent do not know if a plan is offered or not.

As observed previously for the likelihood of having any retirement savings, the likelihood of investing in a defined contribution plan through work is closely tied to one's income—even among those who are employed. Restricting the sample to non-students and non-retirees who are employed for someone else, 37 percent of respondents with a family income under \$40,000 have a 401(k) account, well below the 69 percent of middle-income workers and 87 percent of high-income workers who have a 401(k) account.

This gap in the probability of participating in a defined contribution plan can be partially attributed to employers of lower-income workers not offering plans. Thirty-two percent of respondents who are employed for someone else and whose income is below \$40,000 report that their employer does not offer a plan. However, not all workers that are not eligible for a plan would invest were their employer to provide one. Workers whose employer does not offer a plan, or who do not know if their employer offers a plan, are asked how likely it is that they would contribute to a 401(k) plan if it were offered. Among these workers, 59 percent say that they probably or definitely would contribute to a plan were it an option for them, but 26 percent say that they don't know and 16 percent indicate that they probably or definitely would not contribute. Among lower-income workers whose employer does not offer a plan, 53 percent say that they would probably or definitely contribute to a defined contribution benefit plan if it were offered.

The overall demand for a 401(k) account can be observed as those respondents who either have a 401(k) type account or who report that they would participate in their employer's 401(k) plan if it were offered. When combining the 37 percent of lower-income respondents who have a 401(k) type account with the 25 percent who would likely invest in one if offered, 62 percent of employed lower-income respondents express a demand for a 401(k) type retirement account (table 33). This compares to over 80 percent of respondents with a family income

⁴⁷ Some of these non-retired respondents may be cashing out from their retirement account to pay for retirement expenses as they near retirement. However, only 26 percent of respondents who cashed out a retirement account, 11 percent of those who borrowed money, and 10 percent of those who both borrowed and cashed out are age 60 or older, suggesting that many are doing so for other purposes.

⁴⁸ Respondents are specifically asked about their participation in, and access to, a 401(k), 403(b), thrift, or other defined contribution plan from work. References in this section to 401(k) plans include both 401(k) plans as well as these other forms of defined contribution retirement accounts.

⁴⁹ Students who also have a job are excluded in this section from those who are employed for somebody else, as they are not asked about the nature of their employment.

Table 33. Presence of savings in a defined contribution benefit plan, and desire to participate in employer plan if it were offered (by family income)
Percent

Category	Less than \$40,000	\$40,000–\$100,000	Greater than \$100,000
Has a 401(k), or similar, account	37.3	68.8	86.8
Employer does not offer a plan (or don't know); would participate if offered	24.7	14.0	6.1
Employer does not offer a plan (or don't know); would not or don't know if would participate if offered	21.9	7.3	2.6
Employer offers a plan; does not participate ¹	16.1	9.9	4.6

Note: Among respondents employed for somebody else.

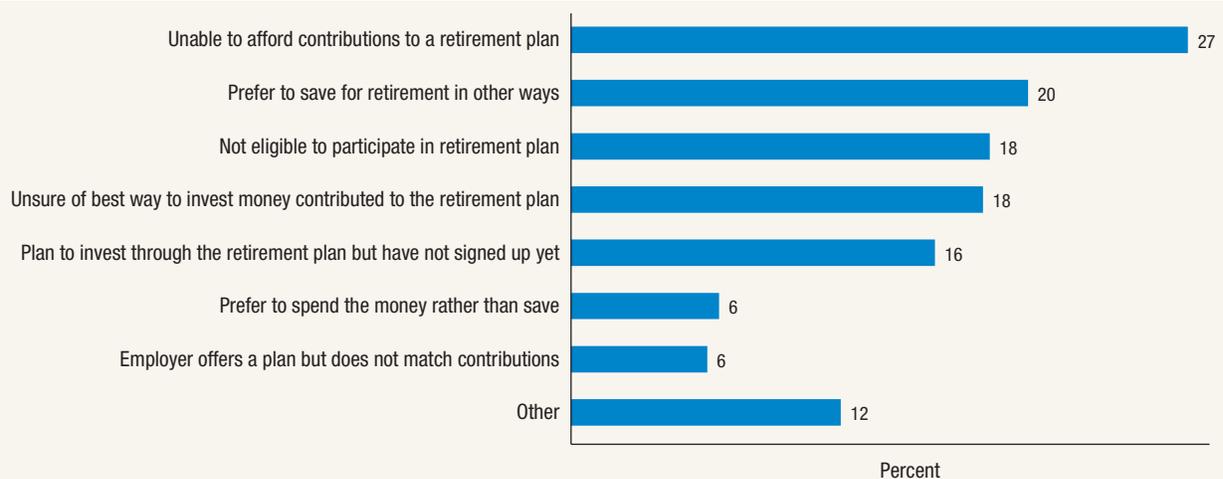
¹ Respondents who are offered a plan but do not participate includes the respondents whose employer offers a plan but report that they are not eligible. These respondents are not asked if they would participate in the plan if they were eligible. Approximately 3.8 percent of employed respondents in the lowest income category, 1.2 percent in the middle income category, and 0.7 percent in the highest income category indicated that this is why they do not invest in a 401(k).

between \$40,000 and \$100,000 and over 90 percent of those in the highest income group who express a demand for a 401(k) type account in one of these ways. This suggests that while a portion of the difference in propensities to save in a 401(k) by income results from employer offerings, the lack of capacity or desire for lower-income individuals to save for retirement in this way also plays a substantial role.

In addition to asking respondents whose employer does not offer a plan if they would contribute to a plan if it were offered, the survey asks respondents whose employer offers a plan, but who do not participate, why they do not invest through the plan. The most common reason, stated by 27 percent of these respondents, is an inability to afford contributions to the plan (figure 36). This was followed by those who prefer to save for retirement in other ways (20 percent), those who are unsure of the best way to invest contributions (18 percent), those who are not eligible for their employer's plan (18 percent), and those who plan to invest but have not yet signed up (16 percent). Smaller fractions reported that they simply prefer to spend the money rather than save, that their employer does not match contributions, or that they do not invest for other reasons.

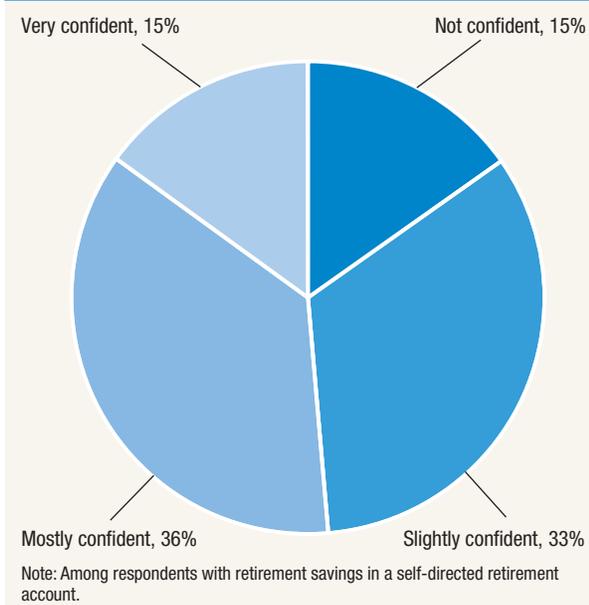
Here there are noteworthy differences between men and women when it comes to reasons for not investing through their employer's retirement plan. In particular, women are more likely to cite being unable to afford contributions or being ineligible for their employer's plan. Among women who indicate that their employer offers a plan but that they do not participate, 31 percent report that they are unable to afford contributions to the plan, and 26 percent say they are not eligible to participate in the plan. This compares to 22 percent and 9 percent among men who do not participate in their employer's plan citing these reasons, respectively.

Figure 36. Reasons for not investing in employer's 401(k), 403(b), thrift, or other defined benefit contribution plan



Note: Among respondents not currently retired who work for somebody else and do not invest in their employer's 401(k) type plan.

Figure 37. How confident are you in your ability to make the right investment decisions when managing and investing the money in your retirement accounts?



Looking at those respondents who do have self-directed retirement savings (including 401(k), IRA, and savings outside retirement accounts), the survey also observes that these investors are divided on whether they feel confident about their ability to manage these investments. Forty-nine percent of respondents with self-directed retirement accounts are either “not confident” or only “slightly confident” in their ability to make the right investment decisions when investing money in these accounts (figure 37). The remaining 51 percent are either “very confident” or “mostly confident” in their investment abilities. In general, men express somewhat greater levels of confidence in their investment capabilities, with 58 percent of men compared to 45 percent of women reporting that they are mostly or very confident that they will make the right investment choices.

Given that many investors lack confidence in their ability to manage their investments, the survey seeks to understand where individuals obtain investment advice when making decisions on how to invest money in their retirement accounts. Forty percent of respondents who have self-directed retirement savings indicate that they receive professional financial advice, either from a financial planner, a lawyer, or an investment broker. Twenty-eight percent use financial advice received from friends or family; 24 percent use

advice obtained from the Internet, books, or magazines; and 11 percent use advice received from their employer. Just over one-quarter of respondents, however, indicate that do not use any financial advice when deciding how to manage their investments.

There are several reasons why individuals may not seek out any financial advice, however. Among those who do not use any financial advice, 47 percent indicate that this is because they do not feel that they need help with their investments. But just over half report that they either cannot afford financial assistance (27 percent) or that they would like help but do not know where to go to get it (25 percent).

As was observed for the level of investment confidence, there is a gender gap in the likelihood that individuals feel that they need help but cannot afford it or do not know where to get it. Just over one-quarter of both men and women report that they use no advice from others when managing their investments. However, while 55 percent of men who do not use any advice say that they do so because they do not feel that they need it, only 39 percent of women that do not use any advice from others feel this way.

Expectations for Retirement

In addition to asking respondents about the retirement savings that they currently hold, the survey asks respondents about the sources of income that they plan to use to pay for expenses in retirement. There are differences by age in the sources of funds that respondents expect to use to pay for retirement expenses (table 34). This is especially apparent with respect to Social Security. Forty-two percent of those under age 30 say that they anticipate that Social Security benefits will be part of their plan to pay for expenses in retirement. This percentage steadily increases by age cohort, with up to 91 percent of those age 60 or older expecting to receive Social Security income in retirement.

It is unclear whether these differences simply highlight the fact that older adults are likely to be thinking more actively about Social Security or if they represent diminishing levels of confidence among younger people about the future availability of Social Security benefits. Similarly, traditional defined benefit pension plans are less common as an expected source of retirement funding among younger respondents. Thirty-six percent of those age 60 and older

Table 34. Which of the following do you expect will be a source of funds for you in retirement? (by age)

Percent					
Source of funds	18–29	30–44	45–59	60+	Overall
Social Security	42.3	58.9	80.9	90.7	65.3
I will continue working	40.3	41.1	34.2	37.6	38.3
Spouse/partner will continue working	22.2	24.4	19.5	18.9	21.6
Defined benefit pension from work	23.0	31.1	41.2	35.7	32.7
401(k), 403(b), thrift, or other defined contribution pension plan from work	44.7	57.0	60.3	41.1	52.8
Individual retirement account (IRA)	25.9	31.3	35.5	34.3	31.6
Savings outside a retirement account	44.7	44.1	44.8	42.9	44.3
Income from real estate or the sale of real estate	15.0	17.8	20.4	18.8	18.0
Income from a business or the sale of a business	7.1	6.2	4.8	7.1	6.1
Rely on children, grandchildren, or other family	4.8	4.4	3.3	4.1	4.1
Rely on inheritance	7.3	8.0	7.5	4.3	7.2
Other retirement savings	13.7	11.6	14.8	16.9	13.8

Note: Among respondents who are not currently retired.

are counting on income from a defined benefit pension, while 23 percent of those ages 18 to 29 plan on receiving income from a defined benefit pension.

Just over half of respondents expect to draw on a 401(k) account in retirement, 44 percent of respondents plan to rely on savings they hold outside formal retirement accounts to cover their expenses, and 32 percent plan to use savings in an IRA. Eighteen percent expect to sell or rent land or real estate to pay for retirement expenses. However, many non-retirees also expect continued employment to be a significant source of retirement income, with 38 percent of all respondents expecting to continue working in some capacity to cover their expenses and 22 percent expecting their spouse or partner to continue working.

Closely related to whether respondents expect to continue working into retirement, non-retirees are asked for the age at which they expect to retire fully and completely stop working for pay. Forty-four percent of respondents report that they do not know. Among respondents who provided an expected retirement age or indicated that they do not expect to ever retire, just under one-quarter expect to retire by age 62 and just under one-half expect to retire by age 65. However, 42 percent expect to either retire at age 70 or older or expect to never retire.

Experiences in Retirement

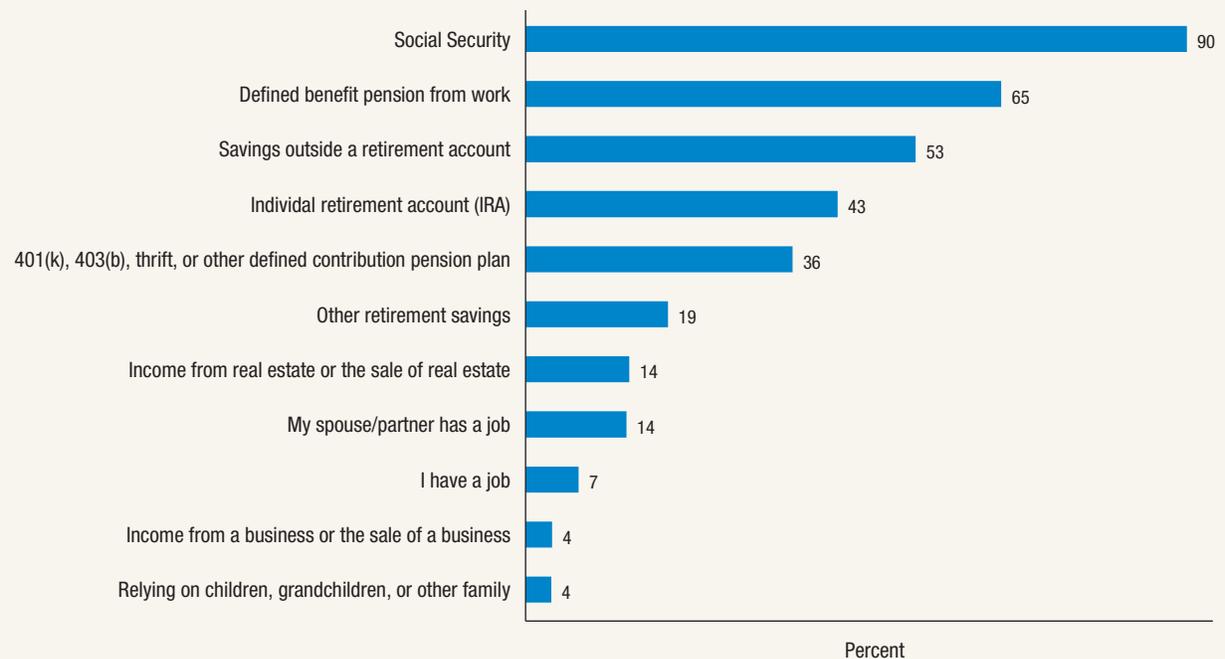
The survey asks respondents who are currently retired about their experiences in retirement and

about how they manage their expenses. The most common age to retire is 62, with 16 percent of retirees who recall their retirement age stopping work at that age, followed by age 65, when 12 percent stopped working. Seventy-nine percent of these current retirees report that they had stopped working by age 65. This contrasts with that seen above among non-retirees, where only 48 percent of those who plan to retire and provided an expected retirement age expect to retire by age 65.⁵⁰

When it comes to sources of funds in retirement, 90 percent of those in retirement are drawing Social Security benefits (figure 38). Sixty-five percent are drawing a traditional defined benefit pension, 53 percent draw on savings outside a retirement account, 43 percent use savings from an IRA, and 36 percent draw on a defined contribution plan. These results are comparable to those observed in the 2014 survey. When compared to the expected sources of income in retirement for non-retirees, individuals in retirement are more likely to report having income from a traditional defined benefit pension, even when compared to older working-age adults, and are less likely to report having income from a defined contribution pension plan.

⁵⁰ Results for expected retirement age are similar if restricting non-retirees to those under age 60, indicating that the results are not driven by the selection into retirement among older adults.

Figure 38. Which of the following are sources of funds for you in retirement?



Note: Among respondents who are currently retired.

Conclusion

The results of the 2015 Survey of Household Economics and Decisionmaking underscore reasons for optimism as well as concern about the financial well-being of individuals and their families. On one hand, when looking at aggregate-level results for the population, there are signs of improvement across a number of dimensions. On the vast majority of financial measures for which comparisons can be made between the three years of survey data, the most recent results indicate that individuals' financial picture is similar to, or better than, it was in the two earlier years. Relative to the previous two surveys, more respondents are saving at least some of their income; a slightly larger fraction say that they would be able to cover a \$400 expense without borrowing money or selling something; and more adults believe that they have the skills needed for the types of jobs that they want right now. Additionally, more individuals say that they are at least "doing okay" financially in 2015 than was observed in either of the earlier years.

On the other hand, while the aggregate picture presents evidence of improving household finances, the results also accentuate concerns that these improvements are not necessarily being experienced universally. While more respondents indicate that their well-being improved in the prior year than say that it declined, most of this improvement is reported by respondents who attended college—suggesting that those with lower levels of education are still struggling. Additionally, many respondents report that they experienced some level of volatility in their income and expenses, and among those with lower

incomes, this volatility often results in difficulty paying monthly bills.

The survey results also highlight the extent to which economic challenges are particularly prevalent among racial and ethnic minorities, individuals with lower incomes or less education, and those who come from modest socioeconomic backgrounds. For example, respondents making under \$40,000 per year are more likely to say that they lack access to the traditional banking system; Hispanic and non-Hispanic black respondents are less likely to be able to handle a \$400 emergency expense without borrowing; and individuals whose parents did not go to college are disproportionately likely to go to a for-profit institution where the self-reported value of degrees are lower, if they go to college at all.

There is little question that, on the whole, the financial well-being of Americans seems to have improved relative to the prior year and relative to the year before that. However, the many pockets of consumers who display elevated levels of financial stress and who are at risk for financial disruption in the case of further economic hardships remain a concern. While the three years of data from the SHED cannot determine whether these elevated risks for some consumers are a residual impact from the Great Recession, or reflect the typical state of their finances, the results highlight the need to continue to monitor these populations and track the extent to which they are, or are not, fully benefitting from broader economic growth.

Appendix A: Technical Appendix on Survey Methodology

The Survey of Household Economic Decisionmaking (SHED) was designed by Board staff and administered by GfK, an online consumer research company, on behalf of the Board. In order to create a nationally representative probability-based sample, GfK's KnowledgePanel[®] selected respondents based on both random digit dialing and address-based sampling (ABS). Since 2009, new respondents have been recruited using ABS. To recruit respondents, GfK sends out mailings to a random selection of residential postal addresses. Out of 100 mailings, approximately 14 households contact GfK and express an interest in joining the panel. Of those who contact GfK, three-quarters complete the process and become members of the panel.⁵¹ If the person contacted is interested in participating but does not have a computer or Internet access, GfK provides him or her with a laptop and access to the Internet. Panel respondents are continuously lost to attrition and added to replenish the panel, so the recruitment rate and enrollment rate may vary over time.

There are several reasons that a probability-based Internet panel was selected as the method for this survey rather than an alternative survey method. The first reason is that these types of Internet surveys have been found to be representative of the population.⁵² The second reason is that the ABS Internet panel allows the same respondents to be re-interviewed in subsequent surveys with relative ease, as they remain in the panel for several years. The third reason is that Internet panel surveys have numerous existing data points on respondents from previously administered surveys, including detailed demographic and economic information. This allows

for the inclusion of additional information on respondents without increasing respondent burden. Lastly, collecting data through an ABS Internet panel survey is cost-effective, and can be done relatively quickly.

A total of 8,681 KnowledgePanel[®] members received e-mail invitations to complete this survey, including an oversample of respondents with a household income under \$40,000. The sample included a random selection of 2,853 out of the 4,262 KnowledgePanel[®] respondents who participated in the Board's 2014 SHED (excluding those who were in the 2014 lower-income oversample) and an additional 3,332 randomly selected KnowledgePanel[®] respondents who did not participate in the Board's previous survey. It also included 2,496 randomly selected KnowledgePanel[®] respondents whose household income was under \$40,000. (See [table 1](#) in main text.) The lower-income oversample was included in the study to ensure sufficient coverage of this population for key questions of interest.

From these three components of the sample, a total of 5,695 people (excluding breakoffs, speeders, and bulk non-responders) responded to the e-mail request to participate and completed the survey yielding a final stage completion rate of 65.5 percent. The recruitment rate for the primary sample, reported by GfK, was 13.5 percent and the profile rate was 64.3 percent, for a cumulative response rate of 5.7 percent.

To enhance the completion rate, GfK sent e-mail reminders to non-responders over the course of the field period.⁵³ GfK maintains an ongoing modest incentive program to encourage KnowledgePanel[®] members to participate. Incentives take the form of raffles and lotteries with cash and other prizes. KnowledgePanel[®] members were offered an addi-

⁵¹ For further details on the KnowledgePanel[®] sampling methodology and comparisons between KnowledgePanel[®] and telephone surveys, see www.knowledgenetworks.com/accuracy/spring2010/disogra-spring10.html.

⁵² David S. Yeager, Jon A. Krosnick, LinChiat Chang, Harold S. Javitz, Matthew S. Levendusky, Alberto Simpser, and Rui Wang, "Comparing the Accuracy of RDD Telephone Surveys and Internet Surveys Conducted with Probability and Non-Probability Samples," *Public Opinion Quarterly* 75, no. 4(2011): 709–47.

⁵³ For respondents in the fresh population sample, e-mail reminders were sent on days 3, 13, 17, and 21 of the field period. For respondents in the lower-income oversample, e-mail reminders were sent on days 3, 9, 13, 17, and 20 of the field period.

tional \$5 incentive for completing this survey in addition to the standard incentives offered by GfK. Re-interviewed respondents were provided with an additional \$5 incentive, for a total of \$10.⁵⁴

Significant resources and infrastructure are devoted to the recruitment process for the KnowledgePanel[®] so that the resulting panel can properly represent the adult population of the United States. Consequently, the raw distribution of KnowledgePanel[®] mirrors that of U.S. adults fairly closely, barring occasional disparities that may emerge for certain subgroups due to differential attrition rates among recruited panel members.

The selection methodology for general population samples from the KnowledgePanel[®] ensures that the resulting samples behave as an equal probability of selection method (EPSEM) samples. This methodology starts by weighting the entire KnowledgePanel[®] to the benchmarks secured from the latest March supplement of the Current Population Survey along several dimensions. This way, the weighted distribution of the KnowledgePanel[®] matches that of U.S. adults. Typically, the geo-demographic dimensions used for weighting the entire KnowledgePanel[®] include gender, age, race/ethnicity, education, census region, household income, home ownership status, metropolitan area status, and Internet access.

⁵⁴ The higher incentive for re-interviewed respondents was both to reflect the high value of repeat respondents, as well as a desire to maintain a consistent incentive level for respondents who participated in the past, since respondents to the 2014 survey all received a \$10 incentive.

Using the above weights as the measure of size (MOS) for each panel member, in the next step a probability proportional to size (PPS) procedure is used to select study specific samples. Since this survey includes a lower-income oversample, the departures caused by this oversample from an EPSEM design are corrected by adjusting the corresponding design weights accordingly with the Current Population Survey benchmarks serving as reference points.

Once the sample has been selected and fielded, and all the study data are collected and made final, a post-stratification process is used to adjust for any survey non-response as well as any non-coverage or under- and over-sampling resulting from the study specific sample design. The following variables were used for the adjustment of weights for this study: gender, age, race/ethnicity, education, census region, residence in a metropolitan area, household income, and access to the Internet. Demographic and geographic distributions for the noninstitutionalized, civilian population ages 18 and over from the March 2014 Current Population Survey are used as benchmarks in this adjustment.

Although weights allow the sample population to match the U.S. population based on observable characteristics, similar to all survey methods, it remains possible that non-coverage or non-response results in differences between the sample population and the U.S. population that are not corrected using weights.

Appendix B: Survey of Household Economics and Decisionmaking—Questionnaire

Below is a reproduction of the survey instrument in its entirety. The bracketed text are programming instructions that indicate whether the respondent can select only a single response [S] or multiple responses [M]. Not all questions are shown to all respondents, and the skip patterns used to reach each question are listed as the “Base” above each question. The respondents only see the questions and response options; they do not see the program code. Question numbers are not always sequential in order to preserve continuity with question numbers from earlier surveys where possible. Questions are listed below in the order in which they are presented to respondents.

Introduction

[DISPLAY01]

OMB Control Number: 7100-0359

Expiration Date: 04/30/2017

Additional information is available here on the OMB public reporting requirements.

The Federal Reserve Board is interested in learning more about the financial well-being and economic perceptions of the American people. The data collected in this survey will be used for research, analysis, and policymaking on consumer finances and household financial stability. A dataset containing anonymized responses may also be released publicly on the Federal Reserve Board’s website. **We appreciate your participation in this survey. In appreciation for your completing this survey, you will be provided with the equivalent of [(IF XSFLAG=1 OR 3) AND X2013=1) OR (XSFLAG=2), INSERT: \$10 / if ((xsflag=1 or 3) and x2013=2), insert \$5] through the GfK rewards system.**

[IF “HERE” CLICKED ABOVE, DISPLAY THIS TEXT IN A NEW TAB OR WINDOW]

The Federal Reserve may not conduct or sponsor, and an organization is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Public reporting burden for this information collection is estimated to average 0.33 hours, including the time to gather data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0359), Washington, DC 20503.

Demographics and Employment Section

Base: All respondents

[show display1 and d1 on the same page]

[DISPLAY1]

First, tell us a little about yourself.

Base: All respondents

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

D0. Do each of the following types of people currently live with you in your household?

DOWN:

- a. My spouse or partner
- b. My child or children who are *under age 18*
- c. My adult child or children who are *age 18 or older*
- d. My parents
- e. My extended family such as brothers, sisters or cousins
- f. Roommate(s) who are not related to me
- g. Other individuals (please specify) **[text box]**

ACROSS:

1=Yes

0=No

Base: D0_c = 1

[S]

D0A. Which of the following best describes the **adult children** (who are age 18 or older) who live with you?

1. All of the adult children living with me are currently enrolled in school
2. One or more of the adult children who lives with me is *not* currently enrolled in school

Base: All respondents

[S]

D2. We are interested in your present job status. Which *one* of the following BEST describes your current employment situation?

1. Employed now
2. Temporarily laid off
3. Not employed, but looking for a job
4. Not employed and not looking for a job
5. Homemaker
6. Student
7. Disabled and not working
8. Retired

Base: D2=1

[S]

D3. Thinking of your main job, do you:

1. Work full-time for someone else
2. Work part-time for someone else
3. Work for yourself (self-employed)
4. Work as a partner in a partnership (e.g. partner in law firm, medical practice)
5. Work as a consultant/contractor

Base: D2=6

[S]

D4A. Besides being a student, do you also have a paid job?

1. Yes, I work full-time
2. Yes, I work part-time
3. No

Base: D2=8

[S]

D4B. Besides being retired, do you also have a paid job?

1. Yes, I work full-time
2. Yes, I work part-time
3. No

Base: D2=1

[GRID]

D4C. In addition to your main job, do you have any of the following types of additional paid jobs?

DOWN:

- a. I have *another* full-time job
- b. I have *another* part-time job
- c. I do other work for pay that is not through a formal job. This may include activities like selling items you make at flea markets or online; freelance work through companies like Uber, Care.com, or Airbnb; or providing services for others like paid child care or yard work (do **NOT** include completing surveys for GfK)

ACROSS:

1=Yes

0=No

Base: D2=2, 3, 4, or 5

[S]

D4D. Do you do any work for pay, even if not through a formal job? This may include activities like selling items you make at flea markets or online; freelance work through companies like Uber, Care.com, or Airbnb; or providing services for others like paid child care or yard work (do **NOT** include completing surveys for GfK)?

1. Yes
0. No

Base: (D3 = 1, 2, or 5) or (D4A = 1 or 2) or (D4B = 1 or 2)

[S]

D4E. If you were paid the same hourly rate that you make at your main job regardless of the number of hours you work, would you prefer to:

1. Work the same number of hours that you currently work
2. Work more hours for more money
3. Work fewer hours for less money

Base: PPMARIT = 1 or 6

[S]

D5. Which one of the following **BEST** describes your **[IF PPMARIT=1, INSERT: spouse's / IF PPMARIT=6, INSERT: partner's]** current employment status?

1. Employed full-time
2. Employed part-time
3. Temporarily laid off
4. Not employed, but looking for a job
5. Not employed and not looking for a job
6. Homemaker
7. Student
8. Disabled and not working
9. Retired

Labor Market Skills Section

Base: D2 = 1-7 OR -1 (Refused)

[S]

Y1. Thinking about your current education and work experience, how confident are you that you have the skills necessary to get the kind(s) of job(s) you want now?

1. Very confident
2. Somewhat confident
3. Not confident
4. I am not currently in the workforce and I am not looking for a job
8. Don't know

Base: Y1 = 3

[M]

Y3. You expressed some lack of confidence in your skills for the kinds of jobs that you might want now. Which of these statements, if any, do you agree with?

- a. I need more education or another degree
- b. I need more job training
- c. My skills are out of date because I haven't been using them
- d. The job market is changing faster than I can keep up with
- e. The kind of job I'm qualified for is not available

Financial Management and Stability Section

Base: All qualified respondents

[S]

B2. Overall, which one of the following best describes how well you are managing financially these days:

4. Living comfortably
3. Doing okay
2. Just getting by
1. Finding it difficult to get by

Base: All qualified respondents

[S]

B3. Compared to *12 months ago*, would you say that you (and your family living with you) are better off, the same, or worse off financially?

5. Much better off
4. Somewhat better off
3. About the same
2. Somewhat worse off
1. Much worse off

Base: All qualified respondents

[S]

B6. Think of your parents when they were your age. Would you say you (and your family living with you) are better, the same, or worse off financially than they were?

5. Much better off
4. Somewhat better off
3. About the same
2. Somewhat worse off
1. Much worse off

General Housing Section

Base: All qualified respondents

[SHOW DISPLAY2 AND GH1 ON THE SAME PAGE]

[DISPLAY2]

This section will ask some questions about your housing situation.

[S]

GH1. Which one of the following best describes your housing arrangement?

1. I **[IF PPMARIT=1, INSERT: (and/or my spouse) / IF PPMARIT=6, INSERT: (and/or my partner)]** own **[IF PPMARIT=1 OR 6, INSERT: our, ELSE INSERT: my]** home with a mortgage or loan.
2. I **[IF PPMARIT=1, INSERT: (and/or my spouse) / IF PPMARIT=6, INSERT: (and/or my partner)]** own **[IF PPMARIT=1 OR 6, INSERT: our, ELSE INSERT: my]** home free and clear (without a mortgage or loan).
3. I **[IF PPMARIT=1, INSERT: (and/or my spouse) / IF PPMARIT=6, INSERT: (and/or my partner)]** pay rent.
4. I **[IF PPMARIT=1, INSERT: (and/or my spouse) / IF PPMARIT=6, INSERT: (and/or my partner)]** don't own **[IF PPMARIT=1 OR 6, INSERT: our, ELSE INSERT: my]** home or pay rent.

Base: All qualified respondents

[NUMBER BOX, RANGE 1900 TO 2015]

GH2. In what year did you **[IF GH1=1 OR 2, INSERT: buy / IF GH1=3, INSERT: start renting / IF GH1=4, OR REFUSED, INSERT: move into]** your current home?

[NUM BOX 1900–2015]

Base: All qualified respondents

[GRID]

GH3. How satisfied are you with each of the following aspects of your housing situation?

DOWN:

- a. Overall quality of your neighborhood
- b. Quality of your local schools
- c. Safety of your neighborhood
- d. Quality of other amenities in your neighborhood
- e. Overall quality of your house/apartment
- f. **[IF GH1= 1, 2, 3]** Cost of your house/apartment

ACROSS:

1. Not at all satisfied
2. Slightly satisfied
3. Somewhat satisfied
4. Mostly satisfied
5. Completely satisfied

Base: All qualified respondents

[S]

GH4. Do you **[IF PPMARIT=1, INSERT: (and/or your spouse) / IF PPMARIT=6, INSERT: (and/or your partner)]** expect to purchase a **[IF GH1=1 OR 2, INSERT: new]** home in the next 12 months?

1. Definitely No
2. Probably No
3. Probably Yes
4. Definitely Yes
8. Don't know

Base: GH4=3, 4, OR 8

[GRID]

[Suppress default instructions, instead show: Please answer yes or no to each option]

GH5. Have you taken each of the following steps in planning for a home purchase?

DOWN:

- a. Researched houses on your own (e.g. online, newspaper, etc.)
- b. Attended an open house or toured homes for sale
- c. Talked to a real estate agent
- d. Talked to a bank or lender about a mortgage
- e. Checked your credit
- f. Received a pre-approval for a mortgage
- g. Submitted an offer to purchase a house

ACROSS:

1=Yes

0=No

Rent Section

Base: GH1 = 3

[S]

R0. Would you prefer to own your home rather than rent your home if you could afford it?

1. Definitely No
2. Probably No
3. Probably Yes
4. Definitely Yes

Base: (GH1 = 3 or GH1 = 4) AND (GH2 >= 2014)

[S]

R4. Did you own your previous home that you moved from in [INSERT GH2 RESPONSE IN NORMAL FONT]?

- 0. No
- 1. Yes, and I still own that home
- 2. Yes, and I sold that home

Base: (GH1 = 3 or GH1 = 4) and (GH2>=2014)]

[M]

[RANDOMIZE A-E]

R5. Please select all of the reasons that you moved to your current home in [INSERT GH2 RESPONSE IN NORMAL FONT]?

- a. To save money/cheaper place to live
- b. Larger or better quality home
- c. Better quality neighborhood or schools
- d. Relocated to a new city
- e. Change in family status (e.g. marriage, divorce, children)
- f. Other (Please Specify): [TEXTBOX]

Base: GH1 = 3

[NUMBER BOX WITH S]

[ALLOW RESPONDENT TO EITHER TYPE ANSWER IN NUMBER BOX OR CHECK DON'T KNOW, PROMPT WITH THE FOLLOWING IF BOTH: Please enter an answer in the number box OR check 'Don't know'.]

R3. About how much do you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] pay for rent each month?

\$ _____ [Num box 0-99999]

<INSERT SPACE>

888888. Don't know [S]

Own Section

Base: (GH1 = 1 OR 2) and (GH2 < 2015)

[S]

H1. Compared to 12 months ago, do you think the value of your home today is higher, lower or stayed the same?

5. Value is a lot higher
4. Value is a little higher
3. Value has stayed the same
2. Value is a little lower
1. Value is a lot lower
8. Don't Know

Base: (GH1 = 1 OR 2)

[S]

H4. In the next 12 months, how much do you think that home prices in your neighborhood will change?

5. Go up by a lot
4. Go up by a little
3. Stay about the same
2. Go down by a little
1. Go down by a lot
8. Don't know

Base: (GH1 = 1 OR 2) and (GH2 >= 2001)

[S]

H6. Prior to purchasing your current home did you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** ever own another house?

1. Yes
0. No

Base: (GH1 = 1 OR 2) and (GH2>=2001)

[M]

H7. In addition to your mortgage, please select all the sources below that you used to fund the home purchase when you bought your current home:

- a. Proceeds from sale of previous home
- b. Personal savings
- c. Loan or gift from family/friends
- d. Second mortgage
- e. Financial assistance from a government program or nonprofit organization
- f. None **[S]**
- g. Other (Please Specify): **[TEXTBOX]**

Mortgage Section

Base: GH1 = 1

[S]

M2. In the past 12 months, have you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** missed two or more payments on your mortgage?

- 1. Yes
- 0. No

Base: GH1 = 1

[NUMBER BOX WITH S]

[ALLOW RESPONDENT TO EITHER TYPE ANSWER IN NUMBER BOX OR CHECK DON'T KNOW, PROMPT WITH THE FOLLOWING IF BOTH: Please enter an answer in the number box OR check 'Don't know'.]

M4. About how much is your total monthly mortgage payment (i.e. the amount you send to the bank)?

\$ _____ **[NUM BOX \$0-99999]**

<INSERT SPACE>

888888. Don't know **[S]**

Banking Section

Base: All qualified respondents

[SHOW DISPLAY3 AND BK1 ON THE SAME PAGE]

[DISPLAY3]

This section will ask some questions about your experiences with banks and credit.

[S]

BK1. Do you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** currently have a checking, savings or money market account?

1. Yes

0. No

Base: All qualified respondents

[GRID, SP ACROSS]

[Suppress default instructions, instead show: Please answer yes or no to each option]

BK2. In the past 12 months, have you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]**:

	Yes=1	No=2
a. used a money order		
b. used a check-cashing service		
c. used a tax refund anticipation loan		
d. used a pawn shop loan, a payday loan, an auto title loan, or a paycheck advance/deposit advance		
e. sent money to a relative or friend (not a business) living <i>outside</i> of the U.S. using a service other than a bank (e.g. WesternUnion, USPS SureMoney, etc.)		

Credit Application Section

Base: All qualified respondents

[S]

A6. If you were to apply for a credit card today, how confident are you that your application would be approved?

- 3. Not confident
- 2. Somewhat confident
- 1. Very confident
- 8. Don't know

Base: All qualified respondents

[S]

A0. In the last 12 months, have you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** applied for any credit (such as a credit card, higher credit card limit, mortgage, refinance, student loan, personal loan, or other loan)?

- 1. Yes
- 0. No

Base: A0=1 (Yes)

[M]

A0A. Please select all of the types of credit below that you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** have applied for in the past 12 months.

- a. Mortgage to buy a new home
- b. Refinance of a home mortgage
- c. Home equity loan or line of credit
- d. Credit card
- e. Car/auto loan
- f. Student loan
- g. Personal general-purpose loan from a bank
- h. Personal loan from friends or family
- i. Other (Please Specify): **[TEXTBOX]**

Base: A0=0

[S]

A0B. Was there a time in the past 12 months that you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** desired credit but chose not to submit a credit application?

- 1. Yes
- 0. No

Base: A0=1 OR -1 (Refused)

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

A1. In the past 12 months, please tell us if each of the following has or has not happened to you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]**:

- a. **[SHOW IF A0=1 OR REFUSED]** You **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** were turned down for credit
- b. **[SHOW IF A0=1 OR REFUSED]** You **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** were approved for credit, but were not given as much credit as you applied for
- c. **[SHOW IF (A0=1 OR REFUSED)]** You **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** put off applying for credit because you thought you might be turned down

Base: A0B=1

[S]

A2. You indicated that you **[IF PPMARIT=1, INSERT: or your spouse / IF PPMARIT=6, INSERT: or your partner]** desired credit in the past 12 months but did not submit a credit application. Was this because you thought that you might be turned down or denied credit?

1. Yes
0. No

Base: (A1_a=1 or A1_b=1) and at least two of (A0A_a – A0A_j) selected

[M]

A3. Which forms of credit that you applied for were you denied or offered less credit than requested:

[ONLY SHOW OPTIONS SELECTED IN A0A AND ANSWER OPTION I. OTHER]

- a. Mortgage to buy a new home
- b. Refinance of a home mortgage
- c. Home equity loan or line of credit
- d. Credit card
- e. Car/auto loan
- f. Student loan
- g. Personal general-purpose loan from a bank
- h. Personal loan from friends or family
- i. Other (Please Specify): **[TEXT]**

Credit Condition Section

Base: All qualified respondents

[S]

C1. If you had to guess, do you think your current credit score (such as a FICO score) is:

- 5. Excellent
- 4. Very good
- 3. Good
- 2. Fair
- 1. Poor
- 8. Don't know my score or how to rate it

Base: All qualified respondents

[S]

C2A. Do you have at least one credit card?

1. Yes
0. No

Base: C2A=1 or refused

[S]

C4A. In the past 12 months, how frequently have you carried a balance on one or more of your credit cards?

0. Never carried a balance (always pay in full)
1. Once
2. Some of the time
3. Most or all of the time

Base: C4A=1, 2, 3 or refused

[S]

C4B. In the past 12 months, how frequently have you paid only the minimum payment on one or more of your credit cards?

0. Never
1. Once
2. Some of the time
3. Most or all of the time

Base: C4A=1, 2, 3 or refused

[S]

C5. On the credit card you use most often, which of these categories best describes the current interest rate?

1. 0 to 5 percent
2. 6 to 10 percent
3. 11 to 15 percent
4. 16 to 20 percent
5. 21 to 25 percent
6. Over 25 percent
8. Don't know

Education Section

Base: All qualified respondents

[SHOW DISPLAY4 AND ED0 ON THE SAME PAGE]

[DISPLAY4]

This section will ask some questions about your education and experiences with student loans.

[S]

ED0: What is the highest level of school you have completed or the highest degree you have received?

1. Less than High School degree
2. High school degree or GED
3. Some college but no degree (including currently enrolled in college)
4. Certificate or technical degree
5. Associate degree
6. Bachelor's degree
7. Master's degree
8. Professional degree (e.g. MBA, MD, JD)
9. Doctoral Degree

CREATE [DOV_ED] :

IF ED0 = 5 DOV_ED= "Associate Degree"

IF ED0 >= 6 DOV_ED= "Bachelor's Degree"

Base: IF ED0>1

[S]

ED0A: Are you currently enrolled in any school, college, or other post-high school educational program that will lead to a degree?

1. Yes
0. No

Base: ED0A=1

[S]

ED0B: What type of degree program are you currently enrolled in?

1. Certificate or technical degree
2. Associate degree
3. Bachelor's degree
4. Master's degree
5. Professional degree (e.g. MBA, MD, JD)
6. Doctoral Degree

Base: (XSFLAG=2) AND (ED0A=0 OR REFUSED)

[S]

ED0C: In the past 12 months, have you taken any classes towards a degree or completed any educational programs?

1. Yes
0. No

Base: (ED0 = (3, 4, 5, 6, 7, 8, OR 9) OR ED0A=1) AND ((XSFLAG=1 OR 3) OR (ED0A=1) OR (EDOC=1))

[S]

ED1. Which one of the following broad categories best describes your **[IF ED0A=1, INSERT: current / IF ED0A=0 OR ED0A=REFUSED, INSERT: most recent]** educational program?

1. Humanities
2. Social/behavioral sciences
3. Life sciences
4. Physical sciences/math
5. Computer/information sciences
6. Engineering
7. Education
8. Business/management
9. Health
10. Law
11. Vocational/technical training
12. Undeclared
13. Other (Please specify): **[TEXTBOX]**

Base: ((ED0=3 or 4) or (ED0=2 and ED0A=1)) AND ((xsflag=1 or 3) OR (ED0A=1) OR (EDOC=1))

[TEXT BOX]

ED2. What is the name of the school you **[IF ED0A=1, INSERT:currently attend / IF ED0A=0 OR ED0A=REFUSED, INSERT: attended for your most recent educational program]**?

Base: (ED0 =3 or 4) and (ED0A=0) AND (xsflag=1 or 3)

[NUMBER BOX]

ED4. In what year did you last attend this educational program?

_____ **[NUM BOX, RANGE 1900 – 2015]**

Base: (ED0 =3 or 4) OR (ED0=2 and ED0A=1)

[S]

ED5. Overall, how would you say the lifetime financial benefits of your **[IF ED0A=1, INSERT: current / IF ED0A=0 OR ED0A=REFUSED, INSERT: most recent]** educational program compare to its financial costs?

1. Financial benefits are much larger
2. Financial benefits are somewhat larger
3. About the same financial benefits and financial costs
4. Financial costs are somewhat larger
5. Financial costs are much larger

Base: (ED0 =3 or 4) and (ED0A=0 or refused)

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

ED6(A). Knowing what you know now about the benefits and costs of your education, if you could go back and make your education decisions again would you have done each of these things:

DOWN:

- a. Chosen a different field of study
- b. Attended a different school
- c. Completed less education
- d. Completed more education
- e. Chosen not to attend college

ACROSS:

1=Yes

0=No

Base: (ED0 = 5, 6, 7, 8, or 9) AND ((xsflag=1 or 3) OR (ED0A=1) OR (ED0C=1))

[TEXT BOX]

ED7. What is the name of the school from which you received your **[DOV_ED]**?

Base: ED0 = 5, 6, 7, 8, or 9 AND [(SFLAG=1 OR 3) OR (ED0A=1) OR (ED0C=1)]

[NUMBER BOX]

ED9. In what year did you receive your **[DOV_ED]**?

[NUM BOX, RANGE 1900 – 2015]

Base: ED0 = 5, 6, 7, 8, or 9

[S]

ED10. Overall, how would you say the lifetime financial benefits of your **[DOV_ED]** program compare to its financial costs?

1. Financial benefits are much larger
2. Financial benefits are somewhat larger
3. About the same financial benefits and financial costs
4. Financial costs are somewhat larger
5. Financial costs are much larger

Base: EDO = 5, 6, 7, 8, or 9

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

ED11(A). Knowing what you know now about the benefits and costs of your education, if you could go back and make decisions regarding your **[DOV_ED]** again, would you have done each of these things:

DOWN:

- a. Chosen a different field of study
- b. Attended a different school
- c. Completed less education
- d. Completed more education
- e. Chosen not to attend college

ACROSS:

1=Yes

0=No

Base: (ED0 = 2) and (ED0A = 0 or refused)

[M, RANDOMIZE A-F]

ED13. Which of the following are reasons why you did not attend college?

- a. Too expensive
- b. Family responsibilities
- c. Wanted to work
- d. Simply was not interested in college
- e. Was not admitted
- f. Did not think benefits of attending college were worth the cost
- g. Other: **[TEXTBOX]**

Base: (ED0 = 3) and (ED0A = 0 or refused)

[M, RANDOMIZE A-F]

ED14. Which of the following are reasons why you did not complete your college degree?

- a. Too expensive
- b. Family responsibilities
- c. Wanted to work
- d. Simply not interested in continuing in college
- e. Did not think the benefits of continuing college were worth the cost
- f. Low grades
- g. Other: **[TEXTBOX]**

Base: (ED13_b =1) or (ED14_b=1)

[TEXT BOX, 300 CHARACTERS]

PROGRAMMING NOTE: TEXTBOX IS INTENTIONALLY LARGER THAN THE STATED LIMIT SO THAT RESPONDENT IS NOT FORCED TO REDUCE TEXT IF THEY WRITE TOO MUCH.

ED14A. You indicated that family responsibilities contributed to you not **[IF ED0=2, INSERT: attending college / IF ED0=3, INSERT: completing a college degree]**? In a few words (150 character max), please describe these responsibilities?

[TEXTBOX, 300 CHARACTERS]

Base: xsflag=1 or 3

[S]

ED15. What is the highest level of education that your mother completed?

1. Less than High School degree
2. High school degree or GED
3. Some college but no degree
4. Certificate or technical degree
5. Associate degree
6. Bachelor's degree
7. Graduate degree
8. Don't know

Base: xsflag=1 or 3

[S]

ED16. What is the highest level of education that your father completed?

1. Less than High School degree
2. High school degree or GED
3. Some college but no degree
4. Certificate or technical degree
5. Associate degree
6. Bachelor's degree
7. Graduate degree
8. Don't know

Student Loans Section

Base: All qualified respondents

[S]

SL1. Do you currently have student loan debt or owe any money used to pay for *your own education* ?

Please include any loans on which you are a co-signer that were used to pay for your education beyond high school (including student loans, home equity loans, or credit cards paid off over time).

1. Yes

0. No

Base: SL1 = 1

[GRID]

SL2. Think about the money you borrowed to pay *for your own education*. Is the money you owe for that education a student loan, a home equity loan, a credit card debt, or some other type of loan? If you have multiple loans, please select all that apply.

DOWN:

A. Student Loan

B. Home Equity Loan

C. Credit Card

D. Other Loan: Please specify [textbox]

ACROSS:

1. Yes

0. No

Base: SL2_A=1 or SL2_B=1 or SL2_C=1 or SL2_D=1

[RANGE FOR ALL NUMBER BOXES: \$0 TO \$999,999]

[SHOW IN A GRID FORMAT]

SL3. Thinking specifically about the money that you borrowed to pay for your own education, please tell us the total amount that you currently owe on each of these loans. If you don't know an exact amount, an estimate is fine.

A. **[IF SL2_A=1]** Student Loan \$____ **[NUMBER BOX]**

B. **[IF SL2_B=1]** Home Equity Loan \$____ **[NUMBER BOX]**

C. **[IF SL2_C=1]** Credit Card \$____ **[NUMBER BOX]**

D. **[IF SL2_D=1]** Other Loan \$____ **[NUMBER BOX]**

E. Total **[SUM OF A-D]** \$____ **[NUMBER BOX]**

Base: SL2_A = 1

[NUMBER BOX RANGE \$0-\$99,999]

SL4. Approximately how much is the total monthly payment that you make on **student loans** from your education?

\$ _____ **[NUM BOX \$0-99999]**

Base: SL2_A = 1

[S]

SL5. Is one or more of the **student loans** from your own education in deferment, forbearance, or being forgiven so you do not need to make payments right now?

1. Yes

0. No

Base: SL2_A = 1

[S]

SL6. Are you behind on payments or in collections for one or more of the **student loans** from your own education?

1. Yes

0. No

Base: SL1 = 0 or refused

[S]

SL7. Did you borrow money or take out any loans to pay for your own education that you have since repaid?

- 1. Yes
- 0. No

Base: SL1 = 1 or SL7=1

[S]

SL8. Still thinking about the money you borrowed to pay for *your own education*, did you borrow money for each of the following educational programs (including any loans which you have completely repaid)?

DOWN:

- a. Certificate or technical training
- b. Associate degree
- c. Bachelor's degree
- d. Professional degree (e.g. MBA, MD, JD)
- e. Master's degree or Doctoral Degree

ACROSS:

- 1=Yes
- 0=No

Base: SL1 = 1 OR SL7=1

[S]

SL9. Did you complete the most recent educational program for which you borrowed money?

- 1. Yes
- 0. No
- 2. Still enrolled in the program

Base: IF PPMARIT=1 OR 6

[S]

SL10. Do you currently owe any money used to pay for **your [IF PPMARIT=1, INSERT: spouse's / IF PPMARIT=6, INSERT: partner's] education?** Please only include any loans on which *you* are a co-signer that were used to pay for their education beyond high school (including student loans, home equity loans, or credit cards paid off over time).

1. Yes

0. No

Base: IF PPAGE GE 30

[S]

SL11. Do you currently owe any money used to pay for ***your child or grandchild's education?*** Please only include any loans on which *you* are a co-signer that were used to pay for their education beyond high school (including student loans, home equity loans, or credit cards paid off over time).

1. Yes

0. No

999. Do not have children or grandchildren

Retirement Planning Section

Base: All qualified respondents

[SHOW DISPLAY5 AND K1B ON THE SAME PAGE]

[DISPLAY5]

This section will ask some questions about your planning and savings for retirement.

Base: (D2=1-7 OR REFUSED) or (D4b=1-2)

[S]

K1B. At what age do you expect to retire fully, meaning completely stop working for pay?

[NUM BOX PPAGE-99]

<INSERT SPACE>

888. Will never stop working / I do not plan to retire [S]

999. Not Sure [S]

Base: D2=1-7 OR REFUSED

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

K2. Do you currently have each of the following types of retirement savings or pension?

DOWN:

a. 401(k), 403(b), or other defined contribution plan through an employer or former employer (i.e., a retirement plan through work, where you contribute a percent of your salary each pay-period to invest for retirement)

b. Pension with a defined benefit through an employer or former employer (i.e. a pension that will pay you a fixed amount each year during retirement based on a formula, your earnings, and years of service)

c. IRA or Roth IRA

d. Savings outside a retirement account (e.g. a brokerage account, savings account, or stock holdings)

e. Ownership of real estate or land that you plan to sell or rent to generate income in retirement

f. Ownership of my business

g. Other retirement savings

ACROSS:

1=Yes

0=No

Base: (K2_a=0 or refused) AND ((D3 = 1 or 2]) or (D4A = 1 or 2))

[S]

DC1. Does your employer offer a 401(k), 403(b), Thrift, or other defined contribution retirement plan?

- 1. Yes
- 0. No
- 8. Don't know

Base: DC1 = 1

[MP; RANDOMZE A-G]

DC2. You stated that you do not participate in a 401(k), 403(b), Thrift, or other defined contribution plan from work. Please select all the reasons below for why you do not currently invest in this type of retirement plan.

- a. I am not eligible to participate in my employer's plan
- b. Employer does not match contributions
- c. Unable to afford contributions to a retirement plan
- d. Plan to invest through the retirement plan but have not signed up yet
- e. Unsure of best way to invest money contributed to the retirement plan
- f. Prefer to save for retirement in other ways
- g. Prefer to spend the money rather than save
- h. Other (Please Specify): **[TEXTBOX]**

Base: DC1 = 0 or 8

[S]

DC3. If your employer did offer a 401(k), 403(b), Thrift, or other defined contribution benefit plan, would you contribute to the plan?

1. Definitely No
2. Probably No
3. Probably Yes
4. Definitely Yes
8. Don't know

Base: (K2_a, K2_c, or K2_d=1) AND (D2 = 1-7 or Refused)

[S]

DC4: How confident are you in your ability to make the right investment decisions when managing and investing the money in your retirement accounts (including IRA, 401(k), 403(b), Thrift, or other retirement accounts where you choose the investments for yourself)?

1. Very confident
2. Mostly confident
3. Slightly confident
4. Not confident

Base: (K2_a, K2_c, or K2_d=1) AND (D2 = 1-7 or Refused)

[MP, RANDOMIZE B-G]

DC5: Which of the following sources of advice do you usually use when deciding how to invest the money in your retirement accounts?

- a. No one [S]
- b. Friends or relatives
- c. Financial planner
- d. Investment broker
- e. Lawyer or accountant
- f. Employer
- g. Internet research, books, or magazines
- h. Other (Please Specify): [TEXTBOX]

Base: DC5=a

[S]

DC6: You indicated that you did not receive advice from others when deciding how to invest the money in your retirement accounts. Is this because you do not feel that you need help, because you do not know where to get it, or because it is too expensive?

- 1. I do not feel that I need help managing my investments
- 2. I would like help but do not know where to get it
- 3. I would like help but I cannot afford it or it is too expensive

Base: (D2 = 1-7 or Refused)

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes, no, or don't know to each option]

K3. Which of the following do you expect will be a source of funds for you **[IF PPMARIT=1, INSERT: and your spouse / IF PPMARIT=6, INSERT: and your partner]** in retirement?

DOWN:

- a. Social Security
- b. I will continue working
- c. Spouse/partner will continue working
- d. Pension with a defined benefit from work (i.e. pension based on a formula, your earnings, and years of service)
- e. 401(k), 403(b), or other defined contribution plan from work (i.e., a retirement plan through work, where you contribute a percent of your salary each pay-period to invest for retirement)
- f. IRA or Roth IRA
- g. Savings outside a retirement account (e.g. a brokerage account, savings account)
- h. Income from real estate or the sale of real estate
- i. Income from a business or the sale of a business
- j. Rely on children, grandchildren, or other family
- k. Rely on inheritance
- l. Other retirement savings

ACROSS:

- 1. Yes
- 0. No
- 8. Don't know

Base: D2 = 1-7 or Refused

[S]

K5A. In the past 12 months, have you *borrowed* money from or *cashed out* (permanently withdrawn) money from any of your retirement savings accounts?

1. Yes, borrowed money
2. Yes, cashed out
3. Yes, both
0. No

Base: D2 = 8 AND D4b = 3

[NUM BOX WITH SP, RANGE 25 TO PPAGE]

[ALLOW RESPONDENT TO EITHER TYPE ANSWER IN NUMBER BOX OR CHECK DON'T KNOW, PROMPT WITH THE FOLLOWING IF BOTH: Please enter an answer in the number box OR check Not Sure.]

K8A. At what age did you retire fully, meaning completely stop working?

[NUM BOX 25-PPAGE]

<INSERT SPACE>

999 Not Sure [S]

Base: D2 = 8

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

K10. Which of the following are sources of funds for you **[IF PPMARIT=1, INSERT: and your spouse / IF PPMARIT=6, INSERT: and your partner]** in retirement?

DOWN:

- a. Social Security
- b. I have a job
- c. My spouse/partner has a job
- d. Pension with a defined benefit from work (i.e. pension based on a formula, your earnings, and years of service)
- e. 401(k), 403(b), or other defined contribution plan from work (i.e., a retirement plan through work, where you contributed a percent of your salary each pay-period to invest for retirement)
- f. IRA or Roth IRA
- g. Savings outside a retirement account (e.g. a brokerage account, savings account)
- h. Income from real estate or the sale of real estate
- i. Income from a business or the sale of a business
- j. Relying on children, grandchildren, or other family
- k. Other retirement savings

ACROSS:

- 1. Yes
- 0. No

Holiday Spending and Financing Section

Base: All qualified respondents

[SHOW DISPLAY6 AND HOL1 ON THE SAME PAGE]

[DISPLAY6]

This section will ask some questions about your holiday spending plans this year.

[NUMBER BOX, RANGE \$0 TO \$99,999 WITH S]

HOL1. Thinking about the coming holiday season, about how much are you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** planning to spend on holiday gifts this year? If you do not know the exact amount, an estimate is fine.

[NUMBER BOX]

<INSERT SPACE>

-2. I am not planning to spend money on holiday gifts this year **[S]**

Base: HOL1>0

[S]

HOL2. Do you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** plan to use a credit card that you pay off over time, a layaway plan, a loan, or any other form of borrowing to pay for holiday gifts this year?

1. Yes

0. No

Base: HOL1>0 and HOL2=1

[S]

HOL3. Approximately when do you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** expect that you will have any credit card debt, loans, or other borrowing from your holiday spending this year completely paid off?

1. January 2016 or earlier
2. February or March 2016
3. April, May, or June 2016
4. July, August, or September 2016
5. October, November, or December 2016
6. After December 2016

Auto Loans Section

Base: All qualified respondents

[SHOW DISPLAY7AND AL0 ON THE SAME PAGE]

[DISPLAY7]

This section will ask some questions about your vehicle purchases and experiences with auto loans.

[S]

AL0. Do you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** own or lease a car or truck?

1. Yes, I own a car or truck
2. Yes, I lease a car or truck
3. Yes, I own a car or truck **and** I lease a car or truck
0. No, I do not own or lease a car or truck

Base: AL0=1 or 3

[S]

AL1. Do you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** currently have any auto loans on cars or trucks that you own?

- 1. Yes
- 0. No

Base: (AL0=2 or 3) or AL1=1

[S]

AL2. In the past 12 months, have you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** missed or been late making any payments on your auto loan or lease?

- 1. Yes
- 0. No

Base: AL0=1, 2, or 3

[S]

AL4. In the past 12 months, have you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** bought or leased a car or truck?

If you made multiple purchases or leases, please consider the most recent car or truck that you acquired.

- 1. Yes, I purchased a new, unused car or truck
- 2. Yes, I purchased a used car or truck from a dealership, car lot, or car salesman
- 3. Yes, I purchased a used car or truck from a private seller (such as the previous owner)
- 4. Yes, I leased a car or truck
- 0. No, I have not purchased or leased a car or truck in the past year

Base: IF AL4>0

[NUMBER BOX, RANGE 1 TO 30]

AL5. For these questions, please consider the most recent car or truck that you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] [IF AL4=1, 2 OR 3, INSERT: purchased / IF AL4=4, INSERT: leased].

Approximately how long do you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] expect to keep this vehicle?

[NUMBER BOX, RANGE 1 TO 30] year(s)

Base: IF AL4>0

[S]

AL6. For these questions, please consider the most recent car or truck that you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] [IF AL4=1, 2 OR 3, INSERT: purchased / IF AL4=4, INSERT: leased].

When you [IF AL4=1, 2 OR 3, INSERT: bought / IF AL4=4, INSERT: leased] this vehicle, did you compare prices from different sellers?

1. Yes
0. No

Base: AL4=1, 2, or 3

[S]

AL7. For these questions, please consider the most recent car or truck that you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] purchased.

When you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] bought this vehicle, did you take out an auto loan to pay for the purchase?

1. Yes, from the location where the car or truck was purchased
2. Yes, from a bank or credit union
3. Yes, from an internet lender
4. Yes, from another source [textbox]:
0. No

Base: AL7=1, 2, 3, or 4

[S]

AL8. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** purchased.

When you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** bought this vehicle, did you compare interest rates or other loan terms from different lenders or from different automobile dealerships/sellers?

