

## Summary of Selected Findings: Texas

	State	Nation	Region	
<b>Making Ends Meet</b>				
Difficulty covering expenses and paying bills				
Very difficult	13%	12%	13%	
Somewhat difficult	37%	35%	36%	
Not at all difficult	47%	50%	47%	
Spending vs. saving				
Spending less than income	37%	41%	38%	
Spending about equal to income	37%	36%	36%	
Spending more than income	21%	19%	21%	
Overdraw checking account occasionally	18%	19%	19%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	29%	23%	29%	
Number of times mortgage payments have been late				
Once	10%	9%	9%	<i>Respondents with mortgages</i>
More than once	13%	9%	13%	
Have taken a loan from retirement account in past year	23%	16%	22%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	19%	13%	18%	
Have experienced large unexpected drop in income in past year	25%	20%	25%	
<b>Planning Ahead</b>				
Have emergency funds	46%	49%	46%	
Do not have emergency funds	48%	46%	49%	
Have tried to figure out retirement savings needs	38%	41%	38%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	55%	54%	56%	
Have set aside money for children's college education	36%	38%	36%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	59%	57%	60%	
<b>Retirement Accounts</b>				
Have employer-provided retirement plan (e.g., pension, 401(k))	50%	54%	50%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	24%	29%	24%	
Regularly contribute to self-directed retirement account	82%	79%	82%	<i>Respondents with self-directed employer plan or non-employer plan</i>

**State Nation Region**

*Stocks, Bonds, and Mutual Funds*

Invest in stocks, bonds, mutual funds, or other securities outside of retirement account      29%      32%      29%

**Managing Financial Products**

*Banking*

Have checking account      84%      89%      85%

Have savings account, money market account, or CDs      67%      71%      66%

*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full      50%      54%      51%

Carried over a balance and was charged interest      48%      46%      49%

Paid the minimum payment only      39%      35%      39%

Charged a late fee for late payment      17%      16%      17%

Charged an over the limit fee for exceeding credit line      13%      10%      13%

Used the cards for a cash advance      12%      13%      13%

*Respondents with credit cards*

*Mobile Payment Methods*

Use mobile phone to pay at point of sale      41%      35%      40%

Use mobile phone to transfer money to another person      43%      37%      40%

*Mortgages*

Have mortgage      51%      56%      51%

Have home equity loan      11%      16%      12%

*Homeowners*

Home “underwater” (negative equity)      9%      9%      9%

*Homeowners*

*Other Debt*

Have student loan      27%      26%      27%

Have auto loan      35%      33%      35%

*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan      16%      11%      15%

Short term “payday” loan      20%      14%      19%

Tax refund advance      14%      10%      13%

Pawn shop      31%      18%      29%

Rent-to-own store      18%      12%      18%

Used one or more non-bank borrowing methods in past 5 years      41%      29%      40%

State Nation Region

**Financial Knowledge & Decision-Making**

*Financial Literacy*

Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

<u>More than \$102</u> (correct answer)	68%	72%	69%
Exactly \$102	8%	7%	8%
Less than \$102	8%	6%	7%
Don't know	16%	13%	15%

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, how much would you be able to buy with the money in this account?

More than today	13%	12%	13%
Exactly the same	12%	10%	12%
<u>Less than today</u> (correct answer)	51%	55%	51%
Don't know	23%	21%	23%

If interest rates rise, what will typically happen to bond prices?

They will rise	23%	22%	23%
<u>They will fall</u> (correct answer)	27%	26%	26%
They will stay the same	6%	6%	6%
There is no relationship between bond prices and the interest rate	11%	10%	11%
Don't know	33%	36%	34%

Suppose you owe \$1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn't pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

Less than 2 years	6%	5%	6%
<u>At least 2 years but less than 5 years</u> (correct answer)	32%	30%	31%
At least 5 years but less than 10 years	27%	29%	27%
At least 10 years	8%	8%	7%
Don't know	26%	26%	27%

A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.

<u>True</u> (correct answer)	70%	73%	70%
False	11%	9%	10%
Don't know	19%	17%	19%

Buying a single company's stock usually provides a safer return than a stock mutual fund.

True	13%	11%	12%
<u>False</u> (correct answer)	41%	43%	41%
Don't know	45%	45%	45%

Mean number of correct quiz answers	2.89	3.00	2.88
Mean number of incorrect quiz answers	1.47	1.35	1.43
Mean number of "don't know" quiz answers	1.61	1.58	1.64

	<b>State</b>	<b>Nation</b>	<b>Region</b>	
<i>Comparison Shopping</i>				
Compared credit cards	35%	38%	36%	<i>Respondents with credit cards</i>
Did not compare credit cards	58%	56%	57%	

**Notes:**

Region = West South Central Census Division (Arkansas, Louisiana, Oklahoma, Texas).

State figures are weighted by age x gender, ethnicity and education.

National figures are weighted by age x gender, ethnicity, education and Census Division.

Census Division figures are weighted by age x gender, ethnicity, education and state.

Differences between groups may or may not be statistically significant.

Percentages may not add up to 100 because of missing or “don’t know” responses.

Survey was conducted June - October 2018.

For additional findings and details, full survey results are available for download at [http://usfinancialcapability.org/downloads/NFCS\\_2018\\_Full\\_Data\\_Tables.xlsx](http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx)