

FEDERAL DEPOSIT INSURANCE CORPORATION

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# How America Banks: Household Use of Banking and Financial Services

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2019 FDIC Survey



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## Acknowledgements

*How America Banks* presents results from the 2019 FDIC Survey of Household Use of Banking and Financial Services. The survey has been conducted biennially since 2009 in partnership with the U.S. Census Bureau.

The report was conducted under the careful direction of Karyen Chu of the FDIC's Division of Insurance and Research. The primary authors of the report were Mark Kutzbach, Alicia Lloro, and Jeffrey Weinstein.

I would like to thank the many FDIC senior officials, staff, and contractors who provided valuable feedback, analytical support, research assistance, website development, and publication support, including

Rosalind Bennett, Susan Burhouse, Anthony Cataldo, Leonard Chanin, Keith Ernst, Ryan Goodstein, Alexander LePore Jr., Jane Lewin, Lynne Montgomery, Joyce Northwood, Yazmin Osaki, Richard Schwartz, Dhruv Sharma, Philip Shively, Donna Vogel, and Sam Waxenbaum.

Finally, we thank the staff of the Current Population Survey (CPS) at the U.S. Census Bureau who worked closely with the FDIC to ensure successful execution of survey data collection and processing.

Diane Ellis  
Director, Division of Insurance and Research

Recommended citation: Federal Deposit Insurance Corporation (FDIC), *How America Banks: Household Use of Banking and Financial Services, 2019 FDIC Survey* (October 2020).



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## Preface

*How America Banks* presents results from the 2019 *FDIC Survey of Household Use of Banking and Financial Services*, conducted in June of that year. The results therefore reflect a period of generally favorable economic conditions. The next survey will be fielded in June 2021, with a report expected in 2022.

In light of the extraordinary economic and social disruptions caused by the COVID-19 pandemic, the present report includes a postscript that draws on findings from the 2019 and earlier surveys to address possible consequences for the unbanked rate. The postscript also discusses potential pandemic-related challenges faced by households in conducting financial transactions, visiting bank branches, saving for unexpected expenses or emergencies, and obtaining credit.





## 1. Executive Summary

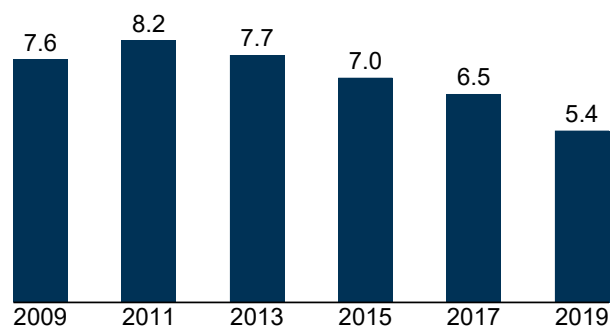
*How America Banks* informs the FDIC’s mission of maintaining public confidence in the U.S. financial system. The findings presented in this report come from the *FDIC Survey of Household Use of Banking and Financial Services*.<sup>1</sup> This survey has been conducted biennially since 2009 in partnership with the U.S. Census Bureau. The most recent survey was conducted in June 2019, collecting responses from almost 33,000 households.

This executive summary presents key results from *How America Banks*, covering bank account ownership, use of prepaid cards and nonbank financial transaction services, and use of bank and nonbank credit.

### National Unbanked Rate

- An estimated 5.4 percent of U.S. households were “unbanked” in 2019, meaning that no one in the household had a checking or savings account at a bank or credit union (i.e., bank). This proportion represents approximately 7.1 million U.S. households. Conversely, 94.6 percent of U.S. households were “banked” in 2019, meaning that at least one member of the household had a checking or savings account. This proportion represents approximately 124.2 million U.S. households.
- The proportion of U.S. households that were unbanked (i.e., the unbanked rate) in 2019—5.4 percent—was the lowest since the survey began in 2009, as shown in Figure ES.1. Between 2017 and 2019, the unbanked rate fell by 1.1 percentage points, corresponding to an increase of approximately 1.5 million banked households.<sup>2</sup>
  - » About half of the decline in the unbanked rate between 2017 and 2019 was associated with improvements in the socioeconomic circumstances

**Figure ES.1 National Estimates, Household Unbanked Rate by Year (Percent)**



of U.S. households over this period. However, even after these improvements were accounted for, the remainder of the decline in the unbanked rate across years was statistically significant.<sup>3</sup>

- Between 2011, when the unbanked rate peaked at 8.2 percent, and 2019, the unbanked rate fell by 2.8 percentage points, corresponding to an increase of approximately 3.7 million banked households.
  - » About two-thirds of the decline in the unbanked rate between 2011 and 2019 was associated with improvements in the socioeconomic circumstances of U.S. households over this period.

### Unbanked Rates by Household Characteristics and Geography

- Consistent with the results of previous surveys, in 2019 unbanked rates varied considerably across the U.S. population.<sup>4</sup> For example, unbanked rates were higher among lower-income households, less-educated households, Black households, Hispanic households, American Indian or Alaska Native

<sup>1</sup> Before 2019, the survey was named *FDIC National Survey of Unbanked and Underbanked Households*. The new survey name describes the content of the survey, which asks a nationally representative sample of U.S. households about their use of banking and financial services.

<sup>2</sup> All differences discussed in the text are statistically significant at the 10 percent level unless noted otherwise. In other words, there is a 10 percent or lower probability that the difference observed in the survey is due to chance.

<sup>3</sup> A linear probability model was estimated to account for changes between 2017 and 2019 in the distribution of households across the household-level characteristics shown in Table 3.4. About half of the difference in the unbanked rate between 2017 and 2019 was associated with changes in the socioeconomic characteristics of households (annual income level, monthly income volatility, employment status, homeownership status, and educational attainment) over this period. Adding controls for the remaining demographic characteristics shown in Table 3.4 had little effect on the remainder of the difference in the unbanked rate.

<sup>4</sup> For person-level characteristics, such as race, age, and education, the characteristics of the owner or renter of the home (i.e., the householder) are used to represent the household. For convenience, abbreviated language is used in referring to certain household characteristics. For example, the term “Hispanic household” refers to a household for which the householder identifies as Hispanic or Latino regardless of race, and the term “Black household” refers to a household for which the householder identifies as Black or African American alone and not Hispanic or Latino. The term “working-age disabled household” refers to a household for which the householder has a disability and is between the ages of 25 and 64. See Appendix 1 for additional details.

households, working-age disabled households, and households with volatile income.<sup>5</sup>

- For most segments of the population, unbanked rates in 2019 were lower than or similar to unbanked rates in recent years.
  - » Recent declines have been particularly sharp for Black and Hispanic households. Specifically, 13.8 percent of Black households were unbanked in 2019, down from 16.8 percent in 2017 and 18.5 percent in 2015. Among Hispanic households, 12.2 percent were unbanked in 2019, down from 14.4 percent in 2017 and 16.3 percent in 2015.<sup>6</sup> Despite the improvements in unbanked rates for Black and Hispanic households, unbanked rates in 2019 for these households remained substantially above the unbanked rate for White households (2.5 percent).
- The unbanked rate for working-age disabled households was roughly constant between 2011 and 2017: 18.9 percent in 2011, 18.4 percent in 2013, 17.6 percent in 2015, and 18.1 percent in 2017. In 2019, while still much higher than the unbanked rate for working-age nondisabled households (4.5 percent), the unbanked rate for working-age disabled households (16.2 percent) declined to its lowest level since 2011.<sup>7</sup>
- Regional variation in unbanked rates was similar in 2019 to previous years, with unbanked rates highest in the South. The unbanked rate in the South in 2019 was 6.2 percent, compared with 5.0 percent in the Midwest, 4.9 percent in the West, and 4.7 percent in the Northeast.<sup>8</sup> However, differences in unbanked rates between the South and the other regions have narrowed in recent years.

- Unbanked rates also varied by the metropolitan status of a household's residence. In 2019, 8.1 percent of urban households were unbanked, compared with 6.2 percent of rural households and 3.7 percent of suburban households.<sup>9</sup> These unbanked rates were lower than in 2017.

#### **Unbanked Households: Previous Bank Account Ownership**

- As discussed in previous reports, bank account ownership is not static. Among unbanked households in 2019, half (50.4 percent) had had a bank account at some point in the past (i.e., had previously been banked), slightly higher than in previous years (47.0 percent in 2017 and 47.3 percent in 2015).

#### **Unbanked Households: Interest in Having a Bank Account**

- As shown in Figure ES.2, among unbanked households in 2019, more than half (56.2 percent) were not at all interested in having a bank account, while 24.8 percent were very or somewhat interested.
  - » These estimates are qualitatively similar to those from the 2017 survey, though changes in the wording of the survey question do not allow for direct comparisons.<sup>10</sup>
- Interest in having a bank account was higher among households that had previously been banked, especially those with more recent account ownership. Interest was also higher among Black unbanked households, compared with White unbanked households.

#### **Unbanked Households: Reasons for Not Having a Bank Account**

As in previous years, the 2019 survey asked unbanked households about their reasons for not having a bank account. Patterns are similar to those reported in previous years.

<sup>5</sup> For monthly income volatility, all households were asked whether their income over the past 12 months was about the same each month, varied somewhat from month to month, or varied a lot from month to month. The term "volatile income" refers to a household with income that varied somewhat or a lot from month to month.

<sup>6</sup> About 70 percent of the decline in the unbanked rate for Black households and about 60 percent of the decline in the unbanked rate for Hispanic households between 2015 and 2019 were associated with changes in income and the other household characteristics shown in Table 3.4. After these changes were accounted for, the remainder of the decline in the unbanked rate for Black households was not statistically significant, while the remainder of the decline in the unbanked rate for Hispanic households was statistically significant.

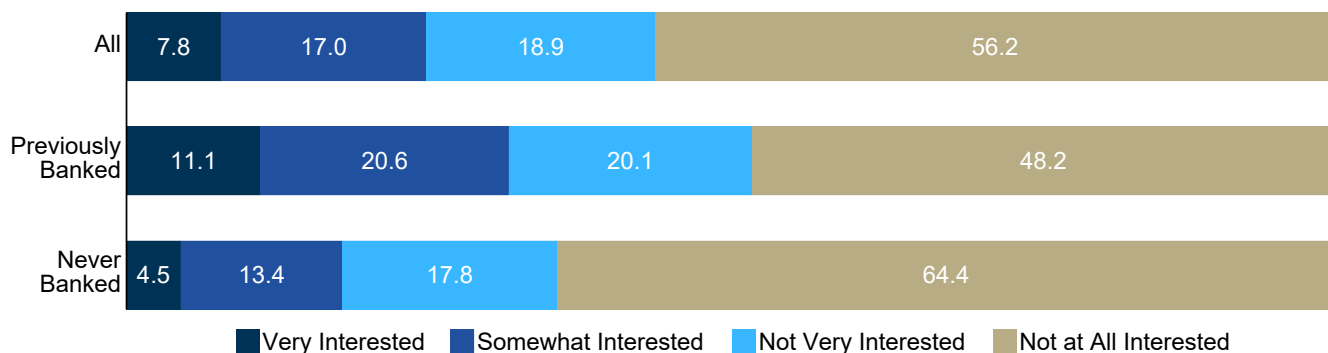
<sup>7</sup> About half of the decline in the unbanked rate for working-age disabled households between 2011 and 2019 was associated with changes in income and the other household characteristics shown in Table 3.4 (except for monthly income volatility, which was not available for 2011). After these changes were accounted for, the remainder of the decline in the unbanked rate for working-age disabled households was no longer statistically significant.

<sup>8</sup> Differences in unbanked rates between the South and each of the other three regions in 2019 were associated primarily with differences in income and other characteristics of U.S. households. These geographical differences were no longer statistically significant after differences in the other household characteristics shown in Table 3.4 were accounted for.

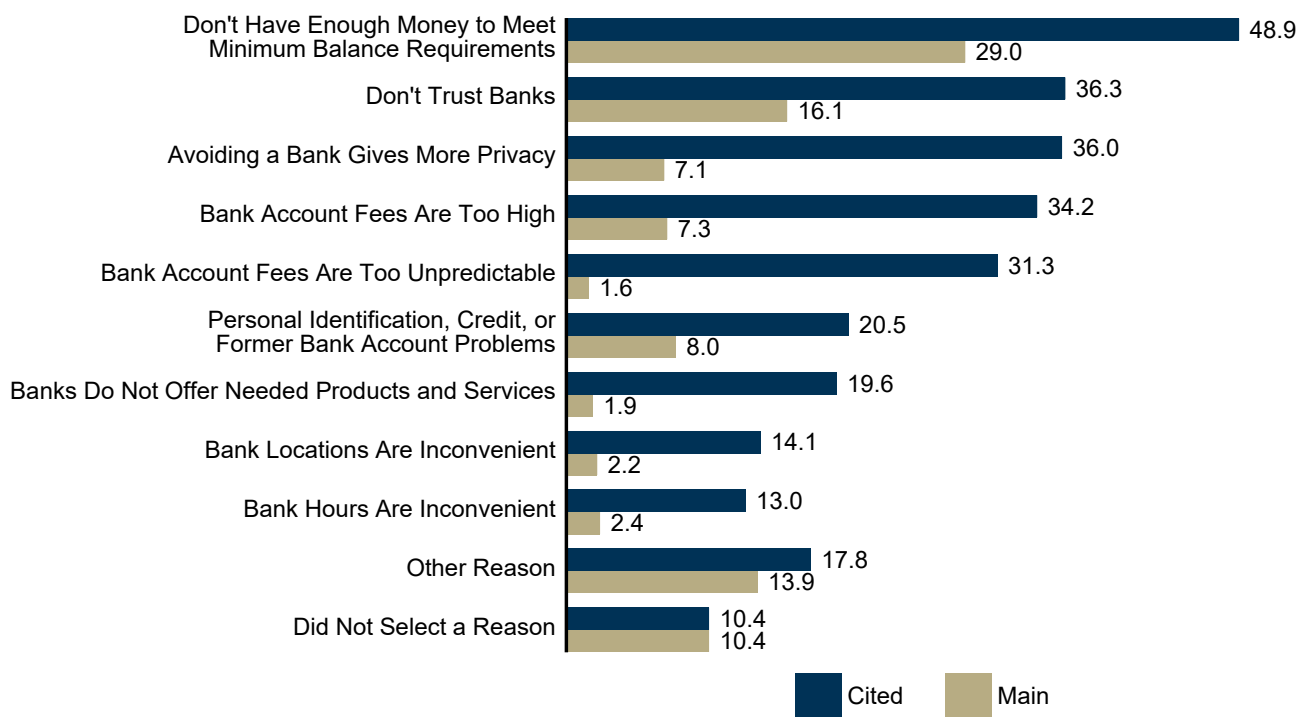
<sup>9</sup> For the purposes of this report, a household is classified as urban if the household resides in a principal city of a metropolitan area, suburban if the household resides in a metropolitan area but not in a principal city, and rural if the household does not reside in a metropolitan area. In 2019, 29.2 percent of households were classified as urban, 43.6 percent as suburban, and 13.0 percent as rural. (See Table 3.4.) For the remaining 14.2 percent of households, the U.S. Census Bureau suppressed specific urban, suburban, and rural status to maintain confidentiality, though most of these households were either urban or suburban.

<sup>10</sup> The 2019 survey asked unbanked households how interested they were in having a bank account (with no specific time horizon), while the 2013–2017 surveys asked unbanked households how likely they were to open a bank account in the next 12 months. In 2017, 58.7 percent of unbanked households were not at all likely, 16.3 percent were not very likely, 15.6 percent were somewhat likely, and 9.5 percent were very likely to open an account in the next 12 months.

**Figure ES.2 Interest in Having a Bank Account, Among Unbanked Households, by Previous Bank Account Ownership, 2019 (Percent)**



**Figure ES.3 Reasons for Not Having a Bank Account, Among Unbanked Households, 2019 (Percent)**



- As illustrated in Figure ES.3, about half of unbanked households cited “Don’t have enough money to meet minimum balance requirements” as a reason for not having an account—the most cited reason. This reason was also the most cited *main* reason for not having an account.
- “Don’t trust banks” was cited by approximately one-third of unbanked households as a reason for not having an account and was the second-most cited main reason.

**Unbanked Households: Satisfaction With Most Recent Bank and Clarity of Banks’ Communications About Account Fees**

To complement existing questions on reasons for not having a bank account, the 2019 survey included new questions on unbanked households’ satisfaction with their most recent bank and on their perceptions of how clearly banks in general communicate account fees.<sup>11</sup>

- Among unbanked households that had previously been banked, 24.3 percent were very satisfied with their most recent bank, 30.8 percent somewhat

<sup>11</sup> Banked households were asked alternative versions of the two questions, having to do with their satisfaction with their primary bank and with their perceptions of how clearly their bank communicates account fees. Findings are discussed later in this executive summary.

**Table ES.1 Primary Method Used to Access Bank Account by Year**

For Banked Households That Accessed Their Account in the Past 12 Months, Row Percent

Year	Bank Teller (Percent)	ATM/Kiosk (Percent)	Telephone Banking (Percent)	Online Banking (Percent)	Mobile Banking (Percent)	Other (Percent)
2015	28.2	21.0	3.0	36.9	9.5	0.9
2017	24.3	19.9	2.9	36.0	15.6	0.7
2019	21.0	19.5	2.4	22.8	34.0	0.3

satisfied, 14.4 percent not very satisfied, 22.8 percent not satisfied at all, and 7.7 percent did not know.<sup>12</sup>

- Interest in having a bank account was higher among unbanked households that were very or somewhat satisfied with their most recent bank, compared with unbanked households that were not very satisfied or not satisfied at all with their most recent bank.
- Among unbanked households that had previously been banked, 17.4 percent thought banks in general communicated account fees very clearly, 29.4 percent somewhat clearly, 20.8 percent not very clearly, 22.4 percent not clearly at all, and 10.0 percent did not know.
- Interest in having a bank account was higher among unbanked households that thought banks communicated account fees very or somewhat clearly, compared with unbanked households that thought banks communicated account fees not very clearly or not clearly at all.

**Banked Households: Primary Methods Used to Access Bank Accounts**

As in previous years, the 2019 survey asked banked households about the primary (i.e., most common) method they used to access their accounts in the past 12 months: visiting a bank teller, using an ATM or bank kiosk, calling the bank (i.e., telephone banking), using a mobile phone including an app (i.e., mobile banking), using a computer or tablet (i.e., online banking), or using some other method (i.e., other).

- Use of mobile banking as a primary method of account access in the past 12 months continued to increase sharply (from 9.5 percent in 2015 and 15.6 percent in 2017 to 34.0 percent in 2019), overtaking online banking as the most prevalent primary method. (Table ES.1 reports the finding for each primary method used to access a bank account by year, starting with 2015.)
- Use of online banking as a primary method of account access decreased substantially but remained prevalent

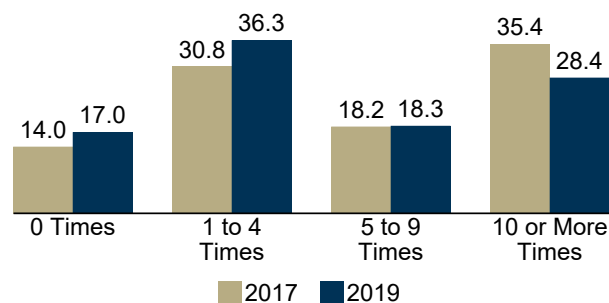
among banked households (dropping from 36.9 percent in 2015 and 36.0 percent in 2017 to 22.8 percent in 2019).

- Use of bank tellers continued to decline, though this decline was modest compared with the decline in use of online banking, and use of bank tellers remained prevalent (21.0 percent in 2019).
- The changes between 2015 and 2019 described above occurred broadly across different segments of the population. These trends are consistent with households’ switching from online banking to mobile banking as a primary method to access their bank accounts.

**Banked Households: Bank Branch Visits**

- In 2019, 83.0 percent of banked households spoke with a teller or other employee in person at a bank branch (i.e., visited a bank branch) in the past 12 months, down slightly from 86.0 percent in 2017.
- The frequency of bank branch visits declined somewhat between 2017 and 2019. As Figure ES.4 shows, the share of banked households visiting a branch ten or more times declined, whereas the share of banked households visiting a branch one to four times increased.

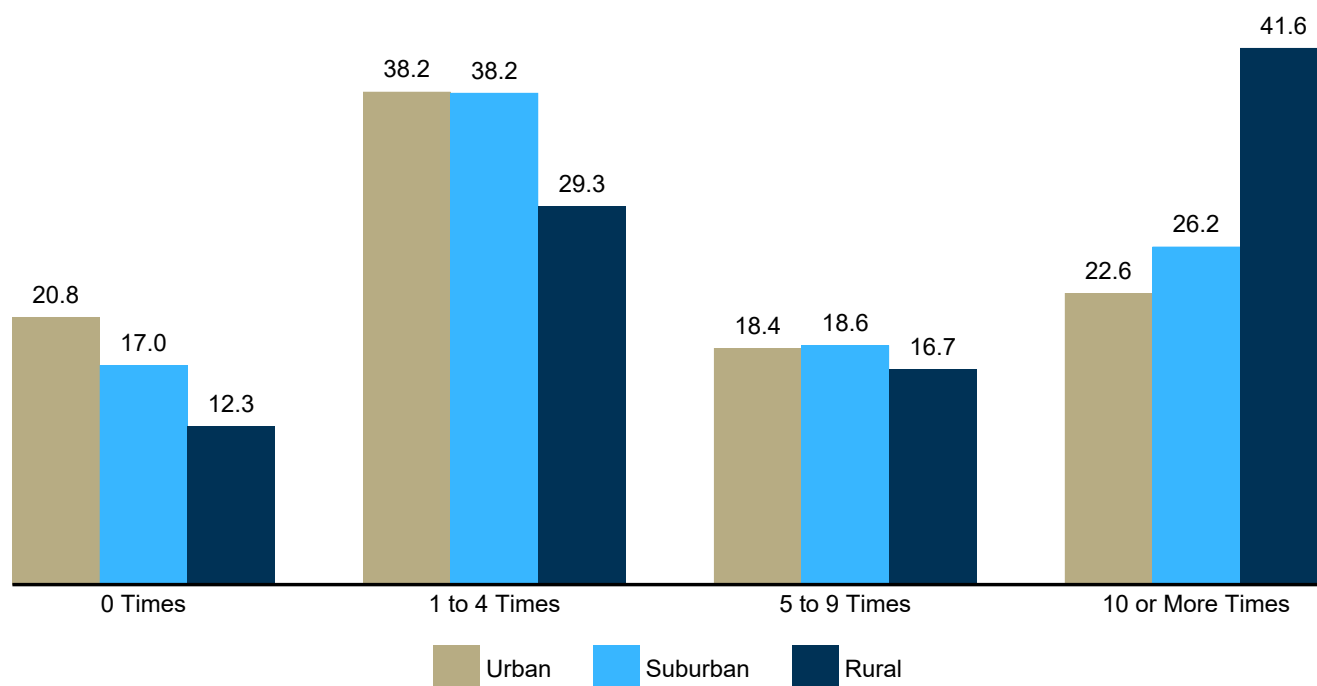
**Figure ES.4 Bank Branch Visits, Among Banked Households, by Year (Percent)**



Note: For 2017, not shown are households that visited a branch but with unknown frequency (1.6 percent of banked households).

<sup>12</sup> “Don’t know” was not one of the four administered response options to the questions on satisfaction and clarity. Some households did not choose one of the four administered response options and instead volunteered “don’t know.” See Appendix 1 for details.

**Figure ES.5 Bank Branch Visits, Among Banked Households, by Metropolitan Status, 2019 (Percent)**



Note: This figure does not display bank branch visits for banked households where—to maintain confidentiality—the U.S. Census Bureau suppressed specific urban, suburban, or rural status (14.3 percent of banked households).

- Older households and households with volatile income were more likely to visit a branch and to visit ten or more times.
- Bank branch visits among banked households varied substantially across metropolitan status (see Figure ES.5). In 2019, nearly nine in ten rural households visited a branch, and about four in ten rural households visited ten or more times.
- Branch visits were prevalent even among banked households that used online or mobile banking as their primary method of account access. For example, in 2019, about four in five (79.9 percent) banked households that used mobile banking as their primary method visited a branch in the past 12 months, and about one in five (18.8 percent) banked households that used mobile banking as their primary method visited ten or more times.
- Almost all banked households were satisfied with their primary bank and thought that fees were clearly communicated: 97.3 percent were very or somewhat satisfied with their primary bank, and 92.1 percent thought their bank communicated account fees very or somewhat clearly.<sup>13</sup>
- About nine in ten banked households (91.0 percent) were in both groups, being satisfied (very or somewhat) with their primary bank and thinking their bank’s communication of account fees was clear (very or somewhat). Households that thought their bank communicated fees very or somewhat clearly were 17.3 percentage points more likely to be very or somewhat satisfied with their primary bank (98.8 percent), compared with households that thought their bank communicated fees not very clearly or not clearly at all (81.5 percent).
- Banked households’ satisfaction with their primary bank and their perceptions of how clearly their bank communicated account fees were consistently high across different segments of the population (e.g., different income and education levels).

**Banked Households: Satisfaction With Primary Bank and Clarity of Bank’s Communication About Account Fees**

The 2019 survey included new questions for banked households, asking about their satisfaction with their primary bank and about their perceptions of how clearly their bank communicates account fees.

<sup>13</sup> As discussed above, 55.1 percent of unbanked households that had previously been banked were very or somewhat satisfied with their most recent bank. This percentage is about half the percentage of banked households that were very or somewhat satisfied with their primary bank (97.3 percent).

- Banked households that were not satisfied with their primary bank or those that thought their bank did not communicate account fees clearly were more likely to use a nonbank financial transaction service (in particular, at least one of the following: money orders, check cashing, or bill payment services) than were banked households that were satisfied or that did think fees were clearly communicated. Among households that were not very satisfied or not satisfied at all, 22.3 percent used at least one of those three nonbank financial transaction services, compared with 14.9 percent of households that were very or somewhat satisfied. Among households that thought that fees were communicated not very clearly or not clearly at all, 20.1 percent used at least one of those three nonbank financial transaction services, compared with 14.7 percent of households that thought fees were communicated very or somewhat clearly.

### Prepaid Cards

Some consumers, both banked and unbanked, use general purpose reloadable prepaid cards to conduct financial transactions, such as paying bills, withdrawing cash at ATMs, making purchases, depositing checks, and receiving direct deposits.<sup>14</sup>

- In 2019, 8.5 percent of U.S. households used prepaid cards in the past 12 months, down from 9.7 percent in 2017 and 10.2 percent in 2015.<sup>15</sup>
- Differences in prepaid card use across households in 2019 were similar to the differences in earlier years. Prepaid card use was higher among lower-income households, less-educated households, younger households, Black households, working-age disabled households, and households with volatile income. For example, 14.8 percent of Black households used prepaid cards in 2019, compared with 7.6 percent of White households.
- Prepaid card use continued to be more prevalent among unbanked households than among banked households. In 2019, 27.7 percent of unbanked households used a prepaid card, compared with 7.4 percent of banked households.<sup>16</sup>

### Nonbank Financial Transaction Services

As in previous years, the 2019 survey asked all households about use in the past 12 months of nonbank money orders, check cashing, and remittances sent abroad. In addition, the 2019 survey was the first to include questions about two other types of nonbank financial transaction services: bill payment services (such as are offered by Western Union and MoneyGram) and use of a website or app to send or receive money inside the United States (examples are PayPal, Venmo, and Cash App).<sup>17</sup> The latter service is known as a peer-to-peer or person-to-person (P2P) payment service.<sup>18</sup>

- In 2019, 11.9 percent of households used money orders, 5.5 percent used check cashing, and 4.9 percent used bill payment services. Altogether, 17.2 percent of households used at least one of those three services (money orders, check cashing, or bill payment services) in the past 12 months. In addition, 5.5 percent of households used international remittances, and 31.1 percent used P2P payment services.
- Between 2017 and 2019, use of money orders fell by 2.3 percentage points and use of check cashing fell by 0.7 percentage points.<sup>19</sup> Only a small portion of these changes were associated with changes in the socioeconomic circumstances of U.S. households between 2017 and 2019. The use of international remittances increased between 2017 and 2019. This increase was broad-based, ranging across almost all population segments.
- In terms of household characteristics, patterns of use for bill payment services were similar to the patterns for money orders and check cashing. Younger households, less-educated households, and Black, Hispanic, and American Indian or Alaska Native households were more likely to use these three transaction services, as were lower-income households and households with volatile income.
- The characteristics of households that made P2P payments were substantially different from the characteristics of households that used the other nonbank transaction services. Use of P2P payment services was higher among households with income of \$75,000 or

<sup>14</sup> The survey questions on prepaid cards instructed households not to consider gift cards.

<sup>15</sup> The estimates of prepaid card use in 2017 and 2015 reported in this subsection differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

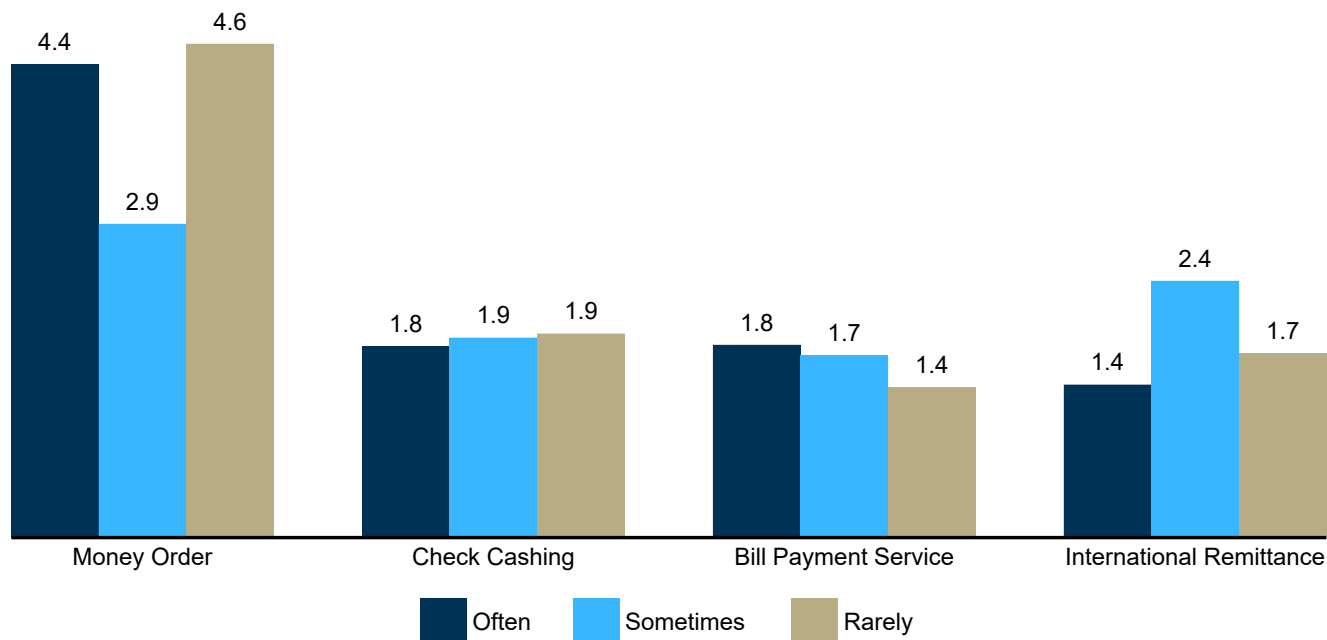
<sup>16</sup> Prepaid card use among unbanked and banked households was lower in 2019 than in 2015 and 2017; however, the decline among unbanked households between 2015 and 2019 was not statistically significant, while the decline among banked households was statistically significant.

<sup>17</sup> Nonbank bill payment service providers offer money transfer services including bill payment. Customers can pay with cash at physical locations, either stores or kiosks, or by using online payment methods.

<sup>18</sup> To conduct P2P payments, households typically must have a bank account, a prepaid card, or a credit card, with requirements varying across P2P payment service providers.

<sup>19</sup> The estimates of nonbank financial transaction services use in 2017 reported in this subsection differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

**Figure ES.6 Frequency of Use of Specific Nonbank Financial Transaction Services, 2019 (Percent)**



Notes: This figure does not report the percentage of households that did not use the particular service in the past 12 months. For nonbank money orders, check cashing, bill payment services, and international remittances, 88.1, 94.5, 95.1, and 94.5 percent of households, respectively, did not use the particular service.

more, households with a college degree, younger and middle-aged households, and working-age nondisabled households.

- » Use of P2P payment services requires access to the internet with either a smartphone or a computer. About one in three households (33.9 percent) that had smartphone access or home internet access made P2P payments in 2019, compared with only 2.9 percent of households that had neither.
- » Among users of at least one among the group consisting of money orders, check cashing, and bill payment services, about a third (32.3 percent) also used P2P payment services, whereas fewer than one in five P2P users (17.9 percent) also used any of those other three nonbank transaction services.
- In 2019 among unbanked households, 42.3 percent used money orders, 31.9 percent used check cashing, and 14.4 percent used bill payment services; more than half (56.1 percent) used at least one of these three transaction services. In addition, 9.4 percent of unbanked households used international remittances, and 8.8 percent used P2P payment services.
- Among banked households, 10.2 percent used money orders, 4.0 percent used check cashing, and 4.4 percent used bill payment services; 15.0 percent used at least one of these three transaction services. In addition, 5.3 percent of banked households used international remittances, and 32.3 percent used P2P payment services.
- The 2019 survey included new questions on the frequency of use of nonbank transaction services other than P2P payment services, specifically on whether each nonbank transaction service was used often, sometimes, or rarely (see Figure ES.6). For each of the four nonbank transaction services, the population segments (e.g., those without a high school diploma) that more commonly used a nonbank transaction service (at all) also tended to use that service more frequently.
  - » In 2019, 7.3 percent of households used money orders sometimes or often. Of these households, almost nine in ten (87.1 percent) used a money order to pay bills.

### Bank and Nonbank Credit

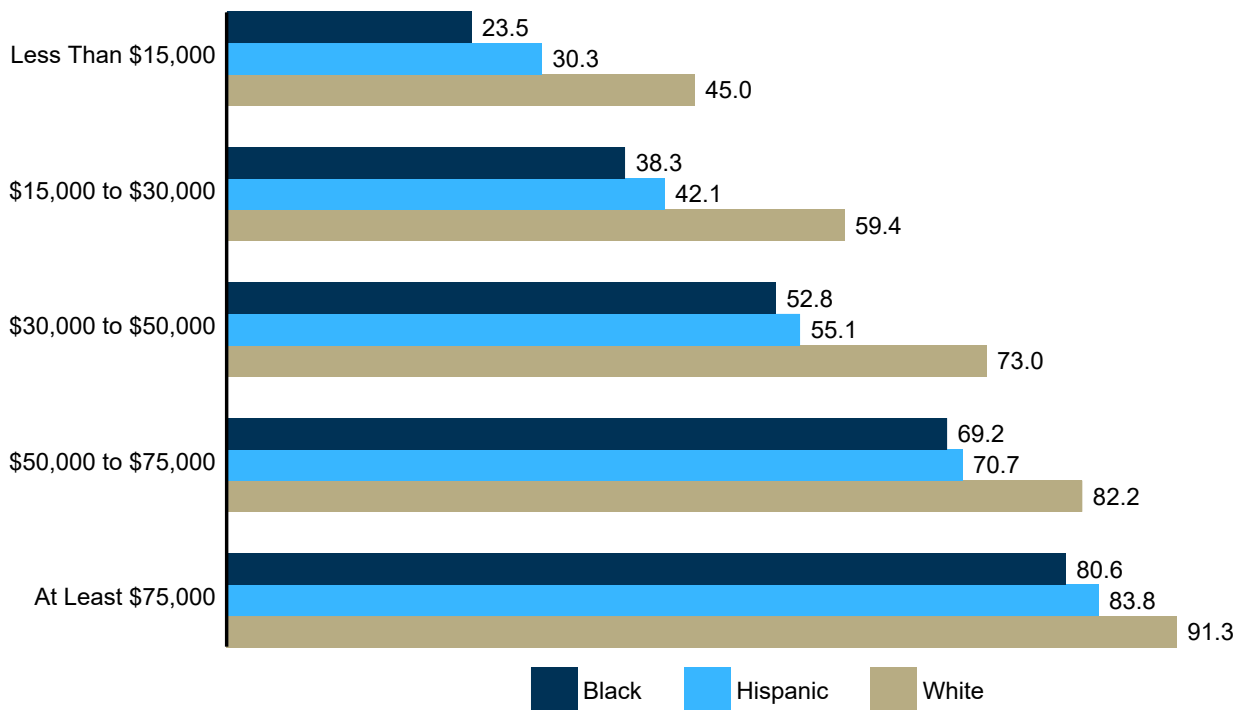
The 2019 survey examines household use of bank credit and nonbank credit, focusing on products that households may use to address cash-flow imbalances, unexpected expenses, or temporary income shortfalls.<sup>20</sup> A household is considered to have used bank credit if, in the past 12 months, it had a Visa, MasterCard, American Express, or Discover credit card (i.e., a credit card) or a personal loan or line of credit from a bank (i.e., a bank personal loan). A household is considered to have used nonbank credit if it used a rent-to-own service or a pay-day, auto title, pawn shop, or tax refund anticipation loan in the past 12 months.<sup>21</sup>

- The share of households that used bank credit increased from 67.9 percent in 2015 to 72.5 percent in 2019. The share of households that used nonbank credit declined from 8.1 percent in 2015 and 7.5 percent in 2017 to 4.8 percent in 2019.<sup>22</sup> The decline in nonbank credit use between 2017 and 2019 remained large and statistically significant even after changes in income and other characteristics of U.S. households were accounted for. The increase in bank credit use and the

decline in nonbank credit use occurred broadly across different segments of the population.

- Lower-income households, less-educated households, Black households, Hispanic households, American Indian or Alaska Native households, and working-age disabled households were less likely to use bank credit.
  - » Differences by education and income were especially pronounced. For example, in 2019, only 37.1 percent of households without a high school diploma used bank credit, compared with 87.5 percent of households with a college degree. Similarly, only 37.0 percent of households with less than \$15,000 in income used bank credit, compared with 89.9 percent of households with income of \$75,000 or more.
  - » Differences by race and ethnicity were also large and were present at all income levels (see Figure ES.7). For example, in 2019, even among households with income of \$75,000 or more, about 80 percent of Black and Hispanic households used bank credit, whereas about 90 percent of White households did so.

**Figure ES.7 Bank Credit Use by Household Income Level and Race and Ethnicity, 2019 (Percent)**



Note: The sample size for American Indian or Alaska Native households is not large enough to disaggregate by these income categories.

<sup>20</sup> Certain nonbank installment loans that may be used for short-term credit needs were not captured in the 2019 survey. Credit products that are used primarily to finance large expenditures, such as mortgages, auto loans, and student loans, are beyond the scope of the 2019 survey.

<sup>21</sup> See Appendix 2 for changes in the wording of some questions across survey years.

<sup>22</sup> The estimates of nonbank credit use in 2017 and 2015 reported in this subsection differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.



- Use of bank and nonbank credit also varied by the metropolitan status of a household's residence. In 2019, 64.6 percent of rural households used bank credit, compared with 69.2 percent of urban households and 77.3 percent of suburban households. In addition to being less likely to use bank credit, rural

households were more likely to use nonbank credit (6.3 percent), compared with urban households (4.9 percent) and suburban households (4.1 percent).

- » When region is paired with metropolitan status, the rural South stands out, where only 55.4 percent of households used bank credit.

## 2. About the Survey

### Background

Accounts at federally insured depository institutions are covered by deposit insurance and other consumer protections. Ownership of an account at a federally insured depository institution provides households with a safe place to keep deposits and to save for emergency and long-term needs, and it facilitates households' financial transactions. Having a bank account and a banking relationship can also facilitate households' access to responsible, affordable credit, and such access can help households build their credit history.

Despite these benefits, some households—referred to in this report as “unbanked”—do not have an account at a federally insured depository institution. Other households have an account but also use nonbank financial products or services. Households that go outside the banking system to meet their financial needs present banks with an opportunity to expand access to their products and services.

Economic inclusion supports the FDIC's mission of maintaining public confidence in the U.S. financial system. The *FDIC Survey of Household Use of Banking and Financial Services* is one contribution to this end. Conducted biennially and partly in response to a statutory mandate, the survey collects information on bank account ownership, use of prepaid cards and nonbank financial transaction services, and use of bank and nonbank credit.<sup>23</sup>

The FDIC conducts the household survey in partnership with the U.S. Census Bureau. Specifically, the FDIC sponsors a survey data collection that is a supplement to the Census Bureau's Current Population Survey (CPS).

The first survey was conducted in January 2009, and subsequent surveys were conducted in June 2011, June 2013, June 2015, June 2017, and June 2019.<sup>24</sup> Results from these surveys are available on [economicinclusion.gov](http://economicinclusion.gov), which also provides the ability to query and download the data.

This report presents the results of the 2019 *FDIC Survey of Household Use of Banking and Financial Services*. The survey collected responses from 32,904 households. See Appendix 1 (FDIC Technical Notes) for additional details. Where appropriate, the report discusses trends in survey results over time.

### What's New

In the 2019 *FDIC Survey of Household Use of Banking and Financial Services*, nonresponse to individual survey questions (i.e., item nonresponse) was addressed through imputation, consistent with the Census Bureau's treatment of missing values in the CPS.<sup>25</sup> For a given question, item nonresponse occurred when a household refused to answer the question, responded “don't know,” or dropped out of the survey before the question was administered (i.e., the household broke off). For nearly all missing values in the 2019 *FDIC Survey of Household Use of Banking and Financial Services*, the Census Bureau implemented “hot deck” allocation, replacing a missing value for a particular question with a response to the same question provided by a household with similar characteristics. Imputing missing values can help correct estimation bias due to item nonresponse. See Appendix 1 for additional details.

In addition, racial and ethnic categories were revised to be consistent with U.S. Office of Management and Budget (OMB) standards for the classification of race and ethnicity and with CPS tabulations of race and ethnicity.<sup>26</sup>

<sup>23</sup> Section 7 of the Federal Deposit Insurance Reform Conforming Amendments Act of 2005 (Pub. L. 109–173) calls for the FDIC to conduct ongoing surveys “on efforts by insured depository institutions to bring those individuals and families who have rarely, if ever, held a checking account, a savings account or other type of transaction or check cashing account at an insured depository institution [‘unbanked’] into the conventional finance system.” Section 7 further instructs the FDIC to consider several factors when conducting the surveys, including estimating the size and worth of the unbanked market in the United States and identifying the primary issues that prevent unbanked individuals from establishing conventional accounts.

<sup>24</sup> Before 2019, the survey was named *FDIC National Survey of Unbanked and Underbanked Households*. The new survey name describes the content of the survey, which asks a nationally representative sample of U.S. households about their use of banking and financial services.

<sup>25</sup> In previous survey years, missing values were not imputed. See previous survey reports for information on how nonresponse was handled in those reports.

<sup>26</sup> For the OMB standards for the classification of race and ethnicity, see Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity, *Federal Register* 62, No. 210 (October 30, 1997), 58782–58790, [govinfo.gov/content/pkg/FR-1997-10-30/pdf/97-28653.pdf](http://govinfo.gov/content/pkg/FR-1997-10-30/pdf/97-28653.pdf). For information on CPS tabulations of race and ethnicity, see [bls.gov/cps/definitions.htm](http://bls.gov/cps/definitions.htm).

Specifically, the analysis in this report uses the following classification of race and ethnicity:

- Hispanic or Latino, regardless of race
- Black or African American alone, not Hispanic or Latino
- Asian alone, not Hispanic or Latino
- American Indian or Alaska Native alone, not Hispanic or Latino
- Native Hawaiian or Other Pacific Islander alone, not Hispanic or Latino
- White alone, not Hispanic or Latino
- Two or More Races, not Hispanic or Latino

Finally, a number of changes were made to the 2019 survey instrument, details of which are provided in Appendix 2. The notable additions to the survey instrument, summarized below, fall into two main areas.

First, to complement existing questions on reasons for not having a bank account, the 2019 survey included new questions on unbanked households' satisfaction

with their most recent bank and on their perceptions of how clearly banks in general communicate account fees. Banked households were asked alternative versions of the two questions, having to do with their satisfaction with their primary bank and with their perceptions of how clearly their bank communicates account fees.

Second, to complement existing questions on the use of nonbank money orders, check cashing, and international remittances in the past 12 months, the 2019 survey added questions that asked all households about their use of two other nonbank financial transaction services in the past 12 months: bill payment services (such as Western Union and MoneyGram) and peer-to-peer or person-to-person (P2P) payment services (such as PayPal, Venmo, and Cash App). Households that used nonbank money orders, check cashing, bill payment services, or international remittances in the past 12 months were asked new, follow-up questions on whether they used these services often, sometimes, or rarely. Households that used nonbank money orders often or sometimes were asked a new, follow-up question on whether they used the money orders to pay bills.

## 3. Bank Account Ownership: Unbanked Households

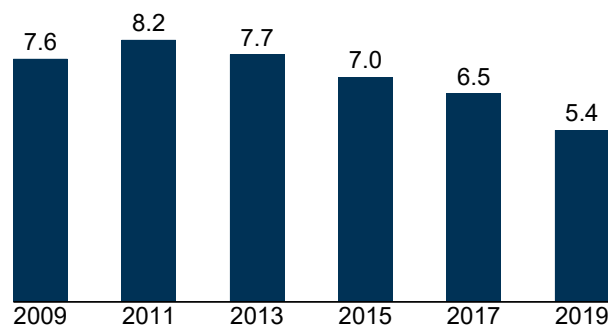
### National Unbanked Rate

An estimated 5.4 percent of U.S. households were “unbanked” in 2019, meaning that no one in the household had a checking or savings account at a bank or credit union (i.e., bank). This proportion represents approximately 7.1 million U.S. households. Conversely, 94.6 percent of U.S. households were “banked” in 2019, meaning that at least one member of the household had a checking or savings account. This proportion represents approximately 124.2 million U.S. households.

The proportion of U.S. households that were unbanked (i.e., the unbanked rate) in 2019—5.4 percent—was the lowest since the survey began in 2009, as shown in Figure 3.1. Between 2017 and 2019, the unbanked rate fell by 1.1 percentage points, corresponding to an increase of approximately 1.5 million banked households.<sup>27</sup> About half of the decline in the unbanked rate between 2017 and 2019 was associated with improvements in the socioeconomic circumstances of U.S. households over this period. However, even after these improvements were accounted for, the remainder of the decline in the unbanked rate across years was statistically significant.<sup>28</sup>

Between 2011, when the unbanked rate peaked at 8.2 percent, and 2019, the unbanked rate fell by 2.8 percentage points, corresponding to an increase of approximately 3.7 million banked households. About two-thirds of the decline in the unbanked rate between 2011 and 2019 was associated with improvements in the socioeconomic circumstances of U.S. households over this period.

**Figure 3.1 National Estimates, Household Unbanked Rate by Year (Percent)**



### Unbanked Rates by Household Characteristics

Consistent with the results of previous surveys, in 2019 unbanked rates varied considerably across the U.S. population.<sup>29</sup> For example, as shown in Table 3.1, unbanked rates were higher among lower-income households, less-educated households, Black households, Hispanic households, American Indian or Alaska Native households, working-age disabled households, and households with volatile income.<sup>30</sup>

For most segments of the population, unbanked rates in 2019 were lower than or similar to unbanked rates in recent years, as illustrated in Table 3.1. Recent declines have been particularly sharp for Black and Hispanic households. Specifically, 13.8 percent of Black households were unbanked in 2019, down from 16.8 percent in 2017 and 18.5 percent in 2015. Among Hispanic households, 12.2 percent were unbanked in 2019, down from 14.4 percent in 2017 and 16.3 percent in 2015.<sup>31</sup> Despite the

<sup>27</sup> All differences discussed in the text are statistically significant at the 10 percent level unless noted otherwise. In other words, there is a 10 percent or lower probability that the difference observed in the survey is due to chance.