1. Yes
0. No

Base: IF AL4>0

[M]

AL9. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** **[IF AL4=1, 2 OR 3, INSERT: purchased / IF AL4=4, INSERT: leased]**.

When you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** **[IF AL4=1, 2 OR 3, INSERT: bought / IF AL4=4, INSERT: leased]**, this car or truck, which of the following sources of advice did you use when deciding how to finance or pay for it?

- a. No one [S]
- b. Friends or relatives
- c. Print or online publication (Newspaper, magazines, Consumer Reports, etc.)
- d. Internet research
- e. Advice of car dealer or salesman
- f. Advice of banker or lender
- g. Other (please specify): [TEXTBOX]

Base: IF AL4>0

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes or no to each option]

AL10. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** **[IF AL4=1, 2 OR 3, INSERT: purchased / IF AL4=4, INSERT: leased]**.

When you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** **[IF AL4=1, 2 OR 3, INSERT: bought / IF AL4=4, INSERT: leased]** this car or truck, which of the following (if any) did you negotiate with the seller?

DOWN:

- a. Total purchase price
- b. Monthly payment amount
- c. Upfront payment due
- d. Interest rate on the auto loan (if any)
- e. Length of the auto loan or lease
- f. Amount offered for trade-in of old vehicle

ACROSS:

1. Yes
0. No

Base: If at least two answers punched yes (1) in AL10

[ONLY SHOW ANSWERS SELECTED IN AL10]

[S]

AL11. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] [IF AL4=1, 2 OR 3, INSERT: purchased / IF AL4=4, INSERT: leased]**.

Among the factors that you negotiated when **[IF AL4=1, 2 OR 3, INSERT: purchasing / IF AL4=4, INSERT: leasing]** this vehicle, which one of these did you consider to be the most important?

1. **[AL10_A=1]** Total purchase price
2. **[AL10_B=1]** Monthly payment amount
3. **[AL10_C=1]** Upfront payment due
4. **[AL10_D=1]** Interest rate on the auto loan (if any)
5. **[AL10_E=1]** Length of the auto loan or lease
6. **[AL10_F=1]** Amount offered for trade-in of old vehicle

Base: AL4=1, 2, or 3

[S]

AL12. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] purchased**.

Approximately what was the total purchase price of this vehicle?

1. Less than \$10,000
2. \$10,000 to \$19,999
3. \$20,000 to \$29,999
4. \$30,000 to \$39,999
5. \$40,000 to \$49,999
6. Over \$50,000

Base: AL7=1, 2, 3, or 4

[S]

AL13. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** purchased.

Approximately how much was the total auto loan amount for this vehicle?

1. Less than \$10,000
2. \$10,000 to \$19,999
3. \$20,000 to \$29,999
4. \$30,000 to \$39,999
5. \$40,000 to \$49,999
6. Over \$50,000

Base: AL7=1, 2, 3, or 4

[S]

AL14. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** purchased.

Approximately what was the interest rate on the auto loan used for the purchase of this vehicle?

1. 0 to 1.99 percent
2. 2.00 to 3.99 percent
3. 4.00 to 5.99 percent
4. 6.00 to 7.99 percent
5. 8.00 to 9.99 percent
6. 10 percent or higher
7. Don't know

Base: AL7=1, 2, 3, or 4

[S]

AL15. For these questions, please consider the most recent car or truck that you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** purchased.

How many monthly payments were agreed upon when you took out the loan for this vehicle. That is, if you do not pay off the loan early, how long will you be making payments on the auto loan?

1. 0 to 12 months (up to 1 year)
2. 13 to 24 months (1 to 2 years)
3. 25 to 36 months (2 to 3 years)
4. 37 to 48 months (3 to 4 years)
5. 49 to 60 months (4 to 5 years)
6. 61 to 72 months (5 to 6 years)
7. 73 months or longer (over 6 years)
8. Don't know

Income and Consumption Section

Base: All qualified respondents

[SHOW DISPLAY8 AND I0 ON THE SAME PAGE]

[DISPLAY8]

This section will ask some questions about your recent sources of income, savings and expenses.

[S]

I0. In the past 12 months, did you **[IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner]** receive any income from the following sources:

DOWN:

- a. Wages or salaries
- b. Self-employment
- c. Freelance work or hobbies (do **not** include income from GfK)
- d. Interest, dividends, or rental income
- e. Social Security
- f. Supplemental Security (SSI)
- g. Unemployment income
- h. Pension income
- i. Any other income

ACROSS:

1. Yes
0. No

Base: if ALL I0_a through I0_j =0 or refused

[S]

I0A. Did you [IF PPMARIT=1, INSERT: and/or your spouse / IF PPMARIT=6, INSERT: and/or your partner] receive any income from any source in the past year?

1. Yes

0. No

Base: At least one of (D0_a through D0_g) = 1 (not living alone)

[S]

I0B. Besides you [IF PPMARIT=1, INSERT: and your spouse / IF PPMARIT=6, INSERT: and your partner], did anyone else in your household receive any income in the past 12 months from any source?

1. Yes

0. No

Base: I0=1 for any response OR IOA=1 or refused

[S]

[IF REFUSED, PROMPT ONCE: “We ask for information about your income because it is extremely important for our understanding of household finances in the United States. We greatly appreciate your response and your answer will remain completely anonymous”]

I4A. Which of the following categories best describes the total income that you **[IF PPMARIT=1, INSERT:** and your spouse / **IF PPMARIT=6, INSERT:** and your partner] received from all sources, before taxes and deductions, in the past 12 months?

1. \$0 to \$4,999
2. \$5,000 to \$14,999
3. \$15,000 to \$24,999
4. \$25,000 to \$39,999
5. \$40,000 to \$49,999
6. \$50,000 to \$74,999
7. \$75,000 to \$99,999
8. \$100,000 to \$149,999
9. \$150,000 to \$199,999
10. \$200,000 or higher

Base: I0=1 for any response OR IOA=1 or refused

[S]

I1. In the past 12 months, would you say that your **[IF PPMARIT=1, INSERT:** and your spouse’s / **IF PPMARIT=6, INSERT:** and your partner’s] total spending was:

3. More than your income
2. The same as your income
1. Less than your income

Base: (I0=1 for any response OR I0A=1 or refused) AND ((D2=1 to 7) OR (D4B = 1 or 2))

[S]

I2. In the past 12 months, about what percent of your **[IF PPMARIT=1, INSERT: and your spouse's / IF PPMARIT=6, INSERT: and your partner's]** total gross income (before taxes and deductions) did you set aside as savings?

Please include all types of savings, even those through a pension or 401(k) at work.

0. None
1. 1 to 5 percent
2. 6 to 10 percent
3. 11 to 15 percent
4. 16 to 20 percent
5. Over 20 percent

Base: All qualified respondents

[S]

I9. In the past year, which one of the following best describes how your **[IF PPMARIT=1, INSERT: and your spouse's / IF PPMARIT=6, INSERT: and your partner's]** income changes from month to month, if at all?

1. Roughly the same amount each month
2. Roughly the same most months, but some unusually high or low months during the year
3. Often varies quite a bit from one month to the next

Base: I9 = 2 OR 3

[M; RANDOMIZE; A-F]

I10. Please indicate whether each of the following is a reason that your [IF PPMARIT=1, INSERT: and your spouse's / IF PPMARIT=6, INSERT: and your partner's] income changed from month to month in the past year:

- a. Bonuses
- b. Commissions
- c. Seasonal employment
- d. Irregular work schedule (i.e. your work hours change from week to week)
- e. Periods of unemployment
- f. Investment Income
- g. Other (Please Specify): [TEXTBOX]

Base: All qualified respondents

[S]

I11. In the past year, which one of the following best describes how your [IF PPMARIT=1, INSERT: and your spouse's / IF PPMARIT=6, INSERT: and your partner's] *expenses* change from month to month, if at all?

1. Roughly the same amount each month
2. Roughly the same most months, but some unusually high or low months during the year
3. Often varies quite a bit from one month to the next

Base: (I9 = 2 or 3) or (I11 = 2 or 3)

[S]

I12. In the past year, did you [IF PPMARIT=1, INSERT: and your spouse / IF PPMARIT=6, INSERT: and your partner] have any months where you struggled to pay your bills either because your income was unusually low or because your expenses were unusually high?

1. Yes
0. No

Base: All qualified respondents

[S]

I7. During the next 12 months, do you expect your **[IF PPMARIT=1, INSERT:** and your spouse's / **IF PPMARIT=6, INSERT:** and your partner's] total income to be higher, about the same, or lower than during the past 12 months?

3. Higher

2. About the same

1. Lower

Emergency Fund Section

Base: All qualified respondents

[S]

EF1. Have you set aside emergency or rainy day funds that would cover your expenses for 3 months in case of sickness, job loss, economic downturn, or other emergencies?

1. Yes

0. No

Base: EF1 = 0 or refused

[S]

EF2. If you were to lose your main source of income (e.g. job, government benefits), could you cover your expenses for 3 months by borrowing money, using savings, selling assets, or borrowing from friends/family?

1. Yes

0. No

Base: All qualified respondents

[M]

EF3. Suppose that you have an emergency expense that costs \$400. **Based on your current financial situation**, how would you pay for this expense? If you would use more than one method to cover this expense, please select all that apply.

- a. Put it on my credit card and pay it off in full at the next statement
- b. Put it on my credit card and pay it off over time
- c. With the money currently in my checking/savings account or with cash
- d. Using money from a bank loan or line of credit
- e. By borrowing from a friend or family member
- f. Using a payday loan, deposit advance, or overdraft
- g. By selling something
- h. I wouldn't be able to pay for the expense right now
- i. Other (Please specify):[TEXTBOX]

Base: EF3=b, d, e, f, g, h or i

[S]

EF4. **Based on your current financial situation**, what is the largest emergency expense that you could pay right now using cash or money in your checking/savings account?

- 1. Under \$100
- 2. \$100 to \$199
- 3. \$200 to \$299
- 4. \$300 to \$399
- 5. Over \$400

Health and Insurance Section

Base: All qualified respondents

[GRID]

[SHOW THIS TEXT INSTEAD OF DEFAULT INSTRUCTIONS: Please answer yes or no to each option]

E1. During the past 12 months, was there a time when you needed any of the following, but didn't get it because you couldn't afford it?

DOWN:

- a. Prescription medicine (including taking less medication than prescribed)
- b. To see a doctor
- c. Mental health care or counseling
- d. Dental care (including skipping check-ups or routine cleaning)
- e. To see a specialist (such as an OB/GYN, dermatologist, orthopedic surgeon, etc.)
- f. Follow-up care (e.g. skipping physical therapy sessions recommended by a doctor)

ACROSS:

- 1. Yes
- 0. No

Base: All qualified respondents

[S]

E2. During the past 12 months, have you had any *unexpected major medical expenses* that you had to pay out of pocket (that were not completely paid for by insurance)?

1. Yes

0. No

Base: E2=1

[NUMBER BOX RANGE \$0 TO \$9,999,999]

E2A. Approximately how much did you pay out of pocket for unexpected major medical expenses in the past 12 months?

[\$[NUM BOX 0-9999999]

Base: E2=1

[S]

E2B. Do you currently have an unpaid balance or owe any debt related to the unexpected major medical expenses that you had in the past 12 months?

1. Yes

0. No

Base: All qualified respondents

[GRID]

[SUPPRESS DEFAULT INSTRUCTIONS, INSTEAD SHOW: Please answer yes, no, or don't know to each option]

E5. Are you **currently** covered by each of the following types of insurance?

DOWN:

- a. Health Insurance (including insurance provided by an employer, private insurance company, Medicare, Medicaid, or any other type of health insurance)
- b. Auto/Car Insurance
- c. Homeowners or Renters Insurance
- d. Disability Insurance
- e. Long Term Care Insurance (i.e. insurance that covers expenses for assisted living facilities, home care, or nursing homes)
- f. Life Insurance
- g. Funeral Insurance

ACROSS:

- 1. Yes
- 0. No
- 8. Don't know

Base: All qualified respondents

[GRID]

[Suppress default instructions]

E6. Please answer yes or no to each option.

DOWN:

- a. Do you have a health problem or disability which prevents you from working or which limits the kind or amount of work that you can do?
- b. Do you have serious difficulty hearing or difficulty seeing even with glasses (including being blind or deaf)?
- c. Because of a physical, mental, or emotional condition, do you have serious difficulty concentrating, remembering, or making decisions?
- d. Do you have difficulty walking or climbing stairs?

ACROSS:

1. Yes

0. No

Financial Hardship Section

Base: All qualified respondents

[S]

X1. Over the past year, have you or your family living with you experienced any financial hardship such as a job loss, drop in income, health emergency, divorce, or loss of your home?

1. Yes

0. No

Base: X1 = 1

[M; RANDOMIZE A - I]

X2. Which of the following did you or your family living with you experience in the past year?

- a. I lost a job
- b. I had my work hours and/or pay reduced
- c. My spouse/partner lost a job
- d. My spouse/partner had their work hours and/or pay reduced
- e. Received a foreclosure or eviction notice
- f. A business I owned had financial difficulty
- g. Had a health emergency
- h. Divorce
- i. Death of primary breadwinner
- j. Other (Please specify):[TEXTBOX]

Base: IF conditions to display at least 2 answer choices are met

[S]

X3. We are interested in how people choose to prioritize payments when money is tight. Suppose that you only had enough money to pay one of the following bills this month. Which would you choose to pay?

- 1. Rent/mortgage **[ONLY SHOW IF GH1=1, 2, OR 3]**
- 2. Credit card bill **[ONLY SHOW IF C2A=1]**
- 3. Student loan **[ONLY SHOW IF SL1=1]**
- 4. Auto loan or lease **[ONLY SHOW IF (AL0=2 OR 3) OR AL1=1]**

Base: All qualified respondents

[TEXTBOX, 300 CHARACTERS]

PROGRAMMING NOTE: TEXTBOX IS INTENTIONALLY LARGER THAN THE STATED LIMIT SO THAT RESPONDENT IS NOT FORCED TO REDUCE TEXT IF THEY WRITE TOO MUCH.

[O]

X11. In a couple of words (150 character max) please describe the main financial challenges or concerns facing you or your family? If none please click the "None" box.

[TEXTBOX, 300 CHARACTERS]

<INSERT SPACE>

999 None [S]

Appendix C: Consumer Responses to Survey Questionnaire

Questions are listed below in the order in which they were presented to respondents, although not all questions were asked to all respondents. All data are weighted to yield estimates for the U.S. adult population.

Question D0. Do each of the following types of people currently live with you in your household?

Response	Percent
My spouse or partner	62.5
My child or children who are under age 18	27.7
My adult child or children who are age 18 or older	14.7
My parents	15.0
My extended family such as brothers, sisters, or cousins	10.2
Roommate(s) who are not related to me	5.1
Other individuals (please specify)	0.9

Note: Number of unweighted respondents = 5,642.

Question D0A. Which of the following best describes the adult children (who are age 18 or older) who live with you?

Response	Percent
Refused	2.2
All of the adult children living with me are currently enrolled in school	35.3
One or more of the adult children who lives with me is not currently enrolled in school	62.5

Note: Number of unweighted respondents = 769.

Question D2. We are interested in your present job status. Which one of the following BEST describes your current employment situation?