<sup>28</sup> A linear probability model was estimated to account for changes between 2017 and 2019 in the distribution of households across the household-level characteristics shown in Table 3.4. About half of the difference in the unbanked rate between 2017 and 2019 was associated with changes in the socioeconomic characteristics of households (annual income level, monthly income volatility, employment status, homeownership status, and educational attainment) over this period. Adding controls for the remaining demographic characteristics shown in Table 3.4 had little effect on the remainder of the difference in the unbanked rate.

<sup>29</sup> For person-level characteristics, such as race, age, and education, the characteristics of the owner or renter of the home (i.e., the householder) are used to represent the household. For convenience, abbreviated language is used in referring to certain household characteristics. For example, the term “Hispanic household” refers to a household for which the householder identifies as Hispanic or Latino regardless of race, and the term “Black household” refers to a household for which the householder identifies as Black or African American alone and not Hispanic or Latino. The term “working-age disabled household” refers to a household for which the householder has a disability and is between the ages of 25 and 64. See Appendix 1 for additional details.

<sup>30</sup> For monthly income volatility, all households were asked whether their income over the past 12 months was about the same each month, varied somewhat from month to month, or varied a lot from month to month. The term “volatile income” refers to a household with income that varied somewhat or a lot from month to month.

<sup>31</sup> About 70 percent of the decline in the unbanked rate for Black households and about 60 percent of the decline in the unbanked rate for Hispanic households between 2015 and 2019 were associated with changes in income and the other household characteristics shown in Table 3.4. After these changes were accounted for, the remainder of the decline in the unbanked rate for Black households was no longer statistically significant, while the remainder of the decline in the unbanked rate for Hispanic households was statistically significant.

**Table 3.1 Unbanked Rates by Selected Household Characteristics and Year**

For All Households

Characteristics	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019-2017)
All	7.0	6.5	5.4	-1.1*
<b>Family Income</b>				
Less Than \$15,000	25.6	25.7	23.3	-2.5*
\$15,000 to \$30,000	11.8	12.3	10.4	-1.8*
\$30,000 to \$50,000	5.0	5.1	4.6	-0.5
\$50,000 to \$75,000	1.6	1.5	1.7	0.3
At Least \$75,000	0.5	0.6	0.6	0.0
<b>Education</b>				
No High School Diploma	23.2	22.4	21.4	-1.0
High School Diploma	9.7	9.4	8.1	-1.4*
Some College	5.5	5.1	4.3	-0.9*
College Degree	1.1	1.3	0.8	-0.5*
<b>Age Group</b>				
15 to 24 Years	13.1	10.0	8.8	-1.2
25 to 34 Years	10.6	8.5	6.9	-1.6*
35 to 44 Years	8.9	7.8	6.3	-1.5*
45 to 54 Years	6.7	6.9	5.1	-1.8*
55 to 64 Years	5.8	5.9	5.5	-0.5
65 Years or More	3.1	3.9	3.3	-0.6*
<b>Race/Ethnicity</b>				
Black	18.5	16.8	13.8	-2.9*
Hispanic	16.3	14.4	12.2	-2.2*
Asian	3.9	2.6	1.7	-1.0
American Indian or Alaska Native	15.3	18.0	16.3	-1.7
Native Hawaiian or Other Pacific Islander	10.3	2.8	NA	NA
White	3.1	3.0	2.5	-0.6*
Two or More Races	7.9	8.5	4.9	-3.5*
<b>Disability Status</b>				
Disabled, Aged 25 to 64	17.6	18.1	16.2	-1.9
Not Disabled, Aged 25 to 64	6.5	5.7	4.5	-1.1*
<b>Monthly Income Volatility</b>				
Income Was About the Same Each Month	5.7	5.6	4.9	-0.8*
Income Varied Somewhat From Month to Month	8.7	6.8	6.4	-0.4
Income Varied a Lot From Month to Month	12.9	13.2	10.7	-2.5

Notes: Asterisk indicates differences that are statistically significant at the 10 percent level. NA indicates that the sample size is too small to produce a precise estimate. See Appendix Table A.2 for estimates by other household characteristics and for selected confidence intervals.

improvements in unbanked rates for Black and Hispanic households, unbanked rates in 2019 for these households remained substantially above the unbanked rate for White households (2.5 percent).

The 2017 report noted that, while unbanked rates declined for Black and Hispanic households as economic conditions improved between 2011 and 2017, unbanked rates for other populations with a large percentage of unbanked households did not decline at a similar pace.<sup>32</sup> For example, the unbanked rate for working-age disabled households was roughly constant between 2011 and 2017: 18.9 percent in 2011, 18.4 percent in 2013, 17.6 percent in 2015, and 18.1 percent in 2017. In 2019, while still much higher than the unbanked rate for working-age nondisabled households (4.5 percent), the unbanked rate for working-age disabled households (16.2 percent) declined to its lowest level since 2011.<sup>33</sup>

### **Unbanked Rates by Geography**

Regional variation in unbanked rates was similar in 2019 to previous years, with unbanked rates highest in the South. The unbanked rate in the South in 2019 was 6.2 percent, compared with 5.0 percent in the Midwest, 4.9 percent in the West, and 4.7 percent in the Northeast.<sup>34</sup>

However, differences in unbanked rates between the South and the other regions have narrowed in recent years. In 2015, the unbanked rate in the South (8.7 percent) was 2.8 percentage points higher than the combined unbanked rate of the other three regions (6.0 percent). In 2019, the unbanked rate in the South (6.2 percent) was 1.4 percentage points higher than the combined unbanked rate of the other three regions (4.8 percent)—half the gap in unbanked rates from 2015. (See Appendix Table A.2 for unbanked rates by region and for selected confidence intervals.)

Unbanked rates in 2019 varied widely across states, as illustrated in Figure 3.2. Reflecting the regional variation described above and similar to estimates from previous years, unbanked rates were generally higher among states in the South. Unbanked rates ranged from 0.5 percent (New Hampshire) to 12.8 percent (Mississippi). Some states saw large decreases in unbanked rates in recent years. For example, the unbanked rate in North Carolina was 3.4 percent in 2019, down from 5.8 percent in 2017 and 7.7 percent in 2015, and the unbanked rate in West Virginia was 4.7 percent in 2019, down from 7.8 percent in 2017 and 8.0 percent in 2015. (See Appendix Tables A.3 and A.4 for detailed estimates by state and metropolitan statistical area [MSA] and for selected confidence intervals.)<sup>35</sup>

Unbanked rates also varied by the metropolitan status of a household's residence. In 2019, 8.1 percent of urban households were unbanked, compared with 6.2 percent of rural households and 3.7 percent of suburban households.<sup>36</sup> These unbanked rates were lower than in 2017. (See Appendix Table A.2 for unbanked rates by metropolitan status and for selected confidence intervals.)

Patterns in unbanked rates by metropolitan status differed across regions. As shown in Figure 3.3, for the Northeast and Midwest, unbanked rates among urban households in 2019 were higher than rates among suburban and rural households. For the South, unbanked rates among urban and rural households were higher than the rate among suburban households.<sup>37</sup> Finally, for the West, unbanked rates were similar across urban, suburban, and rural households.

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<sup>32</sup> See Federal Deposit Insurance Corporation, *2017 FDIC National Survey of Unbanked and Underbanked Households* (October 2018), [economicinclusion.gov/downloads/2017\\_FDIC\\_Unbanked\\_HH\\_Survey\\_Report.pdf](https://economicinclusion.gov/downloads/2017_FDIC_Unbanked_HH_Survey_Report.pdf).

<sup>33</sup> About half of the decline in the unbanked rate for working-age disabled households between 2011 and 2019 was associated with changes in income and the other household characteristics shown in Table 3.4 (except for monthly income volatility, which was not available for 2011). After these changes were accounted for, the remainder of the decline in the unbanked rate for working-age disabled households was no longer statistically significant.

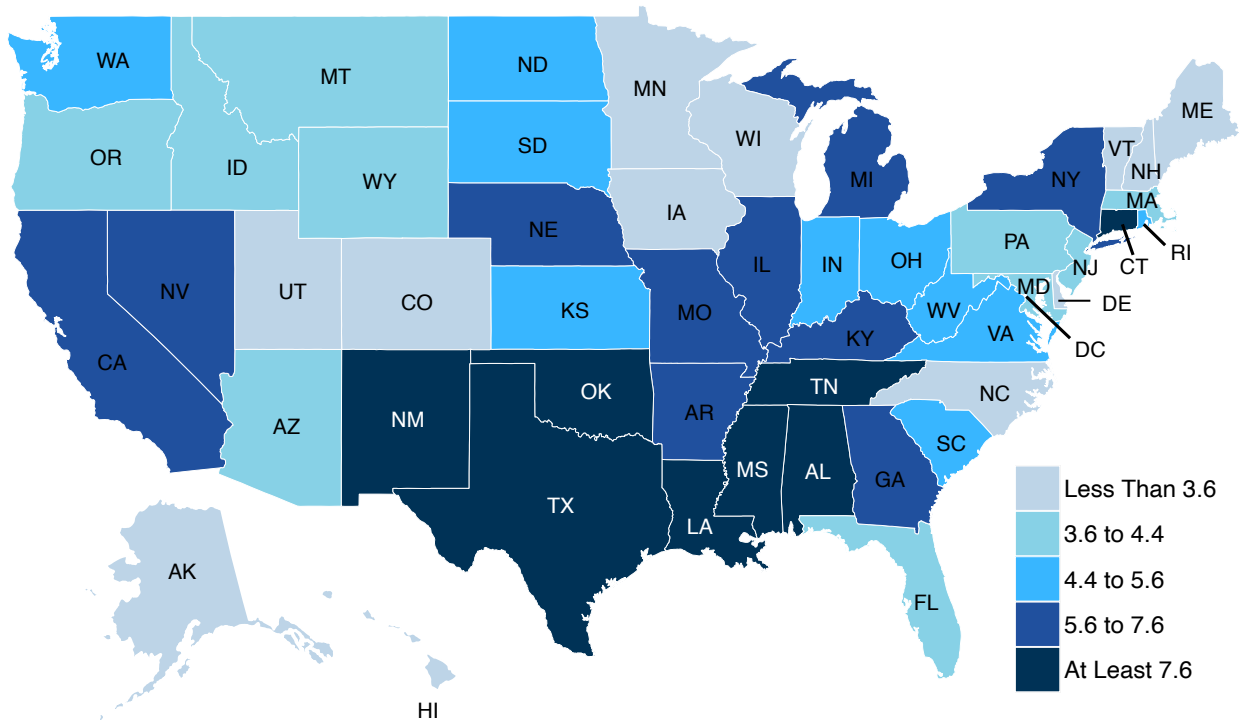
<sup>34</sup> Differences in unbanked rates between the South and each of the other three regions in 2019 were associated primarily with differences in income and other characteristics of U.S. households. These geographical differences were no longer statistically significant after differences in the other household characteristics shown in Table 3.4 were accounted for.

<sup>35</sup> See [economicinclusion.gov/five-year](https://economicinclusion.gov/five-year) for five-year estimates of unbanked rates at the state and MSA levels and for confidence intervals.

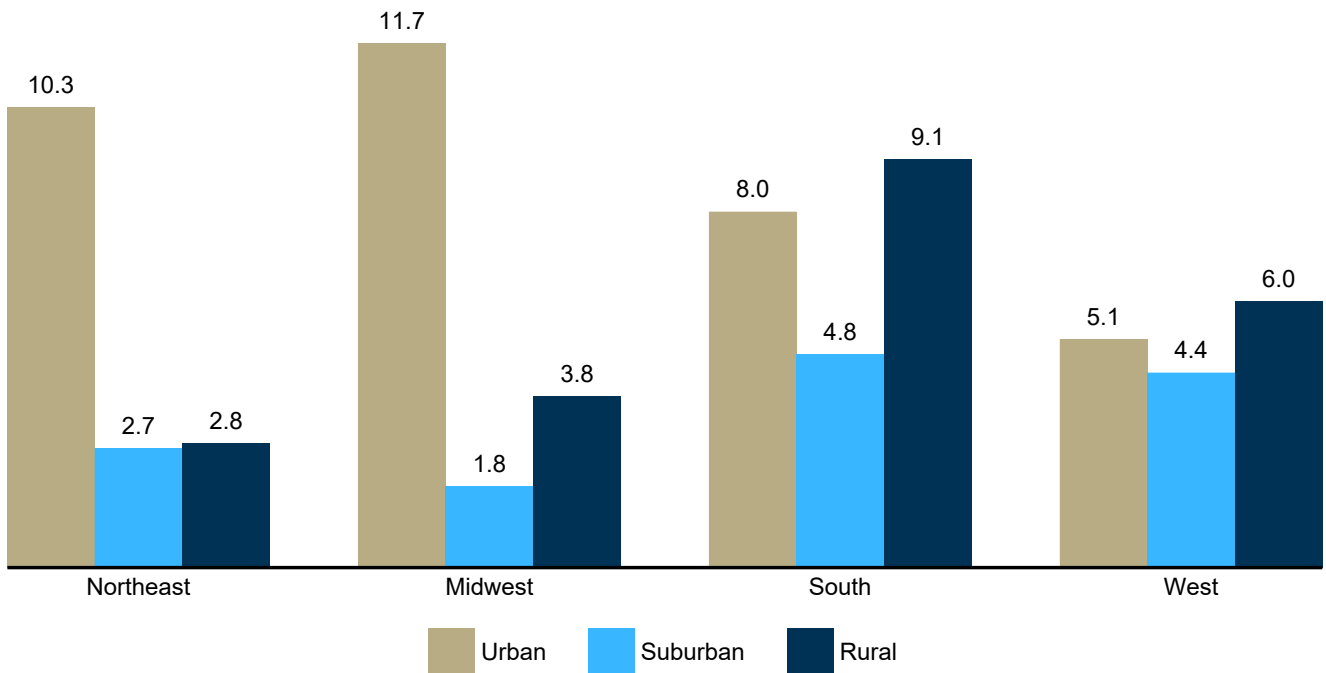
<sup>36</sup> For the purposes of this report, a household is classified as urban if the household resides in a principal city of a metropolitan area, suburban if the household resides in a metropolitan area but not in a principal city, and rural if the household does not reside in a metropolitan area. In 2019, 29.2 percent of households were classified as urban, 43.6 percent as suburban, and 13.0 percent as rural. (See Table 3.4.) For the remaining 14.2 percent of households, the U.S. Census Bureau suppressed specific urban, suburban, and rural status to maintain confidentiality, though most of these households were either urban or suburban.

<sup>37</sup> The difference in unbanked rates between urban and suburban households in the South was no longer statistically significant after differences in the other household characteristics shown in Table 3.4 were accounted for.

**Figure 3.2 Unbanked Rates by State, 2019 (Percent)**



**Figure 3.3 Unbanked Rates by Metropolitan Status and Region, 2019 (Percent)**



Note: This figure does not display unbanked rates for households where—to maintain confidentiality—the U.S. Census Bureau suppressed specific urban, suburban, and rural status (14.2 percent of all households).

### Previous and Recent Bank Account Ownership

As discussed in previous reports, bank account ownership is not static. Table 3.2 shows that among unbanked households in 2019, half (50.4 percent) had had a bank account at some point in the past (i.e., had previously been banked), slightly higher than in previous years.

As further evidence of the dynamic nature of bank account ownership, Table 3.3 segments unbanked households by whether they had a bank account in the past 12 months. Among unbanked households in 2019, 10.4 percent had a bank account at some point in the past 12 months (i.e., were recently unbanked), and 89.6 percent did not have an account at any point in the past 12 months (i.e., were longer-term unbanked). These percentages are similar to those from previous years.

The information in Tables 3.2 and 3.3 together reveals that among unbanked households in 2019, 10.4 percent last had a bank account in the past 12 months, 40.0 percent last had an account more than 12 months ago, and 49.6 percent never had an account.

**Table 3.2 Previous Bank Account Ownership of Unbanked Households by Year**

For Unbanked Households, Row Percent

Year	Previously Banked (Percent)	Never Banked (Percent)
2015	47.3	52.7
2017	47.0	53.0
2019	50.4	49.6

**Table 3.3 Recent Bank Account Ownership of Unbanked Households by Year**

For Unbanked Households, Row Percent

Year	Recently Unbanked (Percent)	Longer-Term Unbanked (Percent)
2015	11.0	89.0
2017	9.7	90.3
2019	10.4	89.6

Notes: Recently unbanked households last had a bank account in the past 12 months. Longer-term unbanked households either last had an account more than 12 months ago or never had an account.

### Interest in Having a Bank Account

As shown in Figure 3.4, among unbanked households in 2019, more than half (56.2 percent) were not at all interested in having a bank account, while 24.8 percent were very or somewhat interested. These estimates are qualitatively similar to those from the 2017 survey, though changes in the wording of the survey question do not allow for direct comparisons.<sup>38</sup>

Interest in having a bank account was higher among certain segments of the unbanked population. For example, as displayed in Figure 3.4, 31.7 percent of unbanked households that had previously been banked were very or somewhat interested in having an account, compared with 17.9 percent of unbanked households that had never been banked. Within unbanked households that had previously been banked, interest in having a bank account was higher among households with more recent account ownership. Among unbanked households that last had an account in the past 12 months, 48.8 percent were very or somewhat interested in having an account, higher than the proportion among unbanked households that last had an account more than 12 months ago (27.2 percent).

Interest in having a bank account was also higher among Black unbanked households (30.5 percent were very or somewhat interested in having an account), compared with White unbanked households (22.3 percent were very or somewhat interested in having an account). (See Appendix Table A.6 for detailed estimates of interest in having a bank account by household characteristics.)

### Reasons for Not Having a Bank Account

As in previous years, the 2019 survey asked unbanked households about their reasons for not having a bank account. Patterns are similar to those reported in previous years.<sup>39</sup>

As illustrated in Figure 3.5, about half of unbanked households (48.9 percent) cited “Don’t have enough money to meet minimum balance requirements” as a reason for not having an account—the most cited reason. This reason was also the most cited *main* reason for not having an account (29.0 percent).

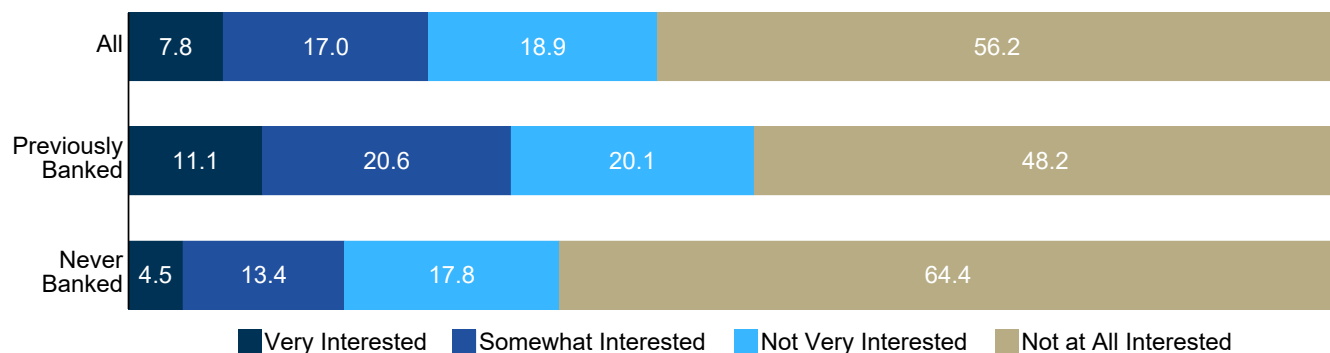
Other commonly cited reasons, each cited by approximately one-third of unbanked households, were “Don’t

<sup>38</sup> The 2019 survey asked unbanked households how interested they were in having a bank account (with no specific time horizon), while the 2013–2017 surveys asked unbanked households how likely they were to open a bank account in the next 12 months. In 2017, 58.7 percent of unbanked households were not at all likely, 16.3 percent were not very likely, 15.6 percent were somewhat likely, and 9.5 percent were very likely to open an account in the next 12 months.

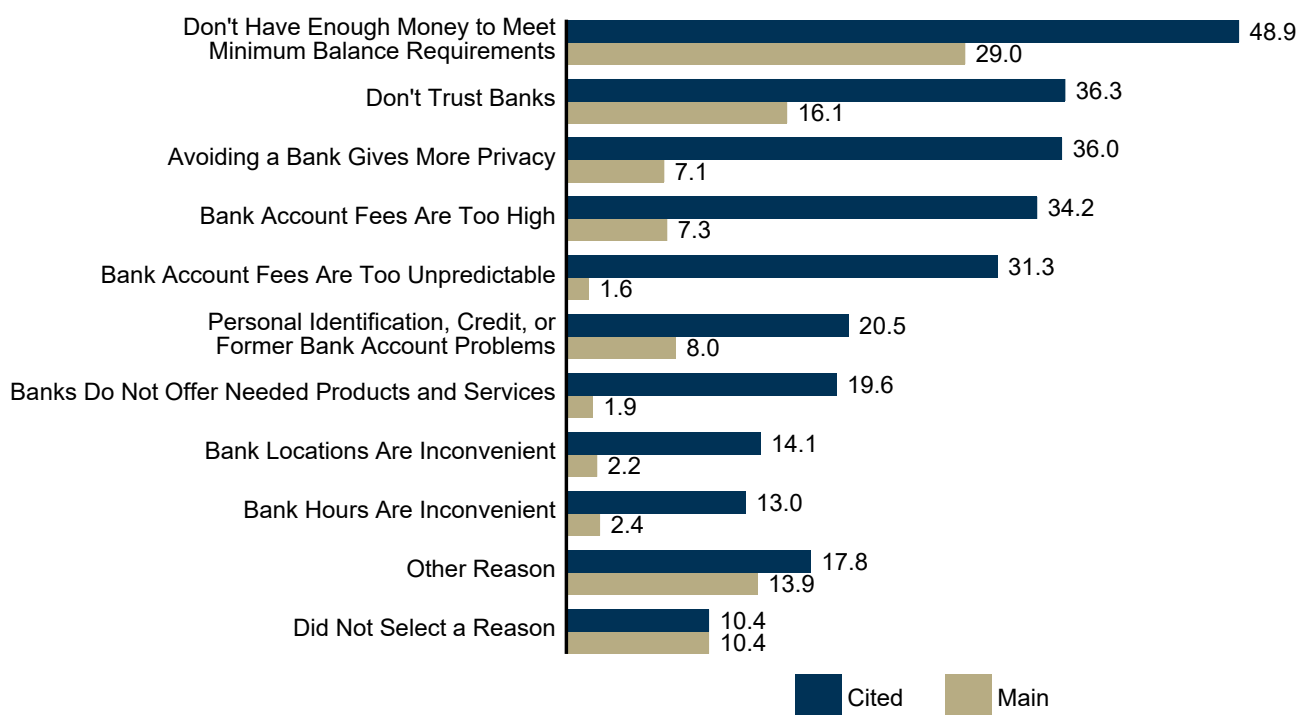
<sup>39</sup> For the 2019 survey, revisions were made to three of the response options on reasons for not having an account. See Appendix 2 for details.



**Figure 3.4 Interest in Having a Bank Account, Among Unbanked Households, by Previous Bank Account Ownership, 2019 (Percent)**



**Figure 3.5 Reasons for Not Having a Bank Account, Among Unbanked Households, 2019 (Percent)**



trust banks,” “Avoiding a bank gives more privacy,” “Bank account fees are too high,” and “Bank account fees are too unpredictable.” Among these reasons, “Don’t trust banks” was cited as a main reason most often (16.1 percent—the second-most cited main reason overall).

Reasons for not having an account were generally similar across unbanked households in 2019, regardless of whether the household had previously been banked or was interested in having an account. A few exceptions are worth noting.

A higher proportion of unbanked households that had previously been banked cited “Bank account fees are too unpredictable” (34.8 percent), compared with unbanked households that had never been banked (27.8 percent).

A higher proportion of unbanked households that were very or somewhat interested in having an account cited “Personal identification, credit, or former bank account problems” (26.7 percent), compared with unbanked households that were not very or not at all interested in having an account (18.5 percent). In addition, a smaller proportion of unbanked households that were very or

somewhat interested in having an account cited “Don’t trust banks” (24.6 percent), compared with unbanked households that were not very or not at all interested in having an account (40.1 percent). Similarly, a smaller proportion of unbanked households that were very or somewhat interested in having an account cited “Avoiding a bank gives more privacy” (25.5 percent), compared with unbanked households that were not very or not at all interested in having an account (39.5 percent). (See Appendix Tables A.7–A.10 for cited and main reasons for not having an account by previous bank account ownership and interest in having an account.)

### Satisfaction With Most Recent Bank and Clarity of Banks’ Communications About Account Fees

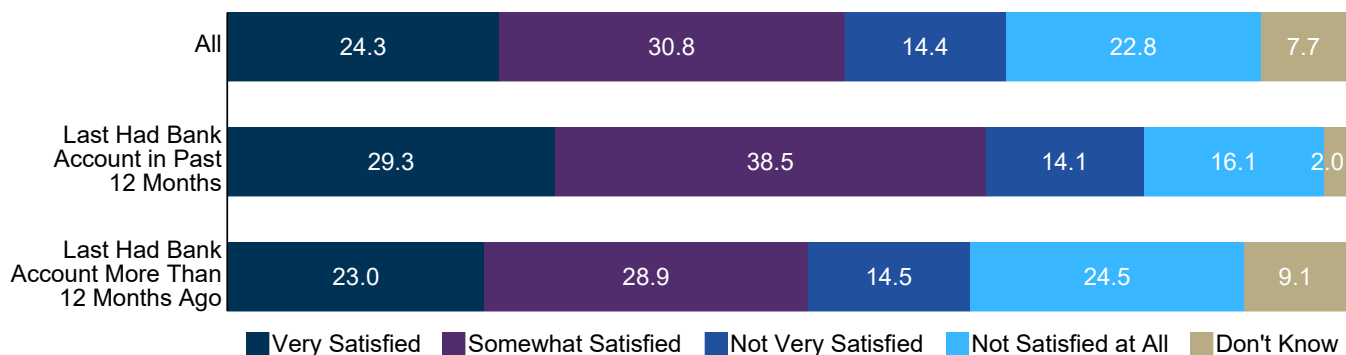
To complement existing questions on reasons for not having a bank account, the 2019 survey included new questions on unbanked households’ satisfaction with their most recent bank and on their perceptions of how clearly banks in general communicate account fees.<sup>40</sup> The

analysis below focuses on unbanked households that had previously been banked.

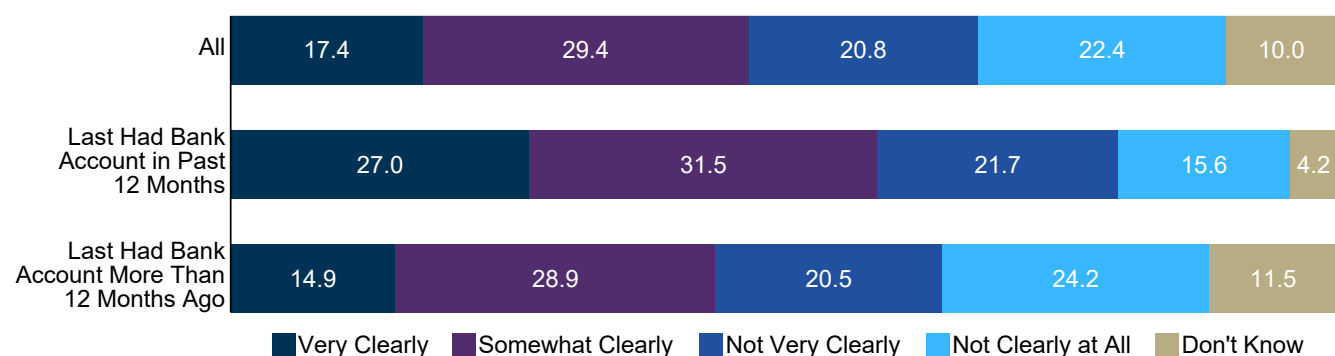
As shown in Figure 3.6, among unbanked households that had previously been banked, 24.3 percent were very satisfied with their most recent bank, 30.8 percent somewhat satisfied, 14.4 percent not very satisfied, 22.8 percent not satisfied at all, and 7.7 percent did not know.<sup>41</sup>

Satisfaction with one’s most recent bank varied according to how recently the household had a bank account. Among unbanked households that last had an account in the past 12 months, 67.7 percent were very or somewhat satisfied with their most recent bank, higher than the proportion among unbanked households that last had an account more than 12 months ago (51.8 percent). This finding is consistent with higher interest in having a bank account among households with more recent account ownership, as presented above.<sup>42</sup>

**Figure 3.6 Satisfaction With Most Recent Bank, Among Unbanked Households That Had Previously Been Banked, by Recent Bank Account Ownership, 2019 (Percent)**



**Figure 3.7 Perceptions of Clarity of Banks’ Communications About Account Fees, Among Unbanked Households That Had Previously Been Banked, by Recent Bank Account Ownership, 2019 (Percent)**



<sup>40</sup> Banked households were asked alternative versions of the two questions, having to do with their satisfaction with their primary bank and with their perceptions of how clearly their bank communicates account fees. Findings are discussed in section 4.

<sup>41</sup> “Don’t know” was not one of the four administered response options to the questions on satisfaction and clarity. Some households did not choose one of the four administered response options and instead volunteered “don’t know.” See Appendix 1 for details.

<sup>42</sup> See Appendix Table A.11 for estimates of unbanked households’ satisfaction with their most recent bank by household characteristics.

Unbanked households' interest in having a bank account was associated with differences in their satisfaction with their most recent bank. Among unbanked households that were very or somewhat satisfied with their most recent bank, 38.6 percent were very or somewhat interested in having a bank account. In contrast, among unbanked households that were not very satisfied or not satisfied at all with their most recent bank, 20.9 percent were very or somewhat interested in having a bank account.

As shown in Figure 3.7, among unbanked households that had previously been banked, 17.4 percent thought banks in general communicated account fees very clearly, 29.4 percent somewhat clearly, 20.8 percent not very clearly, 22.4 percent not clearly at all, and 10.0 percent did not know.

Perceptions of the clarity of banks' communications about account fees varied according to how recently the household had a bank account. Among unbanked households that last had an account in the past 12 months, 58.5 percent thought banks communicated account fees very or somewhat clearly, higher than the proportion among unbanked households that last had an account more than 12 months ago (43.8 percent).<sup>43</sup>

Unbanked households' interest in having a bank account was associated with differences in their perceptions of the clarity of banks' communications about account fees. Among unbanked households that thought banks communicated account fees very or somewhat clearly, 38.7 percent were very or somewhat interested in having a bank account. In contrast, among unbanked households that thought banks communicated account fees not very clearly or not clearly at all, 22.2 percent were very or somewhat interested in having a bank account.

**Table 3.4 Distribution of Households by Characteristics and Year**

For All Households, Column Percent

Characteristics	2015	2017	2019
<b>Family Income (Percent)</b>			
Less Than \$15,000	14.1	12.4	10.7
\$15,000 to \$30,000	16.8	15.3	14.4
\$30,000 to \$50,000	19.9	19.8	18.8
\$50,000 to \$75,000	18.0	18.4	18.2
At Least \$75,000	31.2	34.1	37.9
<b>Education (Percent)</b>			
No High School Diploma	10.8	9.6	8.7
High School Diploma	26.1	25.8	24.9
Some College	29.4	28.9	28.3
College Degree	33.7	35.7	38.1
<b>Age Group (Percent)</b>			
15 to 24 Years	5.2	5.1	4.8
25 to 34 Years	16.5	16.2	16.3
35 to 44 Years	17.0	16.7	17.0
45 to 54 Years	18.6	18.0	17.0
55 to 64 Years	18.8	18.9	18.6
65 Years or More	23.9	25.0	26.2
<b>Race/Ethnicity (Percent)</b>			
Black	12.7	12.8	12.7
Hispanic	13.5	13.8	14.0
Asian	4.7	5.0	5.3
American Indian or Alaska Native	0.7	0.8	0.7
Native Hawaiian or Other Pacific Islander	0.2	0.3	0.2

<sup>43</sup> See Appendix Table A.12 for estimates of unbanked households' perceptions of the clarity of banks' communications about account fees by household characteristics.

**Table 3.4 Distribution of Households by Characteristics and Year** (continued)

For All Households, Column Percent

Characteristics	2015	2017	2019
White	67.0	66.2	65.6
Two or More Races	1.2	1.2	1.3
<b>Disability Status (Percent)</b>			
Disabled, Aged 25 to 64	9.0	8.7	8.1
Not Disabled, Aged 25 to 64	61.9	61.1	60.9
Not Applicable (Not Aged 25 to 64)	29.1	30.2	31.0
<b>Monthly Income Volatility (Percent)</b>			
Income Was About the Same Each Month	71.8	71.3	77.7
Income Varied Somewhat From Month to Month	16.3	16.2	18.3
Income Varied a Lot From Month to Month	4.5	3.9	4.1
Unknown	7.3	8.7	
<b>Employment Status (Percent)</b>			
Employed	61.3	61.4	62.1
Unemployed	3.0	2.7	2.2
Not in Labor Force	35.7	35.9	35.7
<b>Homeownership (Percent)</b>			
Homeowner	63.3	63.6	64.5
Non-Homeowner	36.7	36.4	35.5
<b>Household Type (Percent)</b>			
Married Couple	46.7	47.3	46.5
Unmarried Female-Headed Family	12.5	11.7	11.6
Unmarried Male-Headed Family	4.8	5.1	5.0
Female Individual	18.4	18.8	19.0
Male Individual	17.3	16.8	17.7
Other	0.2	0.3	0.2
<b>Citizenship and Place of Birth (Percent)</b>			
U.S.-Born	85.2	85.3	85.1
Foreign-Born Citizen	7.6	7.8	8.6
Foreign-Born Noncitizen	7.2	6.9	6.3
<b>Metropolitan Status (Percent)</b>			
Urban	28.6	29.8	29.2
Suburban	42.8	42.8	43.6
Rural	14.0	13.4	13.0
Not Identified	14.5	14.0	14.2
<b>Geographic Region (Percent)</b>			
Northeast	17.8	17.6	17.2
Midwest	21.7	21.4	21.6
South	37.9	38.2	38.3
West	22.6	22.8	22.9

Note: Missing values for monthly income volatility in 2019 were imputed; see Appendix 1 for details.

## 4. Bank Account Ownership: Banked Households

### Primary Methods Used to Access Bank Accounts

Knowing how households access their bank accounts can help inform discussions about how best to serve different groups of consumers. As in previous years, the 2019 survey asked banked households about the primary (i.e., most common) method they used to access their accounts in the past 12 months: visiting a bank teller, using an ATM or bank kiosk, calling the bank (i.e., telephone banking), using a mobile phone including an app (i.e., mobile banking), using a computer or tablet (i.e., online banking), or using some other method (i.e., other).<sup>44</sup>

Table 4.1 shows the primary methods that banked households used to access their accounts.<sup>45</sup> Use of mobile banking continued to increase sharply (from 9.5 percent in 2015 and 15.6 percent in 2017 to 34.0 percent in 2019), overtaking online banking as the most prevalent primary method of accessing an account.

Use of online banking as a primary method decreased substantially (from 36.9 percent in 2015 and 36.0 percent in 2017 to 22.8 percent in 2019), and use of bank tellers declined modestly. Despite these declines, use of online banking and of bank tellers remained prevalent among banked households in 2019. Much as in previous years, use of an ATM or bank kiosk remained prevalent in 2019, with about one in five banked households using this method as the primary method.

The changes between 2015 and 2019 described above occurred broadly across different segments of the population. These trends are consistent with households' switching from online banking to mobile banking as a primary method to access their bank accounts.

Table 4.2 shows changes between 2017 and 2019 in bank tellers, online banking, and mobile banking as the primary method of account access, by selected household characteristics. For example, among younger banked households, mobile banking as the primary method nearly doubled between 2017 and 2019: in 2019, nearly two-thirds of these households used mobile banking as their primary method. Even groups with lower use of mobile banking, such as older, working-age disabled, and rural households, exhibited large increases in use of mobile banking as the primary method. For example, among rural households, 24.3 percent used mobile banking as the primary method in 2019, compared with 11.2 percent in 2017.

As in prior surveys, use of bank tellers was the most prevalent primary method of account access among lower-income households, less-educated households, older households, and rural households. For example, 39.6 percent of households without a high school diploma and 39.2 percent of households aged 65 or older used bank tellers as their primary method of account access in 2019.

**Table 4.1 Primary Method Used to Access Bank Account by Year**

For Banked Households That Accessed Their Account in the Past 12 Months, Row Percent

Year	Bank Teller (Percent)	ATM/Kiosk (Percent)	Telephone Banking (Percent)	Online Banking (Percent)	Mobile Banking (Percent)	Other (Percent)
2015	28.2	21.0	3.0	36.9	9.5	0.9
2017	24.3	19.9	2.9	36.0	15.6	0.7
2019	21.0	19.5	2.4	22.8	34.0	0.3

<sup>44</sup> The primary method of account access does not necessarily reflect how often a household uses that method. For example, a household that uses online banking as its primary method of account access may use online banking once a month (if it does not need to access its account very often) or may use online banking each day.

<sup>45</sup> Estimated changes between 2017 and 2019 in the primary method used to access an account may partly reflect changes in the wording of the survey questions and in the structure of the 2019 survey instrument. See Appendix 2 for details.

**Table 4.2 Bank Tellers, Online Banking, and Mobile Banking as Primary Method of Account Access by Selected Household Characteristics and Year**

For Banked Households That Accessed Their Account in the Past 12 Months

Characteristics	Bank Teller			Online Banking			Mobile Banking		
	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)
All	24.3	21.0	-3.4*	36.0	22.8	-13.1*	15.6	34.0	18.4*
<b>Family Income</b>									
Less Than \$15,000	38.8	35.9	-2.9*	17.2	9.9	-7.3*	11.2	23.5	12.3*
\$15,000 to \$30,000	38.0	31.7	-6.4*	19.4	12.7	-6.8*	11.7	25.9	14.2*
\$30,000 to \$50,000	28.9	24.7	-4.1*	27.7	17.1	-10.5*	16.0	33.2	17.2*
\$50,000 to \$75,000	23.3	20.3	-3.0*	38.0	21.2	-16.8*	15.8	35.9	20.1*
At Least \$75,000	13.3	13.1	-0.3	50.6	32.1	-18.5*	17.9	38.1	20.2*
<b>Education</b>									
No High School Diploma	46.2	39.6	-6.7*	10.8	5.8	-5.1*	8.2	19.2	11.0*
High School Diploma	33.8	30.3	-3.5*	24.7	14.6	-10.1*	11.6	27.3	15.7*
Some College	22.9	20.3	-2.6*	35.0	20.6	-14.4*	17.5	36.5	19.0*
College Degree	14.8	12.9	-2.0*	49.1	32.1	-17.0*	18.2	38.6	20.3*
<b>Age Group</b>									
15 to 24 Years	13.3	10.2	-3.0*	26.2	7.2	-18.9*	36.1	62.9	26.8*
25 to 34 Years	10.6	8.0	-2.6*	35.7	14.4	-21.4*	35.0	61.7	26.7*
35 to 44 Years	13.6	10.6	-3.0*	42.4	20.1	-22.3*	22.6	49.8	27.2*
45 to 54 Years	18.7	15.5	-3.2*	42.6	26.6	-16.0*	13.2	36.3	23.1*
55 to 64 Years	26.1	24.3	-1.8*	39.0	29.3	-9.7*	7.0	21.3	14.3*
65 Years or More	45.1	39.2	-5.9*	26.9	25.7	-1.2*	2.7	8.3	5.7*
<b>Race/Ethnicity</b>									
Black	24.9	20.6	-4.4*	24.0	12.0	-12.0*	17.2	37.2	20.0*
Hispanic	25.0	20.9	-4.1*	25.7	11.1	-14.6*	19.2	41.3	22.1*
Asian	19.6	18.4	-1.2	46.3	25.7	-20.6*	15.4	39.3	24.0*
American Indian or Alaska Native	30.2	23.2	-7.0	24.5	17.0	-7.5	15.1	30.5	15.4*
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA	NA	NA	NA	NA	NA
White	24.5	21.4	-3.2*	39.2	26.7	-12.5*	14.5	31.4	16.9*
Two or More Races	17.1	14.0	-3.0	33.5	24.1	-9.4*	26.6	45.5	18.9*
<b>Disability Status</b>									
Disabled, Aged 25 to 64	28.7	23.3	-5.4*	26.5	17.2	-9.4*	10.0	29.8	19.7*
Not Disabled, Aged 25 to 64	16.3	13.9	-2.4*	41.6	23.5	-18.1*	19.8	42.9	23.1*
<b>Monthly Income Volatility</b>									
Income Was About the Same Each Month	24.8	21.8	-3.0*	36.6	23.4	-13.2*	14.9	32.0	17.1*
Income Varied Somewhat From Month to Month	20.8	17.5	-3.3*	35.2	20.6	-14.6*	19.6	40.8	21.2*
Income Varied a Lot From Month to Month	24.9	21.5	-3.4	35.8	21.9	-14.0*	19.3	40.6	21.3*

**Table 4.2 Bank Tellers, Online Banking, and Mobile Banking as Primary Method of Account Access by Selected Household Characteristics and Year** (continued)

For Banked Households That Accessed Their Account in the Past 12 Months

Characteristics	Bank Teller			Online Banking			Mobile Banking		
	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)
<b>Metropolitan Status</b>									
Urban	19.8	16.9	-2.9*	35.9	21.3	-14.6*	18.1	39.3	21.1*
Suburban	21.8	18.7	-3.1*	39.4	25.3	-14.1*	15.6	34.2	18.6*
Rural	37.8	33.4	-4.3*	27.4	18.5	-8.8*	11.2	24.3	13.1*
Not Identified	28.8	25.0	-3.8*	33.5	22.0	-11.5*	14.5	31.3	16.8*

Notes: Asterisk indicates differences that are statistically significant at the 10 percent level. NA indicates that the sample size is too small to produce a precise estimate. See Appendix Tables B.2–B.6 for estimates by other household characteristics and for selected confidence intervals.

### Bank Branch Visits

In addition to asking banked households how they access their accounts, the 2017 and 2019 surveys asked households whether they spoke with a teller or other employee in person at a bank branch (i.e., visited a bank branch) in the past 12 months, and if so, how many times.<sup>46</sup>

Some households may visit a bank branch for activities other than accessing an account, such as resolving a problem or asking about products or services. By measuring the frequency of branch use, the questions on visits to a bank branch complement the questions about methods of accessing an account.

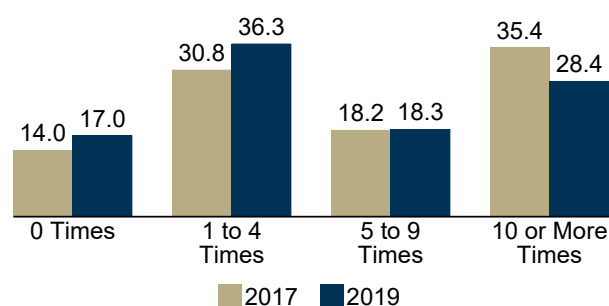
Figure 4.1 shows the frequency of bank branch visits among banked households in 2017 and 2019. In 2019, 83.0 percent of banked households visited a bank branch in the past 12 months, down slightly from 86.0 percent in 2017, and overall, bank branch visits became somewhat less frequent between 2017 and 2019. The share of banked households visiting a branch ten or more times declined from 35.4 percent in 2017 to 28.4 percent in 2019, whereas the share of banked households visiting a branch one to four times increased from 30.8 percent in 2017 to 36.3 percent in 2019.<sup>47</sup>

Across segments of the banked population, the changes in branch visits reflected the overall trends just described: the proportion of banked households that visited a branch ten or more times fell, while the proportion

that visited a branch one to four times increased. (For estimates of bank branch visits among banked households by household characteristics and year, see Appendix Tables B.7–B.10.)

Table 4.3 shows bank branch visits among banked households by selected household characteristics. In 2019 (as was also the case in 2017), some segments of the banked population were more likely than others to visit a bank branch and to visit ten or more times. Older households and households with volatile income were more likely to visit a branch and to visit ten or more times. Black, Hispanic, and Asian households were less likely to visit a branch or to visit ten or more times. While less-educated households were less likely to visit a branch overall,

**Figure 4.1 Bank Branch Visits, Among Banked Households, by Year (Percent)**



Note: For 2017, not shown are households that visited a branch but with unknown frequency (1.6 percent of banked households).

<sup>46</sup> Households that spoke with a teller or other employee in person at a bank branch were asked whether they did so one to four times in the past 12 months, five to nine times in the past 12 months, or ten or more times in the past 12 months.

<sup>47</sup> In 2019, among unbanked households, 16.4 percent visited a bank branch in the past 12 months: 8.5 percent visited a branch one to four times, 2.4 percent visited five to nine times, and 5.5 percent visited ten or more times. Approximately two-thirds of the unbanked households that visited a branch did not have a bank account at any time in the past 12 months. (See Appendix Table B.12 for detailed estimates of bank branch visits among unbanked households by previous bank account ownership and household characteristics.)

those that did visit a branch were more likely to visit ten or more times. (See Appendix Table B.11 for bank branch visits among banked households that visited a branch.)

Bank branch visits varied substantially across metropolitan status. In 2019, nearly nine in ten rural households

visited a branch, and about four in ten rural households visited ten or more times, as shown in Figure 4.2.