Response	Percent
Refused	0.1
Employed now	56.8
Temporarily laid off	0.7
Not employed, but looking for a job	4.5
Not employed and not looking for a job	1.8
Homemaker	6.1
Student	4.4
Disabled and not working	7.1
Retired	18.7

Note: Number of unweighted respondents = 5,642.

Question D3. Thinking of your main job, do you:

Response	Percent
Refused	0.2
Work full time for someone else	76.7
Work part time for someone else	15.1
Work for yourself (self-employed)	6.5
Work in a partnership (e.g., partner in law firm, medical practice)	0.5
Work as a consultant/contractor	1.0

Note: Number of unweighted respondents = 2,775.

Question D4A. Besides being a student, do you also have a paid job?

Response	Percent
Yes, I work full time	1.1
Yes, I work part time	37.5
No	61.4

Note: Number of unweighted respondents = 149.

Question D4B. Besides being retired, do you also have a paid job?

Response	Percent
Refused	0.1
Yes, I work full time	0.7
Yes, I work part time	9.5
No	89.7

Note: Number of unweighted respondents = 1,516.

Question D4C. In addition to your main job, do you have any of the following types of additional paid jobs?

Response	Percent
I have another full-time job	2.4
I have another part-time job	11.4
I do other work for pay that is not through a formal job	11.7

Note: Number of unweighted respondents = 2,775.

Question D4D. Do you do any work for pay, even if not through a formal job?

Response	Percent
Refused	0.0
No	73.3
Yes	26.7

Note: Number of unweighted respondents = 684.

Question D4E. If you were paid the same hourly rate that you make at your main job regardless of the number of hours you work, would you prefer to:

Response	Percent
Work the same number of hours that you currently work	57.5
Work more hours for more money	35.1
Work fewer hours for less money	6.9

Note: Number of unweighted respondents = 2,754.

Question D5. Which one of the following BEST describes your spouse's/partner's current employment status?

Response	Percent
Refused	0.5
Employed full time	57.4
Employed part time	7.3
Temporarily laid off	0.2
Not employed, but looking for a job	2.3
Not employed and not looking for a job	1.5
Homemaker	6.6
Student	0.9
Disabled and not working	3.7
Retired	19.5

Note: Number of unweighted respondents = 3,197.

Question Y1. Thinking about your current education and work experience, how confident are you that you have the skills necessary to get the kind(s) of job(s) you want now?

Response	Percent
Refused	0.1
Very confident	35.3
Somewhat confident	37.3
Not confident	14.0
I am not currently in the workforce and I am not looking for a job	9.4
Don't know	3.9

Note: Number of unweighted respondents = 4,126.

Question Y3. You expressed some lack of confidence in your skills for the kinds of jobs that you might want now. Which of these statements, if any, do you agree with?

Response	Percent
Refused	0.7
I need more education or another degree	52.0
I need more job training	37.2
My skills are out of date because I haven't been using them	25.8
The job market is changing faster than I can keep up with	26.2
The kind of job I'm qualified for is not available	16.6

Note: Number of unweighted respondents = 601.

Question B6. Think of your parents when they were your age. Would you say you (and your family living with you) are better, the same, or worse off financially than they were?

Response	Percent
Refused	0.5
Much worse off	6.6
Somewhat worse off	16.2
About the same	26.0
Somewhat better off	28.2
Much better off	22.5

Note: Number of unweighted respondents = 5,642.

Question B2. Overall, which one of the following best describes how well you are managing financially these days:

Response	Percent
Refused	0.1
Finding it difficult to get by	9.4
Just getting by	22.0
Doing okay	41.0
Living comfortably	27.6

Note: Number of unweighted respondents = 5,642.

Question GH1. Which one of the following best describes your housing arrangement?

Response	Percent
I (and/or my spouse/partner) own (our/my) home with a mortgage or loan	41.2
I (and/or my spouse/partner) own (our/my) home free and clear (without a mortgage or loan)	20.3
I (and/or my spouse/partner) pay rent	26.8
I (and/or my spouse/partner) don't own (our/my) home or pay rent	11.4

Note: Number of unweighted respondents = 5,642.

Question B3. Compared to 12 months ago, would you say that you (and your family living with you) are better off, the same, or worse off financially?

Response	Percent
Refused	0.2
Much worse off	3.7
Somewhat worse off	14.8
About the same	54.0
Somewhat better off	21.5
Much better off	5.8

Note: Number of unweighted respondents = 5,642.

Question GH2. In what year did you buy/start renting/move into your current home?

Response	Value
Refused (percent)	1.2
Mean	2003
Median	2006

Note: Number of unweighted respondents = 5,642.

Question GH3. How satisfied are you with each of the following aspects of your housing situation?

Response	Percent					
	Refused	Not at all satisfied	Slightly satisfied	Some-what satisfied	Mostly satisfied	Com-pletely satisfied
Overall quality of your neighborhood	0.0	4.0	8.2	17.5	39.0	31.3
Quality of your local schools	1.0	6.2	10.0	23.6	35.5	23.8
Safety of your neighborhood	0.2	4.2	8.2	19.0	38.8	29.7
Quality of other amenities in your neighborhood	0.4	6.0	11.5	24.5	35.5	22.2
Overall quality of your house/apartment	0.1	4.3	8.0	20.2	40.9	26.6
Cost of your house/apartment	0.3	7.1	10.3	23.6	33.9	24.9

Note: Number of unweighted respondents = 5,642.

Question GH4. Do you (and/or your spouse/partner) expect to purchase a (new) home in the next 12 months?

Response	Percent
Refused	0.2
Definitely no	63.0
Probably no	19.1
Probably yes	6.6
Definitely yes	2.1
Don't know	9.2

Note: Number of unweighted respondents = 5,642.

Question GH5. Have you taken each of the following steps in planning for a home purchase?

Response	Percent
Researched houses on your own (e.g., online, newspaper, etc.)	59.8
Attended an open house or toured homes for sale	26.9
Talked to a real estate agent	35.8
Talked to a bank or lender about a mortgage	26.0
Checked your credit	53.9
Received a preapproval for a mortgage	17.1
Submitted an offer to purchase a house	8.7

Note: Number of unweighted respondents = 913.

Question R0. Would you prefer to own your home rather than rent your home if you could afford it?

Response	Percent
Refused	0.4
Definitely no	7.0
Probably no	11.6
Probably yes	25.7
Definitely yes	55.4

Note: Number of unweighted respondents = 1,547.

Question R4. Did you own your previous home that you moved from in (GH2 response)?

Response	Percent
Refused	0.5
No	88.1
Yes, and I still own that home	1.7
Yes, and I sold that home	9.7

Note: Number of unweighted respondents = 603.

Question R5. Please select all of the reasons that you moved to your current home in (GH2 response).

Response	Percent
Refused	0.2
To save money/cheaper place to live	28.8
Larger or better quality home	18.9
Better quality neighborhood or schools	12.0
Relocated to a new city	35.5
Change in family status (e.g., marriage, divorce, children)	17.6
Other (please specify)	17.1

Note: Number of unweighted respondents = 603.

Question R3. About how much do you (and/or your spouse/partner) pay for rent each month?

Response	Value
Refused (percent)	1.1
Mean (dollars) (>0)	854.5
Median (dollars) (>0)	760.0
Don't know (percent)	7.1

Note: Number of unweighted respondents = 1,547.

Question H1. Compared to 12 months ago, do you think the value of your home today is higher, lower, or stayed the same?

Response	Percent
Refused	0.2
Value is a lot lower	5.1
Value is a little lower	11.8
Value has stayed the same	27.4
Value is a little higher	43.0
Value is a lot higher	8.3
Don't know	4.4

Note: Number of unweighted respondents = 3,514.

Question H4. In the next 12 months, how much do you think that home prices in your neighborhood will change?

Response	Percent
Refused	0.4
Go down by a lot	1.3
Go down by a little	6.9
Stay about the same	40.0
Go up by a little	38.8
Go up by a lot	3.7
Don't know	8.9

Note: Number of unweighted respondents = 3,629.

Question H6. Prior to purchasing your current home did you (or your spouse/partner) ever own another house?

Response	Percent
Refused	0.2
No	41.4
Yes	58.4

Note: Number of unweighted respondents = 1,807.

Question H7. In addition to your mortgage, please select all the sources below that you used to fund the home purchase when you bought your current home:

Response	Percent
Refused	0.3
Proceeds from sale of previous home	34.8
Personal savings	55.6
Loan or gift from family/friends	13.8
Second mortgage	5.2
Financial assistance from a government program or nonprofit organization	4.8
None (exclusive)	13.3
Other (please specify)	4.5

Note: Number of unweighted respondents = 1,807.

Question M2. In the past 12 months, have you (or your spouse/partner) missed two or more payments on your mortgage?

Response	Percent
Refused	0.3
No	95.6
Yes	4.1

Note: Number of unweighted respondents = 2,202.

Question M4. About how much is your total monthly mortgage payment (i.e., the amount you send to the bank)?

Response	Value
Refused (percent)	0.8
Mean (dollars) (>0)	1,225.4
Median (dollars) (>0)	1,100.0
Don't know (percent)	7.3

Note: Number of unweighted respondents = 2,202.

Question BK1. Do you (and/or your spouse/partner) currently have a checking, savings, or money market account?

Response	Percent
Refused	0.4
No	7.8
Yes	91.9

Note: Number of unweighted respondents = 5,642.

Question BK2. In the past 12 months, have you (and/or your spouse/partner):

Response	Percent
Used a money order	19.8
Used a check-cashing service	8.9
Used a tax refund anticipation loan	2.1
Used a pawn shop loan, a payday loan, an auto title loan, or a paycheck advance/deposit advance	5.6
Sent money to a relative or friend (not a business) living outside of the U.S. using a service other than a bank (e.g., Western Union, USPS SureMoney, etc.)	5.0

Note: Number of unweighted respondents = 5,642.

Question A6. If you were to apply for a credit card today, how confident are you that your application would be approved?

Response	Percent
Refused	0.2
Very confident	53.3
Somewhat confident	21.6
Not confident	19.6
Don't know	5.3

Note: Number of unweighted respondents = 5,642.

Question A0. In the last 12 months, have you (and/or your spouse/partner) applied for any credit (such as a credit card, higher credit card limit, mortgage, refinance, student loan, personal loan, or other loan)?

Response	Percent
Refused	0.6
No	60.7
Yes	38.7

Note: Number of unweighted respondents = 5,642.

Question A0A. Please select all of the types of credit below that you (and/or your spouse/partner) have applied for in the past 12 months.

Response	Percent
Refused	0.3
Mortgage to buy a new home	8.1
Refinance of a home mortgage	7.7
Home equity loan or line of credit	5.4
Credit card	66.9
Car/auto loan	26.7
Student loan	9.5
Personal general-purpose loan from a bank	9.9
Personal loan from friends or family	3.9
Other (please specify)	5.4

Note: Number of unweighted respondents = 2,052.

Question A0B. Was there a time in the past 12 months that you (and/or your spouse/partner) desired credit but chose not to submit a credit application?

Response	Percent
Refused	0.2
No	88.0
Yes	11.8

Note: Number of unweighted respondents = 3,561.

Question A1. In the past 12 months, please tell us if each of the following has or has not happened to you (and/or your spouse/partner):

Response	Percent
You (or your spouse/or your partner) were turned down for credit	26.0
You (or your spouse/or your partner) were approved for credit, but were not given as much credit as you applied for	16.8
You (or your spouse/or your partner) put off applying for credit because you thought you might be turned down	18.5

Note: Number of unweighted respondents = 2,081.

Question A2. You indicated that you (or your spouse/partner) desired credit in the past 12 months but did not submit a credit application. Was this because you thought that you might be turned down or denied credit?

Response	Percent
Refused	0.8
No	42.7
Yes	56.4

Note: Number of unweighted respondents = 432.

Question A3. Which forms of credit that you applied for were you denied or offered less credit than requested:

Response	Percent
Refused	1.5
Mortgage to buy a new home	13.8
Refinance of a home mortgage	21.9
Home equity loan or line of credit	21.6
Credit card	34.8
Car/auto loan	21.2
Student loan	15.0
Personal general-purpose loan from a bank	38.0
Personal loan from friends or family	35.7
Other (please specify)	21.1

Note: Conditioned on having applied for that type of credit.

Question C1. If you had to guess, do you think your current credit score (such as a FICO score) is:

Response	Percent
Refused	0.3
Poor	10.8
Fair	12.3
Good	18.4
Very good	20.5
Excellent	30.1
Don't know my score or how to rate it	7.7

Note: Number of unweighted respondents = 5,642.

Question C2A. Do you have at least one credit card?

Response	Percent
Refused	0.2
No	23.2
Yes	76.6

Note: Number of unweighted respondents = 5,642.

Question C4A. In the past 12 months, how frequently have you carried a balance on one or more of your credit cards?

Response	Percent
Refused	0.3
Never carried a balance (always pay in full)	42.4
Once	6.2
Some of the time	19.7
Most or all of the time	31.4

Note: Number of unweighted respondents = 4,419.

Question C4B. In the past 12 months, how frequently have you paid only the minimum payment on one or more of your credit cards?

Response	Percent
Refused	0.4
Never	40.0
Once	9.2
Some of the time	30.0
Most or all of the time	20.4

Note: Number of unweighted respondents = 2,471.

Question C5. On the credit card you use most often, which of these categories best describes the current interest rate?

Response	Percent
Refused	0.1
0 to 5 percent	8.7
6 to 10 percent	17.3
11 to 15 percent	24.8
16 to 20 percent	18.0
21 to 25 percent	12.8
Over 25 percent	2.1
Don't know	16.2

Note: Number of unweighted respondents = 2,471.

Question ED0. What is the highest level of school you have completed or the highest degree you have received?

Response	Percent
Less than high school degree	7.5
High school degree or GED	29.0
Some college but no degree (including currently enrolled in college)	19.7
Certificate or technical degree	5.5
Associate degree	7.8
Bachelor's degree	18.1
Master's degree	7.6
Professional degree (e.g., MBA, MD, JD)	2.9
Doctoral degree	1.9

Note: Number of unweighted respondents = 5,642.

Question ED0A. Are you currently enrolled in any school, college, or other post-high school educational program that will lead to a degree?

Response	Percent
Refused	0.2
No	89.8
Yes	10.0

Note: Number of unweighted respondents = 5,329.

Question ED0B. What type of degree program are you currently enrolled in?

Response	Percent
Refused	0.8
Certificate or technical degree	9.3
Associate degree	26.1
Bachelor's degree	46.0
Master's degree	10.1
Professional degree (e.g., MBA, MD, JD)	4.8
Doctoral degree	2.9

Note: Number of unweighted respondents = 351.

Question ED0C. In the past 12 months, have you taken any classes towards a degree or completed any educational programs?

Response	Percent
Refused	0.5
No	93.3
Yes	6.2

Note: Number of unweighted respondents = 1,930.

Question ED1. Which one of the following broad categories best describes your (current/most recent) educational program?

Response	Percent
Refused	0.7
Humanities	7.3
Social/behavioral sciences	8.2
Life sciences	2.7
Physical sciences/math	3.4
Computer/information sciences	7.8
Engineering	7.2
Education	9.7
Business/management	20.8
Health	11.1
Law	3.7
Vocational/technical training	7.2
Undeclared	6.7
Other (please specify):	3.5

Note: Number of unweighted respondents = 3,653.

Question ED4. In what year did you last attend this educational program?