Table 4.4 shows bank branch visits in 2019 among banked households by the primary method used to access an account. Nearly 60 percent of banked house-

**Table 4.3 Bank Branch Visits, Among Banked Households, by Selected Household Characteristics, 2019**

For Banked Households, Row Percent

Characteristics	0 Times (Percent)	1 to 4 Times (Percent)	5 to 9 Times (Percent)	10 or More Times (Percent)
All	17.0	36.3	18.3	28.4
<b>Family Income</b>				
Less Than \$15,000	24.7	32.3	15.0	27.9
\$15,000 to \$30,000	18.6	34.8	16.8	29.8
\$30,000 to \$50,000	17.2	35.9	18.1	28.9
\$50,000 to \$75,000	15.6	35.8	18.9	29.8
At Least \$75,000	15.3	38.0	19.5	27.2
<b>Education</b>				
No High School Diploma	20.7	32.7	15.6	31.0
High School Diploma	18.4	33.4	16.3	31.9
Some College	15.9	36.4	18.0	29.7
College Degree	16.3	38.5	20.3	24.9
<b>Age Group</b>				
15 to 24 Years	18.5	41.8	16.7	23.0
25 to 34 Years	21.6	40.0	17.3	21.1
35 to 44 Years	20.1	38.8	17.8	23.3
45 to 54 Years	16.5	35.6	19.0	28.9
55 to 64 Years	13.5	34.6	19.2	32.6
65 Years or More	14.7	33.0	18.5	33.8
<b>Race/Ethnicity</b>				
Black	21.4	40.3	17.0	21.3
Hispanic	21.4	37.9	16.4	24.3
Asian	22.9	40.8	16.2	20.1
American Indian or Alaska Native	19.4	30.8	15.5	34.3
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA
White	14.8	35.0	19.1	31.1
Two or More Races	21.2	35.4	17.1	26.3
<b>Disability Status</b>				
Disabled, Aged 25 to 64	18.5	32.5	18.0	30.9
Not Disabled, Aged 25 to 64	17.7	37.7	18.4	26.2
<b>Monthly Income Volatility</b>				
Income Was About the Same Each Month	17.7	36.9	18.0	27.3
Income Varied Somewhat From Month to Month	14.8	34.8	19.5	30.9
Income Varied a Lot From Month to Month	12.7	29.4	18.8	39.1

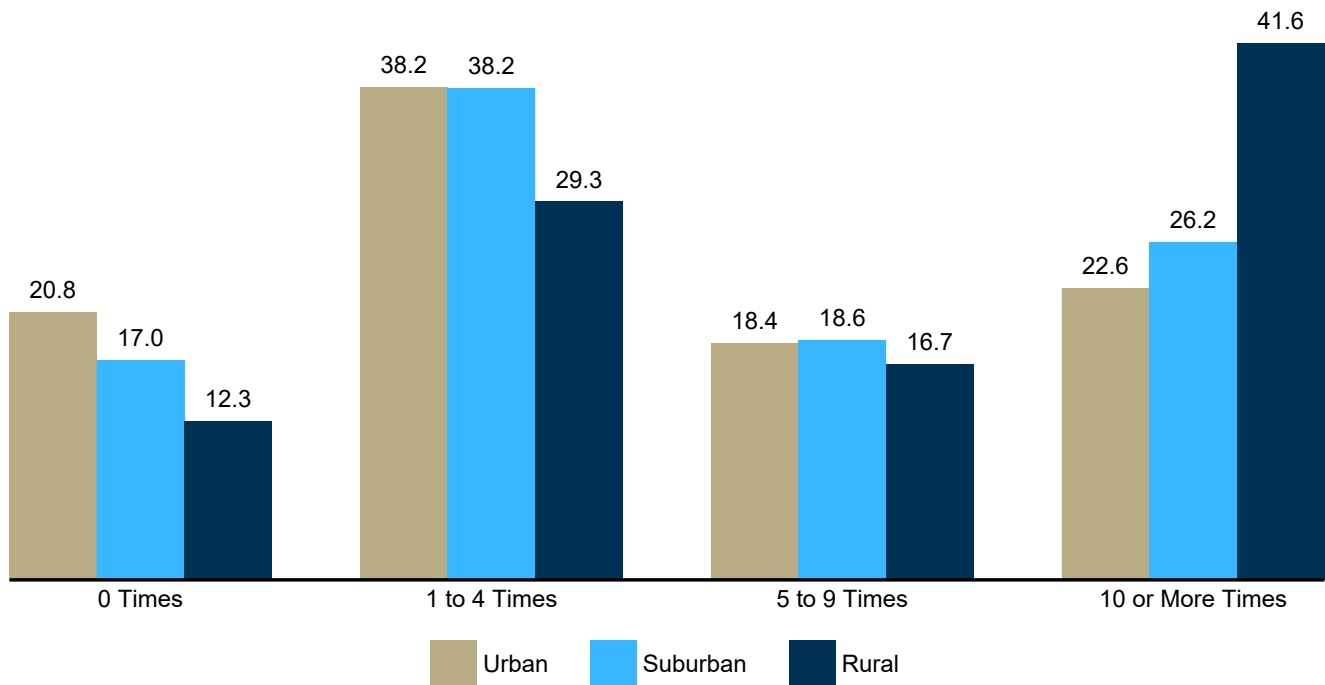
Notes: NA indicates that the sample size is too small to produce a precise estimate. See Appendix Tables B.7–B.10 for estimates by other household characteristics.



holds that used bank tellers as their primary method visited a branch ten or more times. Branch visits were prevalent even among banked households that used online or mobile banking as their primary method of account access. For example, 79.9 percent of banked

households that used mobile banking as their primary method visited a branch in the past 12 months, and about one in five (18.8 percent) banked households that used mobile banking as their primary method visited ten or more times.

**Figure 4.2 Bank Branch Visits, Among Banked Households, by Metropolitan Status, 2019 (Percent)**



Note: This figure does not display bank branch visits for banked households where—to maintain confidentiality—the U.S. Census Bureau suppressed specific urban, suburban, or rural status (14.3 percent of banked households).

**Table 4.4 Bank Branch Visits, Among Banked Households, by Selected Primary Methods of Account Access, 2019**

For Banked Households, Row Percent

	0 Times (Percent)	1 to 4 Times (Percent)	5 to 9 Times (Percent)	10 or More Times (Percent)
All	17.0	36.3	18.3	28.4
<b>Primary Method of Account Access</b>				
Bank Teller	0.0	23.5	18.2	58.3
Online Banking	15.7	38.2	21.2	24.9
Mobile Banking	20.1	43.4	17.6	18.8

### Smartphone and Home Internet Access

Financial institutions—banks and nonbanks—are seeking to interact with their customers through the internet and mobile phones, especially smartphones.<sup>48</sup>

As in earlier surveys, the 2019 survey asked households whether they owned or had regular access to a smartphone and whether they had internet access at home using a desktop, laptop, or tablet computer. Table 4.5 shows that smartphone access increased between 2015 and 2019, while home internet access was roughly constant during the same period.<sup>49</sup> In 2019, about nine in ten households (90.9 percent) had smartphone or home internet access.

Smartphone and home internet access continued to be lower among unbanked households than among banked households. However, the proportion of unbanked households that had smartphone access increased from 49.0 percent in 2015 to 63.7 percent in 2019. The proportion of unbanked households that had home internet access in 2019 (33.8 percent) was similar to the proportion in previous years.

Smartphone and home internet access continued to be lower among rural households than among urban and suburban households. However, the proportion of rural households that had smartphone access increased from 60.2 percent in 2015 to 75.6 percent in 2019. The proportion of rural households that had home internet access in 2019 (68.0 percent) was similar to the proportion in previous years.

**Table 4.5 Smartphone and Home Internet Access by Bank Account Ownership, Metropolitan Status, and Year**  
For All Households

Characteristics	Smartphone Access				Home Internet Access			
	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)
All	72.3	79.6	85.4	5.8*	77.4	79.4	79.9	0.5
<b>Bank Account Ownership</b>								
Unbanked	49.0	57.5	63.7	6.2*	31.5	32.9	33.8	1.0
Banked	73.9	81.1	86.6	5.6*	80.7	82.5	82.6	0.1
<b>Metropolitan Status</b>								
Urban	75.3	82.2	86.2	4.0*	76.0	79.5	79.5	0.1
Suburban	75.8	82.6	88.4	5.8*	82.4	83.7	84.5	0.8
Rural	60.2	67.7	75.6	7.9*	67.3	69.1	68.0	-1.1
Not Identified	68.0	76.9	83.3	6.3*	75.6	76.6	77.9	1.3

Notes: The estimates of smartphone and home internet access in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Asterisk indicates differences that are statistically significant at the 10 percent level. See Appendix Tables B.14 and B.15 for estimates by other household characteristics and for selected confidence intervals.

<sup>48</sup> In 2015, the FDIC conducted qualitative research to examine the potential for mobile financial services (MFS) to improve banks' access to underserved (including unbanked) consumers and the potential for MFS to help banks sustain and grow banking relationships with this same group; the research was also intended to allow an understanding of the factors limiting this potential. Some focus group participants who used MFS reported that mobile alerts and monitoring tools had helped them reduce fees, track their finances better, and improve on-the-spot decision-making. Mobile bill payments and peer-to-peer payments had also helped participants manage payments conveniently and quickly. See Federal Deposit Insurance Corporation, *Opportunities for Mobile Financial Services to Engage Underserved Consumers: Qualitative Research Findings* (May 25, 2016), [fdic.gov/consumers/community/mobile/MFS\\_Qualitative\\_Research\\_Report.pdf](https://www.fdic.gov/consumers/community/mobile/MFS_Qualitative_Research_Report.pdf).

<sup>49</sup> The estimates of smartphone and home internet access in 2017 and 2015 reported in this section differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Recent surveys also asked households whether they owned or had regular access to a mobile phone (smartphone or non-smartphone). In 2019, 95.0 percent of households had mobile phone access, up from 90.3 percent in 2015. See Appendix Table B.13 for estimates of mobile phone access by bank account ownership and household characteristics for 2015–2019.

### Satisfaction With Primary Bank and Clarity of Bank’s Communication About Account Fees

The 2019 survey included new questions for banked households, asking about their satisfaction with their primary bank and about their perceptions of how clearly their bank communicates account fees. Almost all banked households were satisfied with their primary bank and thought that fees were clearly communicated.

As shown in Table 4.6, three in four banked households (75.2 percent) were very satisfied with their primary bank, and one in five (22.0 percent) were somewhat satisfied, totaling 97.3 percent.<sup>50</sup> The remainder includes households that were not very satisfied (1.6 percent) or not satisfied at all (0.6 percent), totaling 2.2 percent, as well as households that did not know (0.6 percent).<sup>51</sup>

Two in three banked households (67.7 percent) thought that their bank communicated fees very clearly, and one in four (24.4 percent) thought that fees were communicated somewhat clearly, totaling 92.1 percent. The remainder includes households that thought that fees were communicated not very clearly (4.4 percent) or not clearly at all (1.8 percent), totaling 6.2 percent, as well as households that did not know (1.7 percent).

**Table 4.6 Satisfaction With Primary Bank and Perceptions of Clarity of Own Bank’s Communication About Account Fees, Among Banked Households, 2019**  
For Banked Households, Column Percent

	All
<b>Satisfaction (Percent)</b>	
Very Satisfied	75.2
Somewhat Satisfied	22.0
Not Very Satisfied	1.6
Not Satisfied at All	0.6
Don’t Know	0.6
<b>Clarity (Percent)</b>	
Very Clearly	67.7
Somewhat Clearly	24.4
Not Very Clearly	4.4
Not Clearly at All	1.8
Don’t Know	1.7

About nine in ten banked households (91.0 percent) were both satisfied (very or somewhat) with their primary bank and thought their bank’s communication about account fees was clear (very or somewhat). Households that thought their bank communicated fees very or somewhat clearly were 17.3 percentage points more likely to be very or somewhat satisfied with their primary bank (98.8 percent), compared with households that thought their bank communicated fees not very clearly or not clearly at all (81.5 percent).

### Satisfaction With Primary Bank and Clarity of Bank’s Communication About Account Fees by Household Characteristics

Banked households’ satisfaction with their primary bank was consistently high across different segments of the population. Between 94.8 and 97.7 percent of the banked households in the different population segments shown in Table 4.7 were very or somewhat satisfied with their primary bank. Among households where income varied a lot from month to month, 94.8 percent were very or somewhat satisfied with their primary bank, as were 95.2 percent of working-age disabled households, 96.0 percent of the lowest-income households (less than \$15,000), and 96.4, 97.3, and 96.9 percent of Black, Hispanic, and Asian households, respectively.

Banked households’ perceptions of how clearly their bank communicated fees were also consistently high across banked households. Between 85.4 and 93.1 percent of the banked households in the different population segments shown in Table 4.8 thought that their bank communicated fees very or somewhat clearly. Among households where income varied a lot from month to month, 85.4 percent thought that their bank communicated fees very or somewhat clearly, as did 88.8 percent of the lowest-income households (less than \$15,000), 89.9 percent of households without a high school diploma, 90.1 percent of working-age disabled households, and 89.8 percent of Black households.

<sup>50</sup> As discussed in section 3, 55.1 percent of unbanked households that had previously been banked were very or somewhat satisfied with their most recent bank. This percentage is about half the percentage of banked households that were very or somewhat satisfied with their primary bank (97.3 percent).

<sup>51</sup> “Don’t know” was not one of the four administered response options to the questions on satisfaction and clarity. Some households did not choose one of the four administered response options and instead volunteered “don’t know.” See Appendix 1 for details.

**Table 4.7 Satisfaction With Primary Bank, Among Banked Households, by Selected Household Characteristics, 2019**

For Banked Households, Row Percent

Characteristics	Very Satisfied (Percent)	Somewhat Satisfied (Percent)	Not Very Satisfied (Percent)	Not Satisfied at All (Percent)	Don't Know (Percent)
All	75.2	22.0	1.6	0.6	0.6
<b>Family Income</b>					
Less Than \$15,000	72.7	23.2	2.1	1.2	0.8
\$15,000 to \$30,000	74.7	22.2	1.8	0.5	0.8
\$30,000 to \$50,000	75.5	21.8	1.4	0.6	0.6
\$50,000 to \$75,000	76.3	21.2	1.4	0.6	0.6
At Least \$75,000	75.3	22.2	1.5	0.6	0.4
<b>Education</b>					
No High School Diploma	75.7	21.1	1.6	0.3	1.2
High School Diploma	77.6	19.6	1.6	0.6	0.6
Some College	74.5	22.6	1.5	0.8	0.6
College Degree	74.3	23.3	1.5	0.5	0.4
<b>Age Group</b>					
15 to 24 Years	72.0	25.7	1.1	0.4	0.8
25 to 34 Years	72.0	25.7	1.5	0.6	0.3
35 to 44 Years	73.3	23.9	1.8	0.5	0.5
45 to 54 Years	72.5	24.2	1.9	0.9	0.5
55 to 64 Years	76.6	20.8	1.5	0.5	0.6
65 Years or More	79.8	17.5	1.4	0.6	0.7
<b>Race/Ethnicity</b>					
Black	69.9	26.5	1.8	0.7	1.1
Hispanic	73.0	24.3	1.7	0.4	0.6
Asian	67.6	29.2	1.5	0.2	1.4
American Indian or Alaska Native	68.6	28.6	2.0	0.8	-
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA	NA
White	77.4	20.1	1.5	0.7	0.4
Two or More Races	70.1	26.8	2.2	0.3	0.6
<b>Disability Status</b>					
Disabled, Aged 25 to 64	71.5	23.7	2.2	1.5	1.0
Not Disabled, Aged 25 to 64	73.9	23.6	1.6	0.5	0.4
<b>Monthly Income Volatility</b>					
Income Was About the Same Each Month	76.5	20.9	1.4	0.6	0.6
Income Varied Somewhat From Month to Month	71.2	26.0	1.6	0.7	0.4
Income Varied a Lot From Month to Month	68.0	26.7	3.8	0.9	0.5

Notes: NA indicates that the sample size is too small to produce a precise estimate. The dash symbol indicates an estimate of zero; the population proportion may be slightly greater than zero. See Appendix Table B.16 for estimates by other household characteristics.

**Table 4.8 Perceptions of Clarity of Own Bank’s Communication About Account Fees, Among Banked Households, by Selected Household Characteristics, 2019**

For Banked Households, Row Percent

Characteristics	Very Clearly (Percent)	Somewhat Clearly (Percent)	Not Very Clearly (Percent)	Not Clearly at All (Percent)	Don’t Know (Percent)
All	67.7	24.4	4.4	1.8	1.7
<b>Family Income</b>					
Less Than \$15,000	66.7	22.1	5.3	2.8	3.1
\$15,000 to \$30,000	68.6	23.5	4.2	1.4	2.3
\$30,000 to \$50,000	69.7	23.4	3.9	1.4	1.6
\$50,000 to \$75,000	68.9	24.0	4.2	1.6	1.4
At Least \$75,000	66.2	25.8	4.7	1.9	1.3
<b>Education</b>					
No High School Diploma	68.8	21.1	5.2	1.8	3.2
High School Diploma	71.2	22.0	3.5	1.5	1.9
Some College	68.7	24.0	3.9	1.8	1.6
College Degree	64.8	26.7	5.3	1.9	1.3
<b>Age Group</b>					
15 to 24 Years	67.9	24.6	4.6	1.6	1.3
25 to 34 Years	64.3	27.5	5.7	1.7	0.8
35 to 44 Years	64.9	26.5	4.9	2.0	1.7
45 to 54 Years	63.9	27.2	5.2	2.3	1.4
55 to 64 Years	69.6	23.4	3.9	1.6	1.5
65 Years or More	72.7	20.0	3.3	1.4	2.6
<b>Race/Ethnicity</b>					
Black	63.5	26.3	5.3	2.3	2.6
Hispanic	64.5	26.6	5.6	1.6	1.7
Asian	60.3	30.9	4.4	2.2	2.2
American Indian or Alaska Native	66.8	25.4	3.9	3.7	0.2
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA	NA
White	69.7	23.1	4.1	1.6	1.5
Two or More Races	66.3	24.6	6.0	2.5	0.6
<b>Disability Status</b>					
Disabled, Aged 25 to 64	65.0	25.1	4.6	2.7	2.6
Not Disabled, Aged 25 to 64	65.9	26.2	4.9	1.8	1.2
<b>Monthly Income Volatility</b>					
Income Was About the Same Each Month	68.9	23.7	4.0	1.6	1.8
Income Varied Somewhat From Month to Month	64.3	27.1	5.6	1.9	1.2
Income Varied a Lot From Month to Month	59.9	25.5	8.8	4.0	1.9

Notes: NA indicates that the sample size is too small to produce a precise estimate. See Appendix Table B.17 for estimates by other household characteristics.

### **Association of Satisfaction and Clarity With the Use of Nonbank Financial Transaction Services**

Figures 4.3 and 4.4 show how banked households' satisfaction with their primary bank and their perceptions of how clearly their bank communicated account fees were associated with their use of nonbank financial transaction services in the past 12 months. These services include nonbank money orders, check cashing, bill payment services (such as Western Union and MoneyGram), international remittances, and peer-to-peer or person-to-person (P2P) payment services (examples are PayPal, Venmo, and Cash App).<sup>52</sup>

Higher shares of banked households that were not satisfied with their primary bank used nonbank money orders, check cashing, or bill payment services, compared with households that were satisfied. Among

households that were not very satisfied or not satisfied at all, 22.3 percent used at least one of those three nonbank financial transaction services, compared with 14.9 percent of households that were very or somewhat satisfied.<sup>53</sup>

Higher shares of banked households that thought their bank did not communicate fees clearly used nonbank money orders, check cashing, or bill payment services, compared with households that thought their bank communicated fees clearly. Among households that thought that fees were communicated not very clearly or not clearly at all, 20.1 percent used at least one of those three nonbank financial transaction services, compared with 14.7 percent of households that thought fees were communicated very or somewhat clearly.<sup>54</sup>

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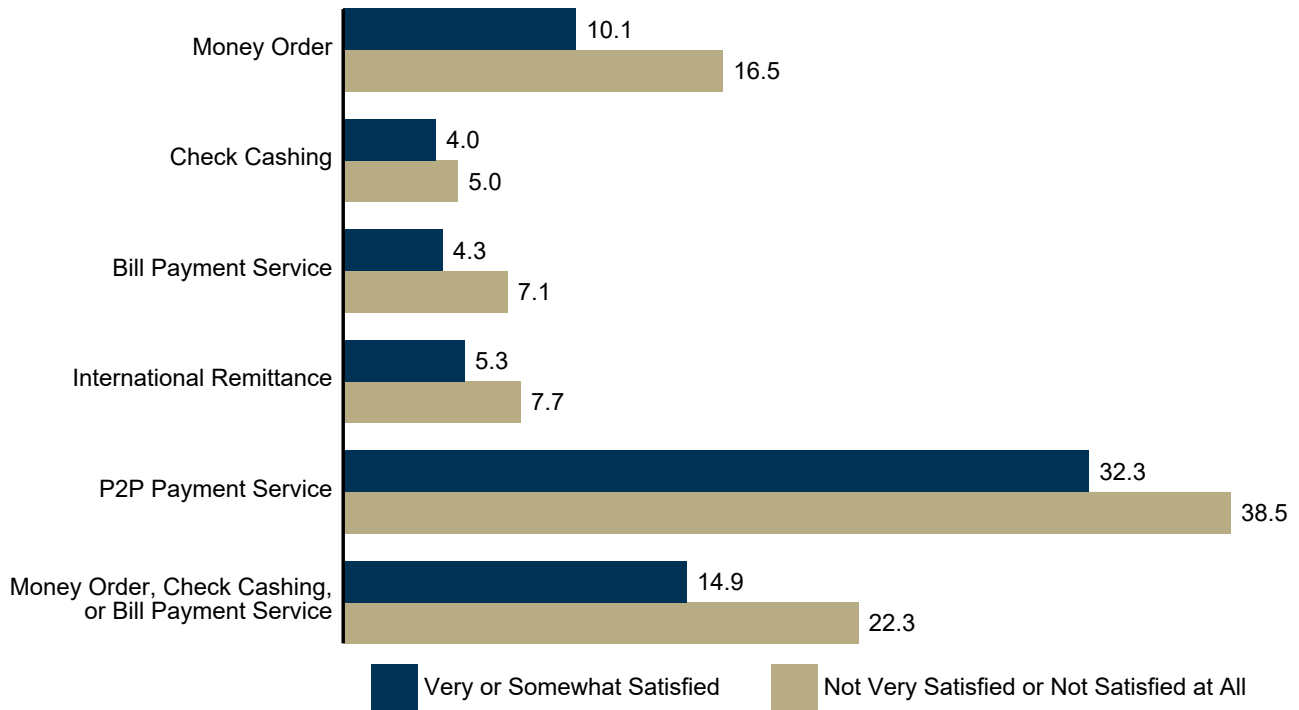
<sup>52</sup> For more details on the use of nonbank financial transaction services, see section 6.

<sup>53</sup> When households that were very or somewhat satisfied with their primary bank were compared with households that were not very satisfied or not satisfied at all, the difference between them in the use of any one of the three nonbank financial transaction services (money orders, check cashing, or bill payment services) was 7.4 percentage points. A linear probability model was estimated to account for differences across these satisfaction groupings in the distribution of household-level characteristics shown in Table 3.4. Differences in the characteristics of households were associated with about one-fifth of the difference between satisfied and not satisfied households. Regarding the use of specific nonbank financial transaction services between satisfied and not satisfied households, only the difference for check cashing was not statistically significant. The association of differences in satisfaction with differences in the use of nonbank financial transaction services should not be interpreted as causal, because there are likely factors associated with both use and satisfaction that are not observed in the survey and are therefore omitted from the linear probability model.

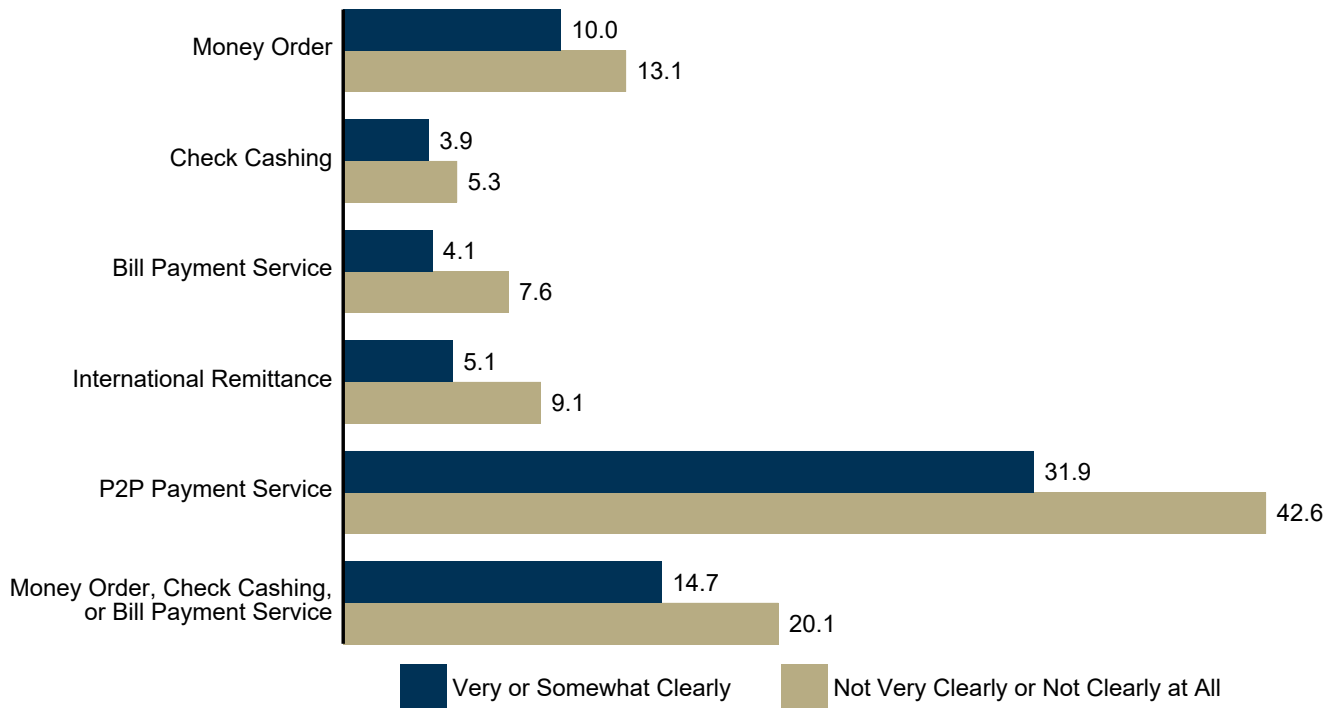
<sup>54</sup> When households that thought their bank communicated fees very or somewhat clearly were compared with households that thought their bank communicated fees not very clearly or not clearly at all, the difference between them in the use of any one of the three nonbank financial transaction services (money orders, check cashing, or bill payment services) was 5.4 percentage points. A linear probability model was estimated to account for differences across these perception groupings in the distribution of household-level characteristics shown in Table 3.4. Differences in the characteristics of households were associated with about three-tenths of this clarity-related difference. The association of differences in perceptions of clarity with differences in the use of nonbank financial transaction services should not be interpreted as causal, because there are likely factors associated with both use and perceptions of clarity that are not observed in the survey and are therefore omitted from the linear probability model.

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**Figure 4.3 Specific Nonbank Financial Transaction Service Use, Among Banked Households, by Satisfaction With Primary Bank, 2019 (Percent)**



**Figure 4.4 Specific Nonbank Financial Transaction Service Use, Among Banked Households, by Perceptions of Clarity of Own Bank’s Communication About Account Fees, 2019 (Percent)**



## 5. Prepaid Cards

Some consumers, both banked and unbanked, use general purpose reloadable prepaid cards to conduct financial transactions, such as paying bills, withdrawing cash at ATMs, making purchases, depositing checks, and receiving direct deposits. Consumers can obtain prepaid cards from banks, employers, government agencies, stores, websites, or other sources.<sup>55</sup> Many, although not all, such cards store funds in accounts eligible for federal deposit insurance.

As in earlier surveys, the 2019 survey asked all households whether they used a prepaid card in the past 12 months.<sup>56</sup> In 2019, 8.5 percent of households used prepaid cards, down from 9.7 percent in 2017 and 10.2 percent in 2015.<sup>57</sup>

### *Prepaid Card Use by Household Characteristics*

Differences in prepaid card use across households in 2019 were similar to the differences in earlier years. As shown in Table 5.1, prepaid card use was higher among lower-income households, less-educated households, younger households, Black households, working-age disabled households, and households with volatile income.<sup>58</sup> Some population segments experienced a decline in prepaid card use between 2015 and 2019. For example, 10.6 percent of households between the ages of 25 and 34 used prepaid cards in 2019, compared with 11.5 percent in 2017 and 13.1 percent in 2015.

### *Prepaid Card Use by Geography*

As in previous years, prepaid card use varied across regions of the United States. In 2019, 7.1 percent of households in the West used prepaid cards, compared with 8.2 percent in the Northeast, 8.9 percent in the Midwest, and 9.3 percent in the South. Figure 5.1 shows that prepaid card use varied considerably across states in 2019, ranging from 4.6 percent in Hawaii to 13.6 percent in Alabama. (See Appendix Tables C.2 and C.3 for detailed state- and MSA-level estimates and for selected confidence intervals.)

### *Prepaid Card Use by Bank Account Ownership*

Prepaid card use continued to be more prevalent among unbanked households than among banked households. As illustrated in Figure 5.2, 27.7 percent of unbanked households used a prepaid card in 2019, compared with 7.4 percent of banked households.<sup>59</sup>

Compared with unbanked households that did not use prepaid cards, unbanked households that used prepaid cards were more likely to have had a bank account at some point in the past. In 2019, 65.3 percent of unbanked households that used prepaid cards had previously been banked, compared with 45.1 percent of unbanked households that did not use prepaid cards.

Additionally, unbanked households that used prepaid cards were more interested in having a bank account than were unbanked households that did not use prepaid cards. In 2019, 30.6 percent of unbanked households that used prepaid cards were very or somewhat interested in having a bank account, compared with 22.8 percent of unbanked households that did not use prepaid cards.<sup>60</sup>

<sup>55</sup> The survey questions on prepaid cards instructed households not to consider gift cards.

<sup>56</sup> See Appendix 2 for changes that the 2019 survey made to the introductory description of prepaid cards.

<sup>57</sup> The estimates of prepaid card use in 2017 and 2015 reported in this section from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

<sup>58</sup> Differences in prepaid card use by education were no longer statistically significant after the other household characteristics shown in Table 3.4 and bank account ownership were accounted for.

<sup>59</sup> Prepaid card use among unbanked and banked households was lower in 2019 than in 2015 and 2017; however, the decline among unbanked households between 2015 and 2019 was not statistically significant, while the decline among banked households was statistically significant. The 2015 and 2017 surveys, which asked households how they paid bills and received income in a typical month, showed that unbanked households were much more likely than banked households to use prepaid cards for these purposes. For example, 22.1 percent of unbanked households in 2017 paid bills with a prepaid card in a typical month, compared with 1.2 percent of banked households. Moreover, 23.3 percent of unbanked households in 2017 received income through direct deposit onto a prepaid card in a typical month, compared with 2.4 percent of banked households. As discussed in Appendix 2, questions on bill payment and income receipt in a typical month were not repeated in the 2019 survey.

<sup>60</sup> Differences by prepaid card use in the likelihood of being very or somewhat interested in having a bank account were no longer statistically significant after differences in the household characteristics shown in Table 3.4 were accounted for.



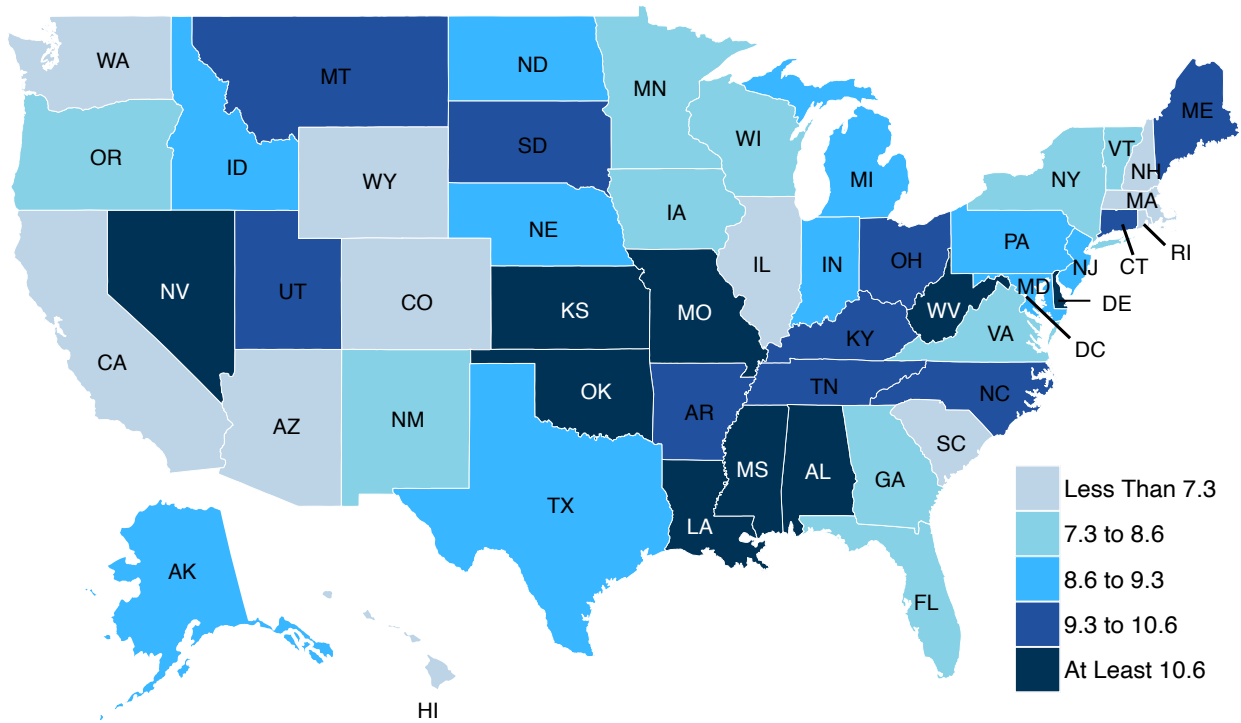
**Table 5.1 Prepaid Card Use by Selected Household Characteristics and Year**

For All Households

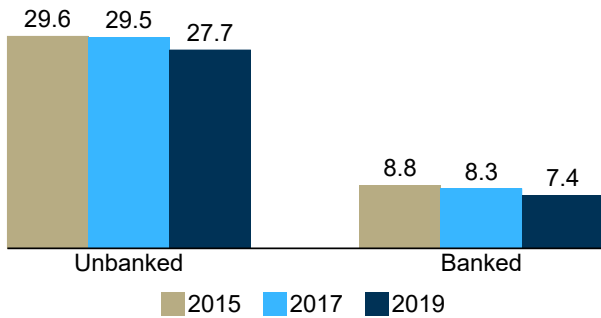
Characteristics	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019-2017)
All	10.2	9.7	8.5	-1.2*
<b>Family Income</b>				
Less Than \$15,000	15.2	13.9	13.5	-0.5
\$15,000 to \$30,000	11.3	11.0	10.1	-0.9
\$30,000 to \$50,000	9.2	9.7	8.9	-0.8
\$50,000 to \$75,000	9.6	8.1	7.7	-0.4
At Least \$75,000	8.4	8.4	6.7	-1.7*
<b>Education</b>				
No High School Diploma	11.6	11.0	10.3	-0.7
High School Diploma	10.9	9.9	9.3	-0.6
Some College	11.3	10.6	9.3	-1.3*
College Degree	8.4	8.4	7.0	-1.4*
<b>Age Group</b>				
15 to 24 Years	13.1	15.9	11.6	-4.3*
25 to 34 Years	13.1	11.5	10.6	-1.0
35 to 44 Years	11.9	11.4	10.2	-1.2*
45 to 54 Years	11.4	11.4	9.8	-1.6*
55 to 64 Years	9.6	9.1	8.1	-1.0
65 Years or More	5.9	5.2	5.0	-0.2
<b>Race/Ethnicity</b>				
Black	14.9	14.1	14.8	0.7
Hispanic	10.1	8.9	7.8	-1.0
Asian	5.8	7.8	5.7	-2.2*
American Indian or Alaska Native	15.1	20.9	9.5	-11.4*
Native Hawaiian or Other Pacific Islander	16.1	6.2	NA	NA
White	9.4	8.9	7.6	-1.3*
Two or More Races	19.8	14.6	10.0	-4.6
<b>Disability Status</b>				
Disabled, Aged 25 to 64	15.9	16.6	14.8	-1.8
Not Disabled, Aged 25 to 64	10.8	10.0	8.9	-1.0*
<b>Monthly Income Volatility</b>				
Income Was About the Same Each Month	9.2	8.9	7.7	-1.2*
Income Varied Somewhat From Month to Month	13.6	12.6	10.9	-1.8*
Income Varied a Lot From Month to Month	15.5	12.8	13.1	0.2

Notes: The estimates of prepaid card use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Asterisk indicates differences that are statistically significant at the 10 percent level. NA indicates that the sample size is too small to produce a precise estimate. See Appendix Table C.1 for estimates by other household characteristics and for selected confidence intervals.

**Figure 5.1 Prepaid Card Use by State, 2019 (Percent)**



**Figure 5.2 Prepaid Card Use by Bank Account Ownership and Year (Percent)**



Note: The estimates of prepaid card use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

## 6. Nonbank Financial Transaction Services

The 2019 survey included questions about all households’ use of nonbank financial transaction services during the past 12 months. These services can be used to receive payments, including income. They can also be used to send money to friends or relatives, or to pay bills.

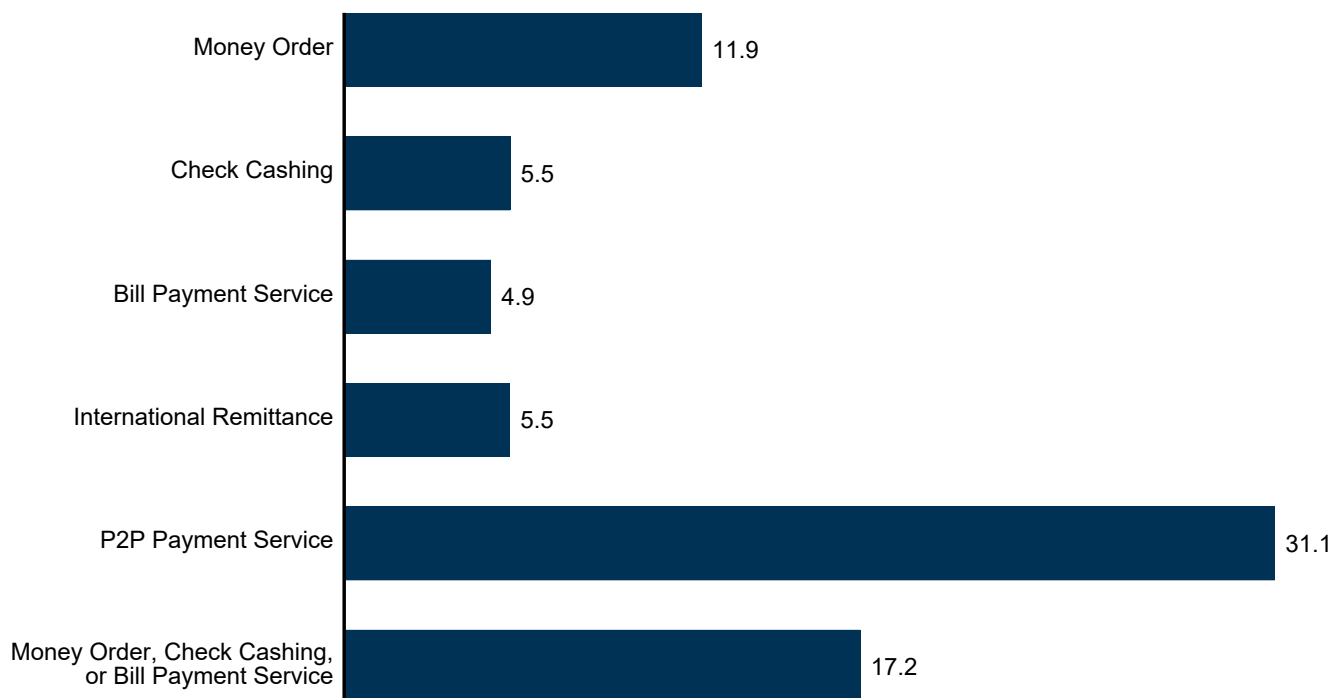
The specific nonbank financial transaction services that were asked about in previous years were money orders, check cashing, and remittances sent abroad. The 2019 survey asked about those same services (use during the past 12 months), and it also included new questions about two other types of nonbank financial transaction services: bill payment services (such as are offered by Western Union and MoneyGram) and use of a website or app to send or receive money inside the United States.<sup>61</sup> The latter service—known as a peer-to-peer or person-to-person (P2P) payment service—relies on the user’s having access to the internet with either a smartphone or a computer.<sup>62</sup> Examples of this service are PayPal, Venmo, and Cash App.

The 2019 survey also asked new questions about the frequency of use—often, sometimes, or rarely—for nonbank money orders, check cashing, bill payment services, and remittances sent abroad. In the 2015 and 2017 surveys, households were asked whether they used specific financial transaction services to pay bills in a typical month. The 2019 survey, aside from asking about bill payment services, asked households that used money orders sometimes or often whether they used money orders to pay bills.

### Use of Nonbank Financial Transaction Services

Figure 6.1 displays the percentage of all households that used each nonbank transaction service in the past 12 months, as well as the percentage that used at least one of the following: money orders, check cashing, or bill payment services. In 2019, 11.9 percent of households used money orders, 5.5 percent used check cashing, and 4.9 percent used bill payment services. Altogether, 17.2 percent of households used at least one of those three services (money orders, check cashing, or bill payment

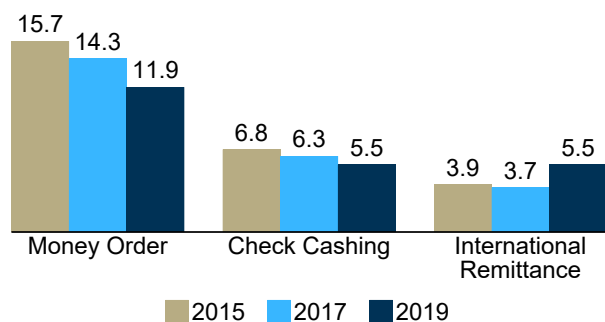
**Figure 6.1 Specific Nonbank Financial Transaction Service Use, 2019 (Percent)**



<sup>61</sup> Nonbank bill payment service providers offer money transfer services including bill payment. Customers can pay with cash at physical locations, either stores or kiosks, or by using online payment methods.

<sup>62</sup> To conduct P2P payments, households typically must have a bank account, a prepaid card, or a credit card, with requirements varying across P2P payment service providers.

**Figure 6.2 Nonbank Money Order, Check Cashing, and International Remittance Use by Year (Percent)**



Note: The estimates of nonbank financial transaction services use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

services) in the past 12 months. In addition, 5.5 percent of households used international remittances, and 31.1 percent used P2P payment services.

Figure 6.2 displays trends in the use of money orders, check cashing, and international remittances between 2015 and 2019.<sup>63</sup> The use of money orders and check cashing fell, with a drop of 2.3 percentage points to 11.9 percent between 2017 and 2019 for money orders and a drop of 0.7 percentage points to 5.5 percent between 2017 and 2019 for check cashing. Only a small portion of these changes were associated with changes in the socioeconomic circumstances of U.S. households between 2017 and 2019. The use of international remittances increased by 1.9 percentage points to 5.5 percent between 2017 and 2019. Very little of this increase was associated with changes in the socioeconomic circumstances of U.S. households between 2017 and 2019.<sup>64</sup>

### Use of Nonbank Financial Transaction Services by Household Characteristics

Table 6.1 reports the shares of households in 2017 and 2019 that used each of the three nonbank transaction services covered in the 2017 and 2019 surveys, across different household characteristics. The table also reports changes in use between 2017 and 2019.

The population segments that were more likely to use money orders were lower-income households, less-educated households, working-age disabled households, and households where income varied a lot from month to month, as

well as younger households and Black, Hispanic, and American Indian or Alaska Native households. Since 2017, the use of money orders did not increase for any segment of the population reported in Table 6.1, and for most groups it fell markedly. The groups for which the use of money orders fell most substantially (as a share of previous use) were Asian, American Indian or Alaska Native, and Two or More Races households, as well as households between the ages of 35 and 44 or between the ages of 55 and 64.

The population segments that were more likely to use check cashing were those with less than \$15,000 in income, those without a high school diploma, and those where income varied a lot from month to month, as well as younger households and Black, Hispanic, and American Indian or Alaska Native households. Between 2017 and 2019, changes in the use of check cashing varied across population segments. The groups for which the use of check cashing declined most substantially (as a share of previous use) were Black and Two or More Races households, households with income of \$75,000 or more, and households with a college degree. One population segment whose use of check cashing increased is households without a high school diploma.

Foreign-born citizen and noncitizen households as well as Hispanic and Asian households were most likely to use international remittances. Between 2017 and 2019, the use of international remittances increased for almost every population segment in Table 6.1. For U.S.-born households, the use of international remittances almost doubled.<sup>65</sup>

Table 6.2 reports, by household characteristics, the shares of households that used each of the two nonbank transaction services introduced in the 2019 survey: bill payment services and P2P payment services. In terms of household characteristics, the use patterns of bill payment services were similar to those of money orders and check cashing. The population segments most likely to use bill payment services were younger households, households without a high school diploma, and Black, Hispanic, and American Indian or Alaska Native households. In addition, households with income less than \$50,000 and households with volatile income were more likely to use bill payment services.

<sup>63</sup> The estimates of nonbank financial transaction services use in 2017 and 2015 reported in this section differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

<sup>64</sup> For the use of each service, linear probability models were estimated to account for changes between 2017 and 2019 in the distribution of households across the household-level characteristics shown in Table 3.4. Changes in household characteristics were associated with only a small portion of the difference between 2017 and 2019 in the use of money orders, check cashing, and international remittances.

<sup>65</sup> The increase in use of international remittances by U.S.-born households (85.3 percent of all households were U.S. born in 2017, and 85.1 percent in 2019) accounts for close to half of the total increase across all subsets of households.

**Table 6.1 Nonbank Money Order, Check Cashing, and International Remittance Use by Selected Household Characteristics and Year**

For All Households

Characteristics	Money Order			Check Cashing			International Remittance		
	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)
All	14.3	11.9	-2.3*	6.3	5.5	-0.7*	3.7	5.5	1.9*
<b>Family Income</b>									
Less Than \$15,000	24.9	23.0	-1.9	10.9	11.0	0.1	3.8	4.8	1.0*
\$15,000 to \$30,000	21.3	18.2	-3.1*	10.6	9.0	-1.6*	5.0	6.3	1.3*
\$30,000 to \$50,000	17.2	15.2	-2.0*	7.0	7.4	0.5	5.1	7.0	2.0*
\$50,000 to \$75,000	11.2	9.6	-1.6*	4.8	4.3	-0.6	3.5	6.2	2.7*
At Least \$75,000	7.4	6.0	-1.4*	3.0	2.4	-0.7*	2.3	4.4	2.1*
<b>Education</b>									
No High School Diploma	26.3	23.3	-3.0*	11.5	14.6	3.1*	11.3	14.7	3.4*
High School Diploma	16.9	14.6	-2.3*	8.2	7.1	-1.1*	3.3	5.5	2.2*
Some College	15.2	12.9	-2.2*	6.5	5.8	-0.7*	2.5	4.1	1.6*
College Degree	8.5	6.8	-1.7*	3.2	2.3	-1.0*	2.9	4.5	1.7*
<b>Age Group</b>									
15 to 24 Years	23.8	20.2	-3.6*	11.1	9.8	-1.3	3.3	7.1	3.8*
25 to 34 Years	18.8	16.4	-2.4*	8.0	7.0	-1.1*	4.9	7.2	2.3*
35 to 44 Years	16.9	13.1	-3.7*	7.5	7.0	-0.5	6.3	8.5	2.2*
45 to 54 Years	14.3	12.5	-1.8*	6.1	5.3	-0.8	4.6	6.6	1.9*
55 to 64 Years	13.9	11.0	-2.9*	5.4	4.7	-0.7	2.8	4.4	1.6*
65 Years or More	7.9	7.1	-0.8*	4.1	3.7	-0.4	1.1	2.5	1.3*
<b>Race/Ethnicity</b>									
Black	31.4	27.2	-4.2*	11.5	9.6	-1.9*	4.4	6.1	1.8*
Hispanic	24.6	20.8	-3.8*	9.9	10.6	0.7	15.6	20.2	4.6*
Asian	8.8	6.9	-1.9*	2.7	2.4	-0.4	8.7	13.3	4.6*
American Indian or Alaska Native	26.6	21.0	-5.7	16.9	11.4	-5.5	1.4	0.3	-1.1
Native Hawaiian or Other Pacific Islander	17.0	NA	NA	3.9	NA	NA	8.7	NA	NA
White	9.1	7.3	-1.7*	4.6	3.9	-0.7*	0.8	1.7	0.9*
Two or More Races	22.4	14.2	-8.2*	9.7	3.7	-6.0*	1.1	3.1	2.0
<b>Disability Status</b>									
Disabled, Aged 25 to 64	23.6	21.1	-2.5*	9.3	9.3	0.0	2.4	3.3	0.9*
Not Disabled, Aged 25 to 64	14.7	12.1	-2.6*	6.3	5.5	-0.8*	4.9	7.0	2.1*
<b>Monthly Income Volatility</b>									
Income Was About the Same Each Month	12.7	10.7	-2.1*	5.4	4.7	-0.6*	3.1	4.8	1.7*
Income Varied Somewhat From Month to Month	19.4	15.5	-3.8*	9.0	8.0	-1.0*	5.7	7.7	1.9*
Income Varied a Lot From Month to Month	24.2	19.9	-4.3*	11.2	10.0	-1.2	6.2	9.8	3.6*
<b>Citizenship and Place of Birth</b>									
U.S.-Born	13.4	11.3	-2.2*	6.0	5.1	-0.9*	1.2	2.0	0.9*
Foreign-Born Citizen	14.9	11.7	-3.2*	5.3	4.8	-0.5	14.0	20.6	6.6*
Foreign-Born Noncitizen	24.6	21.3	-3.3*	10.1	12.2	2.1*	24.7	32.6	7.9*

Notes: The estimates of nonbank financial transaction services use in 2017 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Asterisk indicates differences that are statistically significant at the 10 percent level. NA indicates that the sample size is too small to produce a precise estimate. See Appendix Tables D.4–D.6 for estimates by other household characteristics and for selected confidence intervals.