Response	Value
Refused (percent)	14.2
Mean	1995
Median	1998

Note: Number of unweighted respondents = 1,271.

Question ED5. Overall, how would you say the lifetime financial benefits of your (current/most recent) educational program compare to its financial costs?

Response	Percent
Refused	3.0
Financial benefits are much larger	18.6
Financial benefits are somewhat larger	16.9
About the same financial benefits and financial costs	34.9
Financial costs are somewhat larger	12.3
Financial costs are much larger	14.4

Note: Number of unweighted respondents = 1,415.

Question ED6A. Knowing what you know now about the benefits and costs of your education, if you could go back and make your education decisions again would you have done each of these things:

Response	Percent
Chosen a different field of study	37.1
Attended a different school	32.3
Completed less education	7.2
Completed more education	69.2
Chosen not to attend college	11.7

Note: Number of unweighted respondents = 1,206.

Question ED9. In what year did you receive your associate/bachelor's degree?

Response	Value
Refused (percent)	1.9
Mean	1994
Median	1997

Note: Number of unweighted respondents = 2,233.

Question ED10. Overall, how would you say the lifetime financial benefits of your (associate/bachelor's) program compare to its financial costs?

Response	Percent
Refused	0.6
Financial benefits are much larger	37.4
Financial benefits are somewhat larger	24.4
About the same financial benefits and financial costs	21.2
Financial costs are somewhat larger	9.4
Financial costs are much larger	7.0

Note: Number of unweighted respondents = 2,227.

Question ED11A. Knowing what you know now about the benefits and costs of your education, if you could go back and make decisions regarding your (associate/bachelor's) again, would you have done each of these things:

Response	Percent
Chosen a different field of study	33.6
Attended a different school	22.4
Completed less education	4.0
Completed more education	41.9
Chosen not to attend college	3.3

Note: Number of unweighted respondents = 2,227.

Question ED13. Which of the following are reasons why you did not attend college?

Response	Percent
Refused	0.2
Too expensive	29.2
Family responsibilities	23.4
Wanted to work	30.3
Simply was not interested in college	37.5
Was not admitted	1.2
Did not think benefits of attending college were worth the cost	11.9
Other	9.3

Note: Number of unweighted respondents = 1,687.

Question ED14. Which of the following are reasons why you did not complete your college degree?

Response	Percent
Refused	0.6
Too expensive	28.0
Family responsibilities	40.4
Wanted to work	33.5
Simply was not interested in continuing college	22.0
Did not think the benefits of continuing college were worth the cost	16.0
Low grades	9.2
Other	14.4

Note: Number of unweighted respondents = 889.

Question ED15. What is the highest level of education that your mother completed?

Response	Percent
Refused	0.3
Less than high school degree	18.9
High school degree or GED	37.1
Some college but no degree	10.1
Certificate or technical degree	5.1
Associate degree	4.8
Bachelor's degree	10.3
Graduate degree	6.5
Don't know	7.1

Note: Number of unweighted respondents = 5,642.

Question ED16. What is the highest level of education that your father completed?

Response	Percent
Refused	0.3
Less than high school degree	21.4
High school degree or GED	30.3
Some college but no degree	8.1
Certificate or technical degree	4.7
Associate degree	4.0
Bachelor's degree	10.7
Graduate degree	8.9
Don't know	11.6

Note: Number of unweighted respondents = 5,642.

Question SL1. Do you currently have student loan debt or owe any money used to pay for your own education?

Response	Percent
Refused	0.5
No	84.1
Yes	15.5

Note: Number of unweighted respondents = 5,642.

Question SL2. Think about the money you borrowed to pay for your own education. Is the money you owe for that education a student loan, a home equity loan, a credit card debt, or some other type of loan? If you have multiple loans, please select all that apply.

Response	Percent
Student loan	94.3
Home equity loan	2.5
Credit card	20.5
Other loan: please specify	4.3

Note: Number of unweighted respondents = 743.

Question SL3. Thinking specifically about the money that you borrowed to pay for your own education, please tell us the total amount that you currently owe on each of these loans.

Response	Mean (dollars) (>0)	Median (dollars) (>0)
Student loan	30,156.1	12,000
Home equity loan	57,549.9	40,400
Credit card	7,574.1	3,000
Other loan	11,968.6	9,000
Total	32,584.8	14,000

Note: Conditioned on having debt of each form; 5.8 percent of respondents who reported that they have education debt refused to provide the amount of the loans.

Question SL4. Approximately how much is the total monthly payment that you make on student loans from your education?

Response	Value
Refused (percent)	3.7
Zero (percent)	26.9
Mean (dollars) (>0)	533.2
Median (dollars) (>0)	180.0

Note: Number of unweighted respondents = 712.

Question SL5. Is one or more of the student loans from your own education in deferment, forbearance, or being forgiven so you do not need to make payments right now?

Response	Percent
Refused	1.0
No	59.6
Yes	39.5

Note: Number of unweighted respondents = 712.

Question SL6. Are you behind on payments or in collections for one or more of the student loans from your own education?

Response	Percent
Refused	0.7
No	81.5
Yes	17.8

Note: Number of unweighted respondents = 712.

Question SL7. Did you borrow money or take out any loans to pay for your own education that you have since repaid?

Response	Percent
Refused	0.7
No	85.2
Yes	14.1

Note: Number of unweighted respondents = 4,899.

Question SL8. Still thinking about the money you borrowed to pay for your own education, did you borrow money for each of the following educational programs (including any loans which you have completely repaid)?

Response	Percent
Certificate or technical training	15.6
Associate degree	21.6
Bachelor's degree	61.8
Professional degree (e.g., MBA, MD, JD)	8.5
Master's degree or doctoral degree	16.1

Note: Number of unweighted respondents = 1,475.

Question SL9. Did you complete the most recent educational program for which you borrowed money?

Response	Percent
Refused	0.2
No	20.6
Yes	65.6
Still enrolled in the program	13.6

Note: Number of unweighted respondents = 1,475.

Question SL10. Do you currently owe any money used to pay for your spouse/partner's education? Please only include any loans on which you are a co-signer that were used to pay for their education beyond high school (including student loans, home equity loans, or credit cards paid off over time).

Response	Percent
Refused	0.2
No	93.4
Yes	6.4

Note: Number of unweighted respondents = 3,197.

Question SL11. Do you currently owe any money used to pay for your child or grandchild's education? Please only include any loans on which you are a co-signer that were used to pay for their education beyond high school (including student loans, home equity loans, or credit cards paid off over time).

Response	Percent
Refused	0.4
No	72.1
Yes	6.2
Do not have children or grandchildren	21.3

Note: Number of unweighted respondents = 4,887.

Question K1B. At what age do you expect to retire fully, meaning completely stop working for pay?

Response	Percent
Refused (percent)	0.9
Mean age	64.7
Median age	65.0
Will never stop working/I do not plan to retire (percent)	13.5
Not sure (percent)	44.3

Note: Number of unweighted respondents = 4,284.

Question K2. Do you currently have each of the following types of retirement savings or pension?

Response	Percent
401(k), 403(b), or other defined contribution plan through an employer or former employer	47.9
Pension with a defined benefit through an employer or former employer	24.9
IRA or Roth IRA	27.3
Savings outside a retirement account	40.8
Ownership of real estate or land that you plan to sell or rent to generate income in retirement	14.5
Ownership of my business	5.7
Other retirement savings	9.9

Note: Number of unweighted respondents = 4,126.

Question DC1. Does your employer offer a 401(k), 403(b), thrift, or other defined contribution retirement plan?

Response	Percent
Refused	0.4
No	53.9
Yes	26.6
Don't Know	19.2

Note: Number of unweighted respondents = 998.

Question DC2. You stated that you do not participate in a 401(k), 403(b), thrift, or other defined contribution plan from work. Please select all the reasons below for why you do not currently invest in this type of retirement plan.

Response	Percent
Refused	1.3
I am not eligible to participate in my employer's plan	18.1
Employer does not match contributions	5.8
Unable to afford contributions to a retirement plan	26.6
Plan to invest through the retirement plan but have not signed up yet	15.6
Unsure of best way to invest money contributed to the retirement plan	17.6
Prefer to save for retirement in other ways	19.6
Prefer to spend the money rather than save	7.2
Other (please specify)	11.5

Note: Number of unweighted respondents = 269.

Question DC3. If your employer did offer a 401(k), 403(b), thrift, or other defined contribution benefit plan, would you contribute to the plan?

Response	Percent
Refused	0.4
Definitely no	4.1
Probably no	11.1
Probably yes	36.1
Definitely yes	22.2
Don't know	26.2

Note: Number of unweighted respondents = 724.

Question DC4. How confident are you in your ability to make the right investment decisions when managing and investing the money in your retirement accounts (including IRA, 401(k), 403(b), thrift, or other retirement accounts where you choose the investments for yourself)?

Response	Percent
Refused	0.2
Very confident	15.0
Mostly confident	36.3
Slightly confident	33.3
Not confident	15.2

Note: Number of unweighted respondents = 2,519.

Question DC5. Which of the following sources of advice do you usually use when deciding how to invest the money in your retirement accounts?

Response	Percent
Refused	0.7
No one (exclusive)	26.4
Friends or relatives	27.9
Financial planner	28.6
Investment broker	15.1
Lawyer or accountant	3.9
Employer	11.3
Internet research, books, or magazines	23.8
Other (please specify)	3.1

Note: Number of unweighted respondents = 2,519.

Question DC6. You indicated that you did not receive advice from others when deciding how to invest the money in your retirement accounts. Is this because you do not feel that you need help, because you do not know where to get it, or because it is too expensive?

Response	Percent
Refused	1.2
I do not feel that I need help managing my investments	46.6
I would like help but do not know where to get it	25.3
I would like help but I cannot afford it or it is too expensive	26.9

Note: Number of unweighted respondents = 688.

Question K3. Which of the following do you expect will be a source of funds for you (and your spouse/partner) in retirement?

Response	Percent			
	Refused	No	Yes	Don't know
Social Security	0.4	12.2	65.3	22.1
I will continue working	1.7	29.0	38.3	31.1
Spouse/partner will continue working	2.0	44.4	21.6	32.0
Pension with a defined benefit from work (i.e., pension based on a formula, your earnings, and years of service)	1.3	43.0	32.7	23.1
401(k), 403(b), or other defined contribution plan from work (i.e., a retirement plan through work, where you contribute a percent of your salary each pay-period to invest for retirement)	1.1	25.6	52.8	20.5
IRA or Roth IRA	1.7	40.2	31.6	26.5
Savings outside a retirement account (e.g., a brokerage account, savings account)	1.4	31.5	44.3	22.8
Income from real estate or the sale of real estate	1.6	52.7	18.0	27.7
Income from a business or the sale of a business	1.6	68.1	6.1	24.2
Rely on children, grandchildren, or other family	1.7	71.4	4.1	22.8
Rely on inheritance	1.6	68.7	7.2	22.5
Other retirement savings	1.8	56.8	13.8	27.7

Note: Number of unweighted respondents = 4,126.

Question K5A. In the past 12 months, have you borrowed money from or cashed out (permanently withdrawn) money from any of your retirement savings accounts?

Response	Percent
Refused	0.2
No	90.8
Yes, borrowed money	4.1
Yes, cashed out	3.6
Yes, both	1.2

Note: Number of unweighted respondents = 4,126.

Question K8A. At what age did you retire fully, meaning completely stop working?

Response	Value
Refused (percent)	0.2
Mean age	61.2
Median age	62.0
Not sure (percent)	8.7

Note: Number of unweighted respondents = 1,355.

Question K10. Which of the following are sources of funds for you (and your spouse/partner) in retirement?

Response	Percent
Social Security	90.2
I have a job	7.2
My spouse/partner has a job	13.8
Pension with a defined benefit from work	64.9
401(k), 403(b), or other defined contribution plan from work	36.4
IRA or Roth IRA	42.6
Savings outside a retirement account	53.2
Income from real estate or the sale of real estate	14.2
Income from a business or the sale of a business	3.6
Relying on children, grandchildren, or other family	3.5
Other retirement savings	19.4

Note: Number of unweighted respondents = 1,516.

Question HOL1. Thinking about the coming holiday season, about how much are you (and your spouse/partner) planning to spend on holiday gifts this year?

Response	Value
Mean (dollars) (>0)	500.0
Median (dollars) (>0)	727.5

Note: Number of unweighted respondents = 4,250.

Question HOL2. Do you (and/or your spouse/partner) plan to use a credit card that you pay off over time, a layaway plan, a loan, or any other form of borrowing to pay for holiday gifts this year?

Response	Percent
Refused	1.0
No	76.9
Yes	22.1

Note: Number of unweighted respondents = 4,250.

Question HOL3. Approximately when do you (and/or your spouse/partner) expect that you will have any credit card debt, loans, or other borrowing from your holiday spending this year completely paid off?

Response	Percent
Refused	0.2
January 2016 or earlier	26.1
February or March 2016	24.3
April, May, or June 2016	22.1
July, August, or September 2016	8.9
October, November, or December 2016	5.9
After December 2016	12.5

Note: Number of unweighted respondents = 927.

Question AL0. Do you (and/or your spouse/partner) own or lease a car or truck?

Response	Percent
Refused	0.4
No, I do not own or lease a car or truck	18.2
Yes, I own a car or truck	73.2
Yes, I lease a car or truck	4.7
Yes, I own a car or truck and I lease a car or truck	3.6

Note: Number of unweighted respondents = 5,642.

Question AL1. Do you (and/or your spouse/partner) currently have any auto loans on cars or trucks that you own?

Response	Percent
Refused	0.2
No	60.3
Yes	39.5

Note: Number of unweighted respondents = 4,448.

Question AL2. In the past 12 months, have you (and/or your spouse/partner) missed or been late making any payments on your auto loan or lease?

Response	Percent
Refused	0.2
No	91.5
Yes	8.3

Note: Number of unweighted respondents = 1,894.

Question AL4. In the past 12 months, have you (and/or your spouse/partner) bought or leased a car or truck?

Response	Percent
Refused	0.3
No, I have not purchased or leased a car or truck in the past year	70.0
Yes, I purchased a new, unused car or truck	11.4
Yes, I purchased a used car or truck from a dealership, car lot, or car salesman	10.6
Yes, I purchased a used car or truck from a private seller (such as the previous owner)	5.0
Yes, I leased a car or truck	2.8

Note: Number of unweighted respondents = 4,683.

Question AL5. Approximately how long do you (and/or your spouse/partner) expect to keep this vehicle?

Response	Value
Refused (percent)	2.2
Mean	7.6
Median	6.0

Note: Number of unweighted respondents = 1,218.

Question AL6. When you bought/leased this vehicle, did you compare prices from different sellers?

Response	Percent
Refused	0.3
No	29.9
Yes	69.9

Note: Number of unweighted respondents = 1,218.

Question AL7. When you (and/or your spouse/partner) bought this vehicle, did you take out an auto loan to pay for the purchase?

Response	Percent
Refused	0.2
No	34.1
Yes, from the location where the car or truck was purchased	32.9
Yes, from a bank or credit union	29.5
Yes, from an Internet lender	1.4
Yes, from another source	1.9

Note: Number of unweighted respondents = 1,100.

Question AL8. When you (and/or your spouse/partner) bought this vehicle, did you compare interest rates or other loan terms from different lenders or from different automobile dealerships/sellers?