**Table 6.2 Nonbank Bill Payment Service and P2P Payment Service Use by Selected Household Characteristics, 2019**

For All Households, Row Percent

Characteristics	Bill Payment Service (Percent)	P2P Payment Service (Percent)
All	4.9	31.1
<b>Family Income</b>		
Less Than \$15,000	6.6	14.6
\$15,000 to \$30,000	6.6	17.1
\$30,000 to \$50,000	6.6	24.5
\$50,000 to \$75,000	5.1	31.3
At Least \$75,000	2.8	44.2
<b>Education</b>		
No High School Diploma	9.8	10.2
High School Diploma	5.6	18.4
Some College	5.2	30.1
College Degree	3.1	44.8
<b>Age Group</b>		
15 to 24 Years	10.5	43.9
25 to 34 Years	7.5	49.7
35 to 44 Years	5.7	41.6
45 to 54 Years	5.1	34.6
55 to 64 Years	4.2	24.5
65 Years or More	2.1	12.7
<b>Race/Ethnicity</b>		
Black	9.3	27.7
Hispanic	10.6	24.3
Asian	4.8	38.0
American Indian or Alaska Native	10.5	22.3
Native Hawaiian or Other Pacific Islander	NA	NA
White	2.8	32.5
Two or More Races	4.3	40.1
<b>Disability Status</b>		
Disabled, Aged 25 to 64	6.5	20.6
Not Disabled, Aged 25 to 64	5.5	39.4
<b>Monthly Income Volatility</b>		
Income Was About the Same Each Month	4.2	29.3
Income Varied Somewhat From Month to Month	6.9	37.5
Income Varied a Lot From Month to Month	8.4	36.4
<b>Citizenship and Place of Birth</b>		
U.S.-Born	4.0	32.1
Foreign-Born Citizen	7.9	24.8
Foreign-Born Noncitizen	12.9	26.3
<b>Smartphone or Home Internet Access</b>		
Has Neither	4.2	2.9
Has at Least One	5.0	33.9

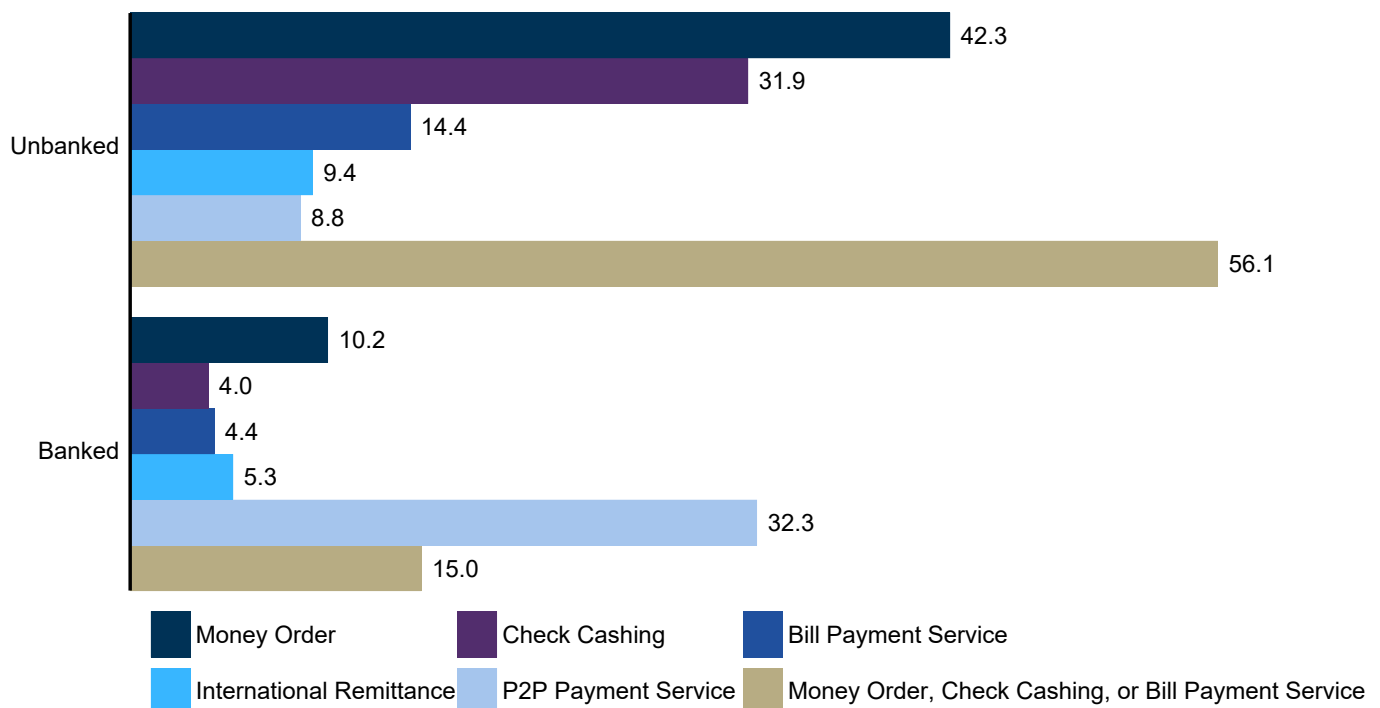
Notes: NA indicates that the sample size is too small to produce a precise estimate. See Appendix Table D.1 for estimates by other household characteristics.

The characteristics of households that made P2P payments were substantially different from the characteristics of households that used the other nonbank transaction services. The households most likely to use P2P payment services were those with income of \$75,000 or more, those with a college degree, younger and middle-aged households, working-age nondisabled households, Asian households, and Two or More Races households. Use of P2P payment services requires access to the internet with either a smartphone or a computer. About one in three households (33.9 percent) that had smartphone access or home internet access made P2P payments in 2019, compared with only 2.9 percent of households that had neither smartphone access nor home internet access. (For more information on smartphone and home internet access, see section 4.) Among users of at least one among the group consisting of money orders, check cashing, and bill payment services, about a third (32.3 percent) also used P2P payment services, whereas fewer than one in five P2P users (17.9 percent) also used any of those other three nonbank transaction services.

### Use of Nonbank Financial Transaction Services by Bank Account Ownership

Figure 6.3 displays the use of nonbank transaction services among unbanked households and among banked households. In 2019 among unbanked households, 42.3 percent used money orders, 31.9 percent used check cashing, and 14.4 percent used bill payment services; more than half (56.1 percent) used at least one of these three transaction services. In addition, 9.4 percent of unbanked households used international remittances, and 8.8 percent used P2P payment services. Among banked households, 10.2 percent used money orders, 4.0 percent used check cashing, and 4.4 percent used bill payment services; 15.0 percent used at least one of these three transaction services. In addition, 5.3 percent of banked households used international remittances, and 32.3 percent used P2P payment services.

**Figure 6.3 Specific Nonbank Financial Transaction Service Use by Bank Account Ownership, 2019 (Percent)**



**Table 6.3 Nonbank Money Order, Check Cashing, and International Remittance Use by Bank Account Ownership and Year**  
For All Households

Specific Nonbank Financial Transaction Services	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019-2017)
<b>A. All Households</b>				
Money Order	15.7	14.3	11.9	-2.3*
Check Cashing	6.8	6.3	5.5	-0.7*
International Remittance	3.9	3.7	5.5	1.9*
<b>B. Unbanked Households</b>				
Money Order	47.8	44.0	42.3	-1.7
Check Cashing	33.7	30.0	31.9	1.9
International Remittance	8.8	6.3	9.4	3.1*
<b>C. Banked Households</b>				
Money Order	13.4	12.3	10.2	-2.1*
Check Cashing	4.9	4.7	4.0	-0.6*
International Remittance	3.6	3.5	5.3	1.8*

Notes: The estimates of nonbank financial transaction services use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Asterisk indicates differences that are statistically significant at the 10 percent level.

The use by unbanked households of money orders and check cashing was proportionally similar in 2019 to what it had been in 2017 (see Table 6.3). For banked households, the use of money orders fell by 2.1 percentage points between 2017 and 2019, and the use of check cashing fell by 0.6 percentage points. For both unbanked and banked households, the use of international remittances increased markedly between 2017 and 2019: for unbanked households, the use increased by 3.1 percentage points, while for banked households, the use increased by 1.8 percentage points. For each group, the 2019 level was approximately 1.5 times what it had been in 2017.

**Frequency of Use of Nonbank Financial Transaction Services**

The 2019 survey included new questions on the frequency of use of nonbank transaction services other than P2P payment services, specifically on whether each nonbank transaction service was used often, sometimes, or rarely.

Figure 6.4 reports the frequency with which money orders, check cashing, bill payment services, and international remittances were used in 2019 (not reported

is the percentage of households that did not use these services). Money orders tended to be used often (4.4 percent) or rarely (4.6 percent), with a smaller share using them only sometimes (2.9 percent). The use of check cashing and bill payment services was distributed more evenly, with similar percentages of households using each of the two types often, sometimes, or rarely.<sup>66</sup> International remittances were typically used sometimes (2.4 percent), compared with often (1.4 percent) and rarely (1.7 percent).

**Frequency of Use of Nonbank Financial Transaction Services by Household Characteristics**

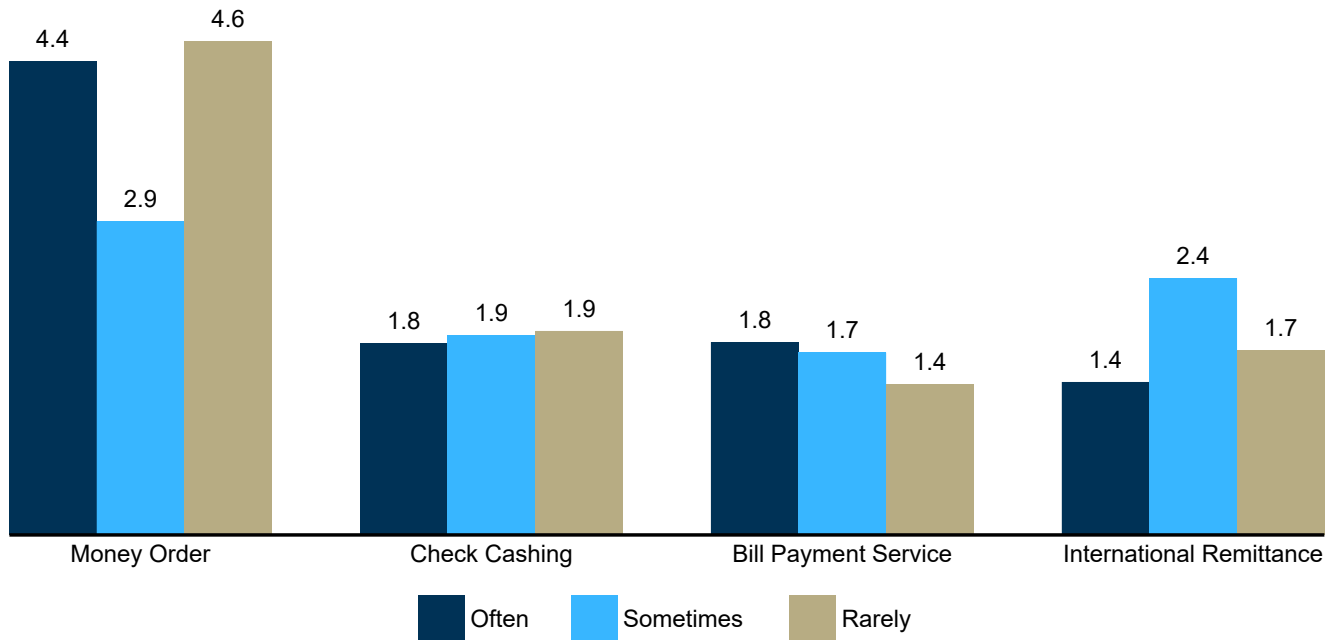
Table 6.4 reports frequency of use by household characteristics, with a focus on the percentage of households in each population segment that used a nonbank transaction service often (as opposed to sometimes or rarely).<sup>67</sup> For each of the four nonbank transaction services, the population segments (e.g., those without a high school diploma) that more commonly used a nonbank transaction service (at all) also tended to use that service more frequently.

<sup>66</sup> Figure 6.1 indicates that about one in six households (17.2 percent) used money orders, check cashing, or bill payment at least once in 2019. Among these households, 38.6 percent often used at least one of those services (6.7 percent of all households).

<sup>67</sup> For most population segments, the use patterns presented in Table 6.4 for just often would be similar to the patterns if use had been measured as the percentage of households using a nonbank transaction service often or sometimes. There are exceptions; for example, households where income varied a lot from month to month were disproportionately likely to use international remittances often or sometimes (6.2 percent versus 3.8 percent for all households) compared with just often (1.6 percent versus 1.4 percent for all households), as well as to use bill payment services often or sometimes (6.0 percent versus 3.5 percent for all households) compared with just often (2.4 percent versus 1.8 percent for all households).



**Figure 6.4 Frequency of Use of Specific Nonbank Financial Transaction Services, 2019 (Percent)**



Notes: This figure does not report the percentage of households that did not use the particular service in the past 12 months. For nonbank money orders, check cashing, bill payment services, and international remittances, 88.1, 94.5, 95.1, and 94.5 percent of households, respectively, did not use the particular service.

**Table 6.4 Frequency of Use (Often) of Specific Nonbank Financial Transaction Services by Selected Household Characteristics, 2019**

For All Households, Row Percent

Characteristics	Money Order (Percent)	Check Cashing (Percent)	Bill Payment Service (Percent)	International Remittance (Percent)
All	4.4	1.8	1.8	1.4
<b>Family Income</b>				
Less Than \$15,000	12.1	4.5	2.7	1.1
\$15,000 to \$30,000	7.6	3.3	2.4	1.6
\$30,000 to \$50,000	6.0	2.4	2.7	2.0
\$50,000 to \$75,000	2.7	1.0	1.8	1.6
At Least \$75,000	1.0	0.5	0.9	1.1
<b>Education</b>				
No High School Diploma	12.6	7.2	4.4	4.4
High School Diploma	5.9	2.3	2.1	1.6
Some College	4.9	1.5	1.9	1.0
College Degree	1.3	0.4	0.9	1.0
<b>Age Group</b>				
15 to 24 Years	7.4	2.2	4.2	1.8
25 to 34 Years	6.4	2.4	2.8	1.7
35 to 44 Years	4.7	2.6	2.0	2.0
45 to 54 Years	4.4	1.9	1.9	1.7
55 to 64 Years	4.2	1.5	1.7	1.5
65 Years or More	2.6	0.9	0.6	0.6

**Table 6.4 Frequency of Use (Often) of Specific Nonbank Financial Transaction Services by Selected Household Characteristics, 2019** *(continued)*

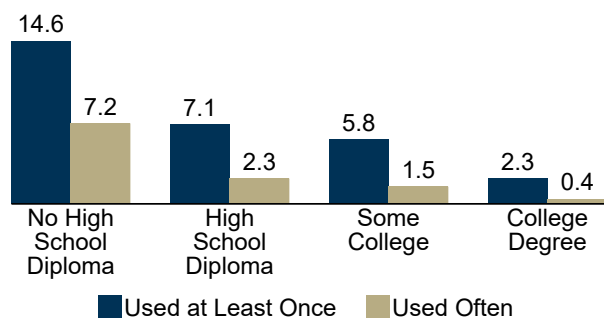
For All Households, Row Percent

Characteristics	Money Order (Percent)	Check Cashing (Percent)	Bill Payment Service (Percent)	International Remittance (Percent)
<b>Race/Ethnicity</b>				
Black	12.2	3.4	3.7	1.7
Hispanic	8.1	4.6	3.6	5.9
Asian	1.0	0.7	1.1	3.5
American Indian or Alaska Native	11.1	4.1	3.4	-
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA
White	2.3	0.9	1.1	0.3
Two or More Races	5.9	0.1	1.7	-
<b>Disability Status</b>				
Disabled, Aged 25 to 64	9.7	3.1	2.7	0.9
Not Disabled, Aged 25 to 64	4.2	1.9	2.0	1.8
<b>Monthly Income Volatility</b>				
Income Was About the Same Each Month	4.1	1.5	1.5	1.2
Income Varied Somewhat From Month to Month	5.5	2.5	2.9	2.2
Income Varied a Lot From Month to Month	6.3	3.5	2.4	1.6
<b>Citizenship and Place of Birth</b>				
U.S.-Born	4.2	1.5	1.5	0.3
Foreign-Born Citizen	3.4	1.4	2.3	5.2
Foreign-Born Noncitizen	8.7	6.4	4.7	10.9

Notes: NA indicates that the sample size is too small to produce a precise estimate. The dash symbol indicates an estimate of zero; the population proportion may be slightly greater than zero. See Appendix Tables D.7–D.10 for estimates by other household characteristics.

For example, Figure 6.5 shows the use of check cashing and the frequency of use by education level. Population segments where the use of check cashing was more common (less-educated households) were more likely to use check cashing often. In 2019, about one in seven households without a high school diploma (14.6 percent) used nonbank check cashing, and 7.2 percent did so often. For comparison, 2.3 percent of households with a college degree used check cashing, and 0.4 percent did so often.

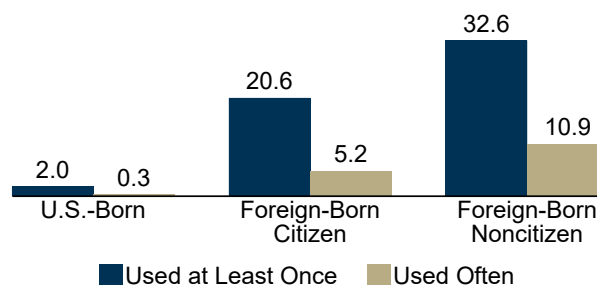
**Figure 6.5 Nonbank Check Cashing Use and Frequency of Use (Often) by Education, 2019 (Percent)**



Among households using check cashing at all, less-educated households were more likely to use check cashing often. About half of households without a high school diploma that used check cashing did so often, compared with about one in five households with a college degree (49.4 percent compared with 17.9 percent).

Another example of the pattern described above is shown in Figure 6.6, which examines the use of international

**Figure 6.6 Nonbank International Remittance Use and Frequency of Use (Often) by Citizenship and Place of Birth, 2019 (Percent)**



remittances and the frequency of use, by citizenship and place of birth. Population segments where the use of international remittances was more common (the foreign born and especially noncitizens) were more likely to use remittances often. About one in three foreign-born noncitizen households (32.6 percent) used international remittances in 2019, and one in ten (10.9 percent) did so often. For comparison, 2.0 percent of U.S.-born households used international remittances in 2019, and 0.3 percent did so often. Among households using international remittances at all, foreign-born citizen and noncitizen households were more likely to use them often. One-third of foreign-born noncitizen households that used remittances did so often, compared with about one in six U.S.-born households (33.4 percent compared with 17.0 percent).

**Frequency of Use of Nonbank Financial Transaction Services by Bank Account Ownership**

Table 6.5 reports—by bank account ownership—the frequency with which households in 2019 used nonbank financial transaction services. About one in four unbanked households (25.4 percent) often used money orders, and more than one in six (17.8 percent) often

used check cashing. The shares of unbanked households that often used bill payment services (7.1 percent) and international remittances (3.3 percent) were lower. For money orders, check cashing, and bill payment services, a majority of the unbanked households that used those nonbank transaction services at all also used them often (making up 60.0, 55.9, and 48.8 percent of those users, respectively).

Very small shares of banked households often used money orders (3.2 percent), check cashing (0.9 percent), bill payment services (1.5 percent), or international remittances (1.3 percent). Among banked households that used each nonbank transaction service in 2019, the share of households that often used each of the transaction services was 31.5 percent for money orders, 21.5 percent for check cashing, 34.4 percent for bill payment services, and 24.8 percent for international remittances. Among banked households, higher shares of those with less than \$15,000 in income and of those without a high school diploma, as well as Black and Hispanic households, used money orders, check cashing, and bill payment services often.

**Table 6.5 Frequency of Use of Specific Nonbank Financial Transaction Services by Bank Account Ownership, 2019**  
For All Households, Row Percent

Specific Nonbank Financial Transaction Services	Often (Percent)	Sometimes (Percent)	Rarely (Percent)	Did Not Use (Percent)
<b>A. All Households</b>				
Money Order	4.4	2.9	4.6	88.1
Check Cashing	1.8	1.9	1.9	94.5
Bill Payment Service	1.8	1.7	1.4	95.1
International Remittance	1.4	2.4	1.7	94.5
<b>B. Unbanked Households</b>				
Money Order	25.4	10.6	6.3	57.7
Check Cashing	17.8	8.5	5.5	68.1
Bill Payment Service	7.1	5.3	2.1	85.6
International Remittance	3.3	4.4	1.7	90.6
<b>C. Banked Households</b>				
Money Order	3.2	2.5	4.5	89.8
Check Cashing	0.9	1.5	1.7	96.0
Bill Payment Service	1.5	1.5	1.4	95.6
International Remittance	1.3	2.3	1.7	94.7

### ***Use of Nonbank Money Orders for Paying Bills***

The 2019 survey also asked about the use of money orders for paying bills but only of the 7.3 percent of households that sometimes or often used money orders (11.9 percent of all households used money orders in 2019).<sup>68</sup> In 2019, 6.4 percent of all households used a money order sometimes or often and used a money order to pay bills. These households constitute almost nine in ten (87.1 percent) of the households that sometimes or often used mon-

ey orders. Households that rarely used money orders in 2019 might also have paid bills with their money orders, but these households were not asked about paying bills. Among households that used money orders sometimes or often, both banked and unbanked households used money orders for paying bills at a rate of about nine in ten: 92.2 percent of unbanked households and 85.3 percent of banked households.

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<sup>68</sup> In 2015 and 2017, households were asked the methods they used to pay bills in a typical month. The methods included nonbank money orders. Because the reference time frame used in the 2019 survey was different from the one used in the 2015 and 2017 surveys—the past 12 months versus in a typical month—the responses are not comparable.