Response	Percent
Refused	0.5
No	46.2
Yes	53.3

Note: Number of unweighted respondents = 677.

Question AL9. When you (and/or your spouse/partner) bought/leased this car or truck, which of the following sources of advice did you use when deciding how to finance or pay for it?

Response	Percent
Refused	0.3
No one (exclusive)	50.3
Friends or relatives	22.7
Print or online publication (newspaper, magazines, <i>Consumer Reports</i> , etc.)	7.6
Internet research	19.7
Advice of car dealer or salesman	15.3
Advice of banker or lender	6.6
Other (please specify)	2.1

Note: Number of unweighted respondents = 1,218.

Question AL10. When you (and/or your spouse/partner) bought/leased this car or truck, which of the following (if any) did you negotiate with the seller?

Response	Percent
Total purchase price	76.1
Monthly payment amount	40.0
Upfront payment due	37.3
Interest rate on the auto loan (if any)	31.6
Length of the auto loan or lease	36.6
Amount offered for trade-in of old vehicle	37.2

Note: Number of unweighted respondents = 1,218.

Question AL13. Approximately how much was the total auto loan amount for this vehicle?

Response	Percent
Refused	0.8
Less than \$10,000	14.9
\$10,000 to \$19,999	34.9
\$20,000 to \$29,999	27.8
\$30,000 to \$39,999	14.2
\$40,000 to \$49,999	5.9
Over \$50,000	1.5

Note: Number of unweighted respondents = 677.

Question AL11. Among the factors that you negotiated when purchasing/leasing this vehicle, which one of these did you consider to be the most important?

Response	Percent
Refused	0.4
Total purchase price	42.8
Monthly payment amount	36.6
Upfront payment due	2.6
Interest rate on the auto loan (if any)	8.1
Length of the auto loan or lease	2.3
Amount offered for trade-in of old vehicle	7.2

Note: Number of unweighted respondents = 766.

Question AL14. Approximately what was the interest rate on the auto loan used for the purchase of this vehicle?

Response	Percent
Refused	0.2
0 to 1.99 percent	21.9
2.00 to 3.99 percent	35.7
4.00 to 5.99 percent	15.8
6.00 to 7.99 percent	7.6
8.00 to 9.99 percent	3.1
10 percent or higher	4.6
Don't know	11.2

Note: Number of unweighted respondents = 677.

Question AL12. Approximately what was the total purchase price of this vehicle?

Response	Percent
Refused	0.4
Less than \$10,000	24.8
\$10,000 to \$19,999	27.9
\$20,000 to \$29,999	24.2
\$30,000 to \$39,999	14.6
\$40,000 to \$49,999	5.9
Over \$50,000	2.2

Note: Number of unweighted respondents = 1,100.

Question AL15. How many monthly payments were agreed upon when you took out the loan for this vehicle. That is, if you do not pay off the loan early, how long will you be making payments on the auto loan?

Response	Percent
Refused	0.3
0 to 12 months (up to 1 year)	3.8
13 to 24 months (1 to 2 years)	4.6
25 to 36 months (2 to 3 years)	17.2
37 to 48 months (3 to 4 years)	10.2
49 to 60 months (4 to 5 years)	29.9
61 to 72 months (5 to 6 years)	27.3
73 months or longer (over 6 years)	3.8
Don't know	3.1

Note: Number of unweighted respondents = 677.

Question I0. In the past 12 months, did you (and/or your spouse/partner) receive any income from the following sources:

Response	Percent
Wages or salaries	67.9
Self-employment	13.9
Freelance work or hobbies (do not include income from GfK)	12.5
Interest, dividends, or rental income	23.0
Social Security	25.6
Supplemental Security (SSI)	4.7
Unemployment income	3.1
Pension income	17.3
Any other income	12.1

Note: Number of unweighted respondents = 5,642.

Question I0A. Did you (and/or your spouse/partner) receive any income from any source in the past year?

Response	Percent
Refused	3.9
No	78.5
Yes	17.6

Note: Number of unweighted respondents = 332.

Question I0B. Besides you (and/or your spouse/partner) did anyone else in your household receive any income in the past 12 months from any source?

Response	Percent
Refused	0.5
No	68.7
Yes	30.8

Note: Number of unweighted respondents = 4,456.

Question I4A. Which of the following categories best describes the total income that you (and/or your spouse/partner) received from all sources, before taxes and deductions, in the past 12 months?

Response	Percent
Refused	1.0
None	5.6
\$0 to \$4,999	5.9
\$5,000 to \$14,999	8.2
\$15,000 to \$24,999	10.1
\$25,000 to \$39,999	12.2
\$40,000 to \$49,999	7.9
\$50,000 to \$74,999	15.7
\$75,000 to \$99,999	10.5
\$100,000 to \$149,999	15.6
\$150,000 to \$199,999	4.1
\$200,000 or higher	3.2

Note: Number of unweighted respondents = 5,642.

Question I1. In the past 12 months, would you say that your (and your spouse/partner's) total spending was:

Response	Percent
Refused	0.5
Less than your income	50.8
The same as your income	32.6
More than your income	16.1

Note: Number of unweighted respondents = 5,376.

Question I2. In the past 12 months, about what percent of your (and your spouse/partner's) total gross income (before taxes and deductions) did you set aside as savings?

Response	Percent
Refused	0.9
None	30.7
1 to 5 percent	27.1
6 to 10 percent	18.6
11 to 15 percent	9.2
16 to 20 percent	6.3
Over 20 percent	7.2

Note: Number of unweighted respondents = 4,032.

Question I9. In the past year, which one of the following best describes how your (and your spouse/partner's) income changes from month to month, if at all?

Response	Percent
Refused	0.8
Roughly the same amount each month	67.2
Roughly the same most months, but some unusually high or low months during the year	20.3
Often varies quite a bit from one month to the next	11.7

Note: Number of unweighted respondents = 5,642.

Question I10. Please indicate whether each of the following is a reason that your (and your spouse/partner's) income changed from month to month in the past year:

Response	Percent
Refused	5.6
Bonuses	15.6
Commissions	7.9
Seasonal employment	12.8
Irregular work schedule (i.e., your work hours change from week to week)	43.1
Periods of unemployment	14.7
Investment income	8.0
Other (please specify)	19.3

Note: Number of unweighted respondents = 1,715.

Question I11. In the past year, which one of the following best describes how your (and your spouse/partner's) expenses change from month to month, if at all?

Response	Percent
Refused	1.2
Roughly the same amount each month	55.4
Roughly the same most months, but some unusually high or low months during the year	33.4
Often varies quite a bit from one month to the next	10.0

Note: Number of unweighted respondents = 5,642.

Question I12. In the past year, did you (and your spouse/partner) have any months where you struggled to pay your bills either because your income was unusually low or because your expenses were unusually high?

Response	Percent
Refused	0.6
No	57.2
Yes	42.2

Note: Number of unweighted respondents = 3,069.

Question I7. During the next 12 months, do you expect your (and your spouse/partner's) total income to be higher, about the same, or lower than during the past 12 months?

Response	Percent
Refused	0.8
Lower	7.9
About the same	68.3
Higher	23.0

Note: Number of unweighted respondents = 5,642.

Question EF1. Have you set aside emergency or rainy day funds that would cover your expenses for 3 months in case of sickness, job loss, economic downturn, or other emergencies?

Response	Percent
Refused	0.7
No	51.9
Yes	47.4

Note: Number of unweighted respondents = 5,642.

Question EF2. If you were to lose your main source of income (e.g., job, government benefits), could you cover your expenses for 3 months by borrowing money, using savings, selling assets, or borrowing from friends/family?

Response	Percent
Refused	0.9
No	59.4
Yes	39.6

Note: Number of unweighted respondents = 2,931.

Question EF3. Suppose that you have an emergency expense that costs \$400. Based on your current financial situation, how would you pay for this expense? If you would use more than one method to cover this expense, please select all that apply.

Response	Percent
Refused	1.1
Put it on my credit card and pay it off in full at the next statement	28.6
Put it on my credit card and pay it off over time	17.4
With the money currently in my checking/savings account or with cash	46.6
Using money from a bank loan or line of credit	3.1
By borrowing from a friend or family member	12.6
Using a payday loan, deposit advance, or overdraft	1.9
By selling something	7.9
I wouldn't be able to pay for the expense right now	13.9
Other (please specify)	2.1

Note: Number of unweighted respondents = 5,642.

Question EF4. Based on your current financial situation, what is the largest emergency expense that you could pay right now using cash or money in your checking/savings account?

Response	Percent
Refused	1.2
Under \$100	38.9
\$100 to \$199	15.7
\$200 to \$299	13.0
\$300 to \$399	8.7
Over \$400	22.5

Note: Number of unweighted respondents = 2,539.

Question E1. During the past 12 months, was there a time when you needed any of the following, but didn't get it because you couldn't afford it?

Response	Percent
Prescription medicine (including taking less medication than prescribed)	11.1
To see a doctor	12.4
Mental health care or counseling	5.0
Dental care (including skipping check-ups or routine cleaning)	19.7
To see a specialist (such as an OB/GYN, dermatologist, orthopedic surgeon, etc.)	8.5
Follow-up care (e.g., skipping physical therapy sessions recommended by a doctor)	7.5

Note: Number of unweighted respondents = 5,642.

Question E2. During the past 12 months, have you had any unexpected major medical expenses that you had to pay out of pocket (that were not completely paid for by insurance)?

Response	Percent
Refused	0.5
No	77.5
Yes	22.0

Note: Number of unweighted respondents = 5,642.

Question E2A. Approximately how much did you pay out of pocket for unexpected major medical expenses in the past 12 months?

Response	Value
Refused (percent)	3.7
Mean (dollars) (>0)	2781.9
Median (dollars) (>0)	1200.0

Note: Number of unweighted respondents = 1,349.

Question E2B. Do you currently have an unpaid balance or owe any debt related to the unexpected major medical expenses that you had in the past 12 months?

Response	Percent
Refused	0.4
No	54.0
Yes	45.6

Note: Number of unweighted respondents = 1,349.

Question E5. Are you currently covered by each of the following types of insurance?

Response	Percent			
	Refused	No	Yes	Don't know
Health insurance (including insurance provided by an employer, private insurance company, Medicare, Medicaid, or any other type of health insurance)	0.5	10.1	86.1	3.2
Auto/car insurance	0.6	13.2	82.6	3.6
Homeowners or renters insurance	1.0	27.3	66.3	5.4
Disability insurance	1.7	62.6	25.1	10.6
Long-term care insurance (i.e., insurance that covers expenses for assisted living facilities, home care, or nursing homes)	1.6	74.0	13.3	11.1
Life insurance	1.2	37.2	54.6	7.0
Funeral insurance	1.8	79.2	8.4	10.6

Note: Number of unweighted respondents = 5,642.

Question E6. Please answer yes or no to each option.

Response	Percent		
	Refused	No	Yes
Do you have a health problem or disability which prevents you from working or which limits the kind or amount of work that you can do?	0.5	80.4	19.1
Do you have serious difficulty hearing or difficulty seeing even with glasses (including being blind or deaf)?	0.6	94.0	5.4
Because of a physical, mental, or emotional condition, do you have serious difficulty concentrating, remembering, or making decisions?	0.6	91.3	8.1
Do you have difficulty walking or climbing stairs?	1.0	85.0	14.0

Note: Number of unweighted respondents = 5,642.

Question X2. Which of the following did you or your family living with you experience in the past year?

Response	Percent
Refused	2.2
I lost a job	25.5
I had my work hours and/or pay reduced	18.1
My spouse/partner lost a job	13.2
My spouse/partner had their work hours and/or pay reduced	11.8
Received a foreclosure or eviction notice	4.0
A business I owned had financial difficulty	2.7
Had a health emergency	36.0
Divorce	6.1
Death of primary breadwinner	4.0
Other (please specify)	19.5

Note: Number of unweighted respondents = 1,069.

Question X1. Over the past year, have you or your family living with you experienced any financial hardship such as a job loss, drop in income, health emergency, divorce, or loss of your home?

Response	Percent
Refused	0.7
No	81.2
Yes	18.1

Note: Number of unweighted respondents = 5,642.

Question X3. We are interested in how people choose to prioritize payments when money is tight. Suppose that you only had enough money to pay one of the following bills this month. Which would you choose to pay?

Response	Percent
Refused	0.7
Rent/mortgage	81.1
Credit card bill	10.5
Student loan	1.5
Auto loan or lease	6.2

Note: Number of unweighted respondents = 4,602.

Summary Statistics

Summary statistics for demographics						
Demographic characteristic	Weighted			Unweighted		
	Mean	Standard deviation	Observations	Mean	Standard deviation	Observations
Age	47.2028	17.3671	5,642	52.0550	17.0927	5,642
Male	0.4823	0.4997	5,642	0.4977	0.5000	5,642
Female	0.5177	0.4997	5,642	0.5023	0.5000	5,642
18–29	0.2120	0.4088	5,642	0.1338	0.3405	5,642
30–44	0.2510	0.4337	5,642	0.2051	0.4038	5,642
45–59	0.2852	0.4515	5,642	0.3041	0.4601	5,642
Ages 60+	0.2517	0.4340	5,642	0.3570	0.4791	5,642
Less than high school	0.0753	0.2639	5,642	0.0544	0.2269	5,642
High school degree	0.2901	0.4539	5,642	0.2995	0.4581	5,642
Some college, certificate, or technical school	0.2520	0.4342	5,642	0.2512	0.4337	5,642
Associate degree	0.0781	0.2683	5,642	0.0814	0.2734	5,642
Bachelor's degree or higher	0.3044	0.4602	5,642	0.3135	0.4640	5,642
White, non-Hispanic	0.6516	0.4765	5,642	0.7297	0.4442	5,642
Black, non-Hispanic	0.1164	0.3208	5,642	0.1005	0.3007	5,642
Other, non-Hispanic	0.0661	0.2485	5,642	0.0362	0.1867	5,642
Hispanic	0.1533	0.3603	5,642	0.1044	0.3058	5,642
2+ races, non-Hispanic	0.0125	0.1112	5,642	0.0292	0.1685	5,642
Family income less than \$40,000	0.4201	0.4936	5,642	0.4970	0.5000	5,642
Family income \$40,000–\$100,000	0.3444	0.4752	5,575	0.3218	0.4672	5,575
Family income greater than \$100,000	0.2312	0.4216	5,575	0.1752	0.3802	5,575
Household income less than \$40,000	0.3059	0.4608	5,642	0.4823	0.4997	5,642
Household income \$40,000–\$100,000	0.3895	0.4877	5,642	0.3135	0.4640	5,642
Household income greater than \$100,000	0.3046	0.4603	5,642	0.2042	0.4031	5,642
Married	0.5283	0.4992	5,642	0.5213	0.4996	5,642
Not married	0.4717	0.4992	5,642	0.4787	0.4996	5,642
Northeast	0.1812	0.3852	5,642	0.1783	0.3828	5,642
Midwest	0.2140	0.4102	5,642	0.2457	0.4305	5,642
South	0.3708	0.4831	5,642	0.3506	0.4772	5,642
West	0.2340	0.4234	5,642	0.2255	0.4179	5,642
Employed	0.5682	0.4954	5,636	0.4924	0.5000	5,636
Unemployed, in labor force	0.0511	0.2203	5,636	0.0479	0.2136	5,636
Not in labor force	0.3629	0.4809	5,636	0.4418	0.4966	5,636

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