## 7. Bank and Nonbank Credit

Recognizing the importance of credit to households and communities, policymakers have had a longstanding interest in not only ensuring equal access to credit but also in expanding access to credit, as evidenced by the Equal Credit Opportunity Act, the Community Reinvestment Act, and the creation of the Community Development Financial Institutions Fund.<sup>69</sup> In March 2020, the FDIC, Board of Governors of the Federal Reserve System (FRB), Consumer Financial Protection Bureau (CFPB), National Credit Union Administration (NCUA), and Office of the Comptroller of the Currency (OCC) issued a statement encouraging financial institutions to offer responsible small-dollar loans to consumers and small businesses in response to COVID-19.<sup>70</sup> In May 2020, the FDIC, FRB, NCUA, and OCC issued interagency guidance to clarify regulatory expectations in a manner that encourages financial institutions to offer responsible small-dollar loans.<sup>71</sup> Additional efforts have focused on credit access for the nearly 20 percent of adults who are credit invisible (i.e., do not have a credit record with one of the nationwide credit reporting agencies) or unscorable (i.e., have a credit record, but the record does not contain sufficient information to generate a credit score).<sup>72</sup> Without a credit score, a household may have to meet its credit needs with forms of credit that are typically more expensive than bank credit—forms such as nonbank credit products like pawn shop or payday loans.<sup>73</sup>

This section examines household use of bank credit and nonbank credit, focusing on products that households

may use to address cash-flow imbalances, unexpected expenses, or temporary income shortfalls.<sup>74</sup> A household is considered to have used bank credit if, in the past 12 months, it had a Visa, MasterCard, American Express, or Discover credit card (i.e., a credit card) or a personal loan or line of credit from a bank (i.e., a bank personal loan). A household is considered to have used nonbank credit if it used a rent-to-own service or a payday, auto title, pawn shop, or tax refund anticipation loan in the past 12 months.<sup>75</sup>

Like the previous two surveys, the 2019 survey asked about measures of the demand for bank credit. Specifically, households were asked whether, in the past 12 months, they applied for bank credit (i.e., applied), were turned down for bank credit or not given as much credit as they applied for (i.e., denied or not given as much credit as requested), or thought about applying for bank credit but did not because of concerns about being turned down (i.e., did not apply because of concerns about being turned down).

### **Changes in Bank and Nonbank Credit Use**

Figure 7.1 shows changes between 2015 and 2019 in the share of households that used bank credit and the share that used nonbank credit. The share of households that used bank credit increased from 67.9 percent in 2015 to 72.5 percent in 2019.<sup>76</sup> The share of households that used nonbank credit declined from 8.1 percent in 2015

<sup>69</sup> The Equal Credit Opportunity Act prohibits discrimination by creditors against credit applicants along several dimensions, including race, color, religion, national origin, sex, marital status, and age (see [fdic.gov/regulations/laws/rules/6000-1200.html](https://www.fdic.gov/regulations/laws/rules/6000-1200.html)). The Community Reinvestment Act “is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound banking operations” (see [ffiec.gov/cra/history.htm](https://www.fdic.gov/cra/history.htm)). The mission of the Community Development Financial Institutions Fund “is to expand economic opportunity for underserved people and communities by supporting the growth and capacity of a national network of community development lenders, investors, and financial service providers” (see [cdfifund.gov/about/Pages/default.aspx](https://www.cdfifund.gov/about/Pages/default.aspx)).

<sup>70</sup> See Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency, *Statement Encouraging Responsible Small-Dollar Lending to Consumers and Small Businesses in Response to COVID-19* (March 26, 2020), [fdic.gov/news/financial-institution-letters/2020/fil20026.html](https://www.fdic.gov/news/financial-institution-letters/2020/fil20026.html).

<sup>71</sup> See Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency, *Interagency Guidance for Responsible Small-Dollar Loans* (May 20, 2020), [fdic.gov/news/financial-institution-letters/2020/fil20058.html](https://www.fdic.gov/news/financial-institution-letters/2020/fil20058.html).

<sup>72</sup> See Kenneth P. Brevoort, Philipp Grimm, and Michelle Kambara, *Data Point: Credit Invisibles*, Consumer Financial Protection Bureau (2015), [consumerfinance.gov/data-research/research-reports/data-point-credit-invisibles](https://www.consumerfinance.gov/data-research/research-reports/data-point-credit-invisibles); Kenneth P. Brevoort and Michelle Kambara, *CFPB Data Point: Becoming Credit Visible*, Consumer Financial Protection Bureau (2017), [consumerfinance.gov/data-research/research-reports/cfpb-data-point-becoming-credit-visible](https://www.consumerfinance.gov/data-research/research-reports/cfpb-data-point-becoming-credit-visible); and Kenneth Brevoort, Jasper Clarkberg, Michelle Kambara, and Benjamin Litwin, *Data Point: The Geography of Credit Invisibility*, Consumer Financial Protection Bureau (2018), [consumerfinance.gov/data-research/research-reports/data-point-geography-credit-invisibility](https://www.consumerfinance.gov/data-research/research-reports/data-point-geography-credit-invisibility).

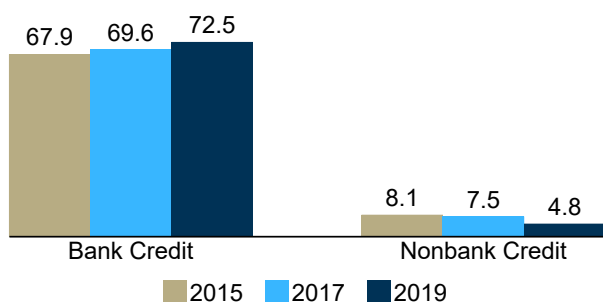
<sup>73</sup> Credit cards are the most common way consumers initiate a credit file with the nationwide credit reporting agencies and eventually become scorable. See Brevoort and Kambara, *CFPB Data Point: Becoming Credit Visible*.

<sup>74</sup> Certain nonbank installment loans that may be used for short-term credit needs were not captured in the 2019 survey. Credit products that are used primarily to finance large expenditures, such as mortgages, auto loans, and student loans, are beyond the scope of the 2019 survey.

<sup>75</sup> See Appendix 2 for changes in the wording of some questions across survey years.

<sup>76</sup> Because of changes in the wording of the survey instrument, bank personal loans are comparable only in 2015 and 2019 and not from 2015 to 2017 or from 2017 to 2019. See Appendix 2 for details.

**Figure 7.1 Bank and Nonbank Credit Use by Year (Percent)**



Notes: Because of changes in the wording of the survey instrument, bank personal loans are comparable only in 2015 and 2019 and not from 2015 to 2017 or from 2017 to 2019. The share of households that had a bank personal loan is small compared with the share that had a credit card; therefore, bank personal loans constitute only a small part of bank credit. The estimates of nonbank credit use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

and 7.5 percent in 2017 to 4.8 percent in 2019.<sup>77</sup> Even after changes in income and other characteristics of U.S. households were accounted for, the decline between 2017 and 2019 remained large and statistically significant.<sup>78</sup> The increase in bank credit use and the decline in nonbank credit use occurred broadly across different segments of the population, as shown in Table 7.1.

Table 7.2 displays changes in the use of specific credit products overall and by bank account ownership between 2015 and 2019. Credit card ownership increased from 66.5 percent in 2015 and 68.7 percent in 2017 to 71.3 percent in 2019. Use of each nonbank credit product declined, with refund anticipation loans exhibiting the largest decrease. These changes were largely driven by a decline in the share of banked households that used nonbank credit, though use of refund anticipation loans decreased for both unbanked and banked households.

### **Bank and Nonbank Credit Use by Household Characteristics**

As shown in Table 7.1, lower-income households, less-educated households, Black households, Hispanic households, American Indian or Alaska Native households, and working-age disabled households were less likely to use bank credit.

Differences by education and income were especially pronounced. For example, in 2019, only 37.1 percent of households without a high school diploma used bank credit, compared with 87.5 percent of households with a college degree. Similarly, only 37.0 percent of households with less than \$15,000 in income used bank credit, compared with 89.9 percent of households with income of \$75,000 or more.

Differences by race and ethnicity and by disability status were also large. In 2019, 52.5 percent of Black households, 58.6 percent of Hispanic households, and 54.4 percent of American Indian or Alaska Native households used bank credit, compared with 78.7 percent of White households. About half of working-age disabled households (49.2 percent) used bank credit, compared with 76.5 percent of working-age nondisabled households.

The differences by race and ethnicity persist at every income level. As shown in Figure 7.2, at all income levels, Black and Hispanic households were less likely than White households to use bank credit. For example, in 2019, even among households with income of \$75,000 or more, about 80 percent of Black and Hispanic households used bank credit, whereas about 90 percent of White households did so. Among American Indian or Alaska Native households, 37.8 percent of households with income less than \$50,000 and 78.7 percent of households with income greater than \$50,000 used bank credit.<sup>79</sup> Some, but not all, of the racial and ethnic differences in the use of bank credit were associated with racial and ethnic differences in bank account ownership and socioeconomic and demographic characteristics beyond income.<sup>80</sup>

Working-age disabled households at all income levels were also less likely to use bank credit. For example, in 2019, 84.6 percent of working-age disabled households with income of \$75,000 or more used bank credit, compared with 90.3 percent of working-age nondisabled households with income of \$75,000 or more. Some, but not all, of the differences in the use of bank credit by disability status were associated with differences in bank account ownership and socioeconomic and demographic characteristics beyond income.

<sup>77</sup> The estimates of nonbank credit use in 2017 and 2015 reported in this section differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details.

<sup>78</sup> See Table 3.4 for the list of household characteristics.

<sup>79</sup> The sample size for American Indian or Alaska Native households is not large enough to disaggregate by finer income categories.

<sup>80</sup> Using the 2015 survey data, Goodstein et al. (2018) found that differences in bank credit use between Black and White households and between Hispanic and White households remained statistically and economically significant after bank account ownership, subjective attitudes about banks, income and other household characteristics, geographic proximity to financial providers, and neighborhood population characteristics were accounted for. See Ryan M. Goodstein, Alicia A. Lloro, Sherrie L. W. Rhine, and Jeffrey M. Weinstein, What Accounts for Racial and Ethnic Differences in Credit Use? (FDIC Division of Depositor & Consumer Protection, Working Paper 2018-01), [papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3220050](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3220050).

**Table 7.1 Bank and Nonbank Credit Use by Selected Household Characteristics and Year**

For All Households

Characteristics	Bank Credit			Nonbank Credit		
	2015 (Percent)	2019 (Percent)	Difference (2019–2015)	2015 (Percent)	2019 (Percent)	Difference (2019–2015)
All	67.9	72.5	4.6*	8.1	4.8	-3.3*
<b>Family Income</b>						
Less Than \$15,000	32.2	37.0	4.9*	13.1	7.9	-5.2*
\$15,000 to \$30,000	50.9	52.0	1.1	11.0	6.7	-4.3*
\$30,000 to \$50,000	65.4	66.9	1.5	10.2	6.8	-3.5*
\$50,000 to \$75,000	77.4	79.0	1.6*	7.0	4.7	-2.3*
At Least \$75,000	88.7	89.9	1.2*	3.8	2.3	-1.5*
<b>Education</b>						
No High School Diploma	34.4	37.1	2.7*	12.2	9.0	-3.2*
High School Diploma	57.2	61.7	4.5*	10.5	6.0	-4.4*
Some College	68.8	72.5	3.7*	9.3	5.6	-3.7*
College Degree	85.8	87.5	1.8*	4.1	2.4	-1.6*
<b>Age Group</b>						
15 to 24 Years	53.4	60.9	7.5*	14.4	6.8	-7.6*
25 to 34 Years	64.8	72.1	7.3*	12.0	6.9	-5.0*
35 to 44 Years	67.4	73.2	5.8*	10.3	6.1	-4.2*
45 to 54 Years	69.0	74.3	5.2*	8.6	5.5	-3.1*
55 to 64 Years	70.6	73.5	2.9*	6.2	4.3	-1.9*
65 Years or More	70.5	72.5	2.0*	3.8	2.2	-1.6*
<b>Race/Ethnicity</b>						
Black	44.6	52.5	7.9*	14.2	8.8	-5.3*
Hispanic	49.9	58.6	8.7*	10.8	7.5	-3.3*
Asian	78.9	83.4	4.6*	4.7	2.5	-2.2*
American Indian or Alaska Native	44.3	54.4	10.0*	19.2	9.2	-10.0*
Native Hawaiian or Other Pacific Islander	NA	NA	NA	NA	NA	NA
White	75.2	78.7	3.5*	6.5	3.6	-2.9*
Two or More Races	62.1	69.3	7.2*	13.6	5.4	-8.2*
<b>Disability Status</b>						
Disabled, Aged 25 to 64	42.5	49.2	6.7*	15.6	10.6	-5.0*
Not Disabled, Aged 25 to 64	71.8	76.5	4.7*	8.2	5.0	-3.2*
<b>Monthly Income Volatility</b>						
Income Was About the Same Each Month	68.8	73.0	4.2*	6.9	4.1	-2.9*
Income Varied Somewhat From Month to Month	66.3	71.4	5.0*	11.5	7.1	-4.4*
Income Varied a Lot From Month to Month	61.0	68.0	7.0*	15.4	8.8	-6.6*

Notes: Because of changes in the wording of the survey instrument, bank personal loans are comparable only in 2015 and 2019 and not from 2015 to 2017 or from 2017 to 2019. The share of households that had a bank personal loan is small compared with the share that had a credit card; therefore, bank personal loans constitute only a small part of bank credit. The estimates of nonbank credit use in 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. Asterisk indicates differences that are statistically significant at the 10 percent level. NA indicates that the sample size is too small to produce a precise estimate.

Turning to nonbank credit use, lower income households, less-educated households, Black households, Hispanic households, and working-age disabled households were more likely to use nonbank credit. Households with

income that varied a lot from month to month were more than twice as likely to use nonbank credit as households with income that was about the same each month.

**Table 7.2 Specific Credit Product Use by Bank Account Ownership and Year**

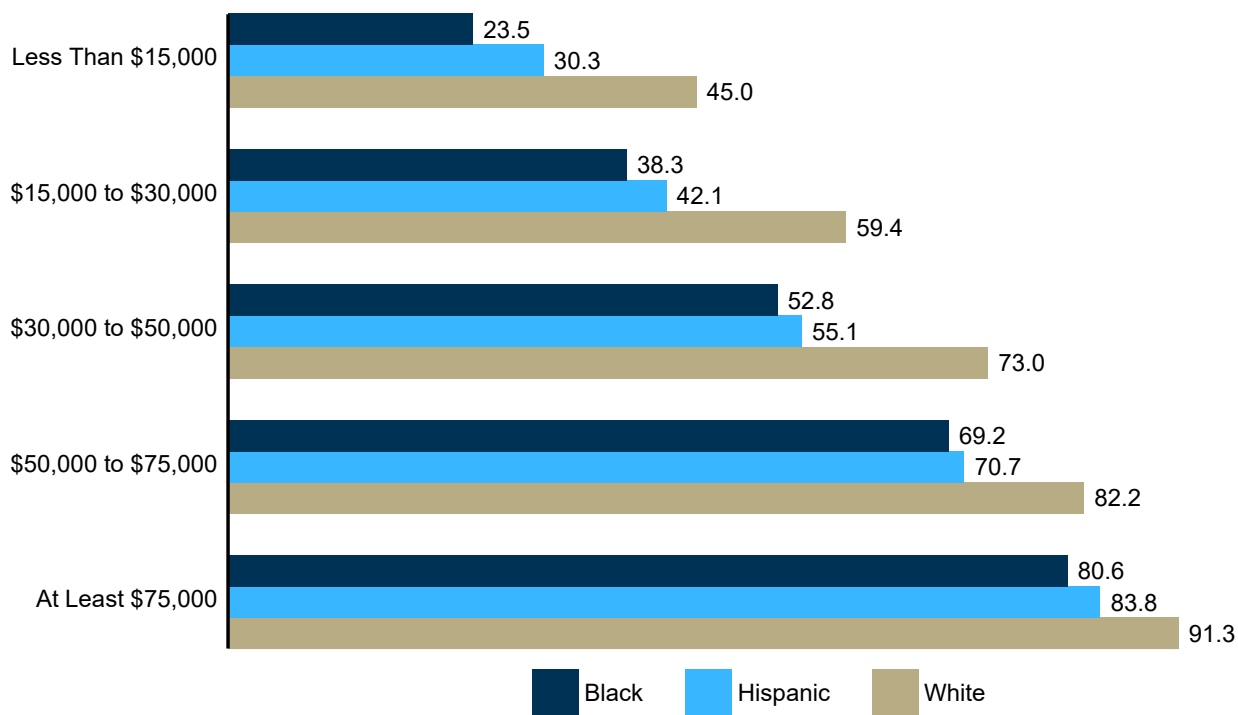
For All Households

Specific Credit Products	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019-2017)
<b>A. All Households</b>				
Credit Card	66.5	68.7	71.3	2.6*
Bank Personal Loan	9.8	6.9+	10.8	
Pawn Shop Loan	2.0	1.6	1.3	-0.3*
Payday Loan	2.1	1.8	1.5	-0.3*
Tax Refund Anticipation Loan	2.7	2.5	0.8	-1.7*
Rent-To-Own Service	1.9	1.6	1.2	-0.4*
Auto Title Loan	1.4	1.5	0.9	-0.6*
Memo: Bank Credit	67.9	69.6+	72.5	
Memo: Nonbank Credit	8.1	7.5	4.8	-2.6*
<b>B. Unbanked Households</b>				
Credit Card	6.5	7.2	8.0	0.8
Bank Personal Loan	1.6	1.2+	1.0	
Pawn Shop Loan	7.5	5.0	5.6	0.6
Payday Loan	4.0	3.2	2.6	-0.6
Tax Refund Anticipation Loan	5.0	3.9	2.5	-1.4*
Rent-To-Own Service	5.6	4.3	4.0	-0.3
Auto Title Loan	2.7	2.6	1.8	-0.8
Memo: Bank Credit	7.9	7.9+	8.5	
Memo: Nonbank Credit	18.5	14.2	13.4	-0.8
<b>C. Banked Households</b>				
Credit Card	70.8	72.8	74.9	2.1*
Bank Personal Loan	10.4	7.3+	11.3	
Pawn Shop Loan	1.6	1.3	1.1	-0.3*
Payday Loan	1.9	1.7	1.5	-0.3*
Tax Refund Anticipation Loan	2.6	2.4	0.7	-1.7*
Rent-To-Own Service	1.6	1.4	1.1	-0.4*
Auto Title Loan	1.4	1.4	0.8	-0.6*
Memo: Bank Credit	72.2	73.7+	76.1	
Memo: Nonbank Credit	7.4	7.0	4.3	-2.7*

Notes: The estimates of nonbank credit use in 2017 and 2015 reported here differ from those published in earlier reports due to a difference in how nonresponse is handled; see Appendix 1 for details. The plus symbol indicates an estimate that is not comparable from 2015 to 2017 or from 2017 to 2019 because of changes in the wording of the survey instrument. Asterisk indicates differences that are statistically significant at the 10 percent level. See Appendix Table E.4 for estimates of the use of specific nonbank credit products by household characteristics for 2019, and Appendix Tables E.7 and E.11 for estimates of credit card ownership and of the use overall of nonbank credit over time by household characteristics and for selected confidence intervals.



**Figure 7.2 Bank Credit Use by Household Income Level and Race and Ethnicity, 2019 (Percent)**



Note: The sample size for American Indian or Alaska Native households is not large enough to disaggregate by these income categories.

**Bank and Nonbank Credit Use by Geography**

Use of bank and nonbank credit varied across regions of the United States. In 2019, 67.2 percent of households in the South used bank credit, compared with 76.0 percent in the Northeast, 75.4 percent in the Midwest, and 75.9 percent in the West. Use of nonbank credit was highest in the South (6.3 percent), followed by the Midwest (5.0 percent), the West (3.9 percent), and the Northeast (2.6 percent).

Figures 7.3 and 7.4 show that bank and nonbank credit use varied widely across states: 85.3 percent of households in New Hampshire used bank credit, compared with 52.4 percent in Mississippi. Use of nonbank credit was highest in Nevada (10.7 percent) and lowest in Wisconsin (1.8 percent). (See Appendix Tables E.2, E.3, E.5, and E.6 for detailed state- and MSA-level estimates of bank and nonbank credit use.)

Use of bank and nonbank credit also varied by the metropolitan status of a household’s residence. In 2019, 64.6 percent of rural households used bank credit, compared with 69.2 percent of urban households and 77.3 percent of suburban households. In addition to being less likely to use bank credit, rural households were more likely to use nonbank credit (6.3 percent), compared with urban households (4.9 percent) and suburban households (4.1 percent).

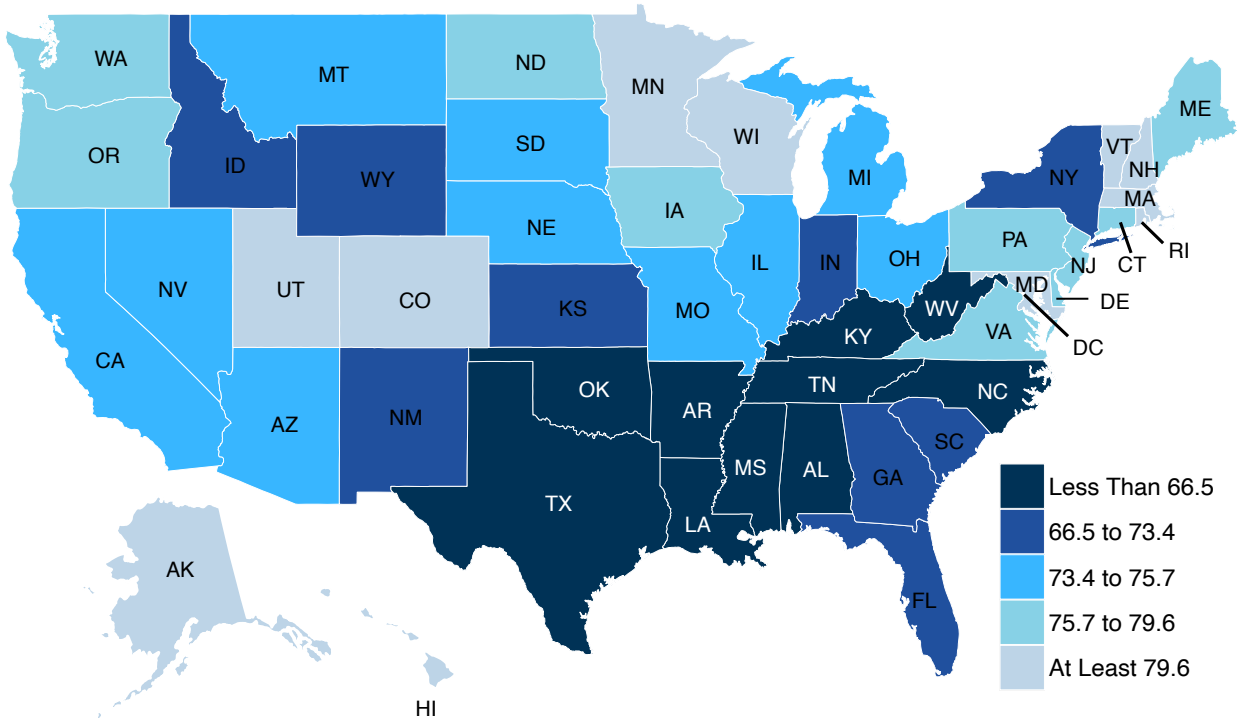
Patterns in use of bank credit by metropolitan status differed across regions, as shown in Figure 7.5. The rural South stands out, where only 55.4 percent of households used bank credit. In the West, as well, rural households were less likely than urban and suburban households to use bank credit. In the Northeast, urban households were the least likely to use bank credit (64.0 percent), compared with suburban (81.4 percent) and rural (79.2 percent) Northeast households. Finally, in the Midwest, urban and rural households were less likely than suburban households to use bank credit.

With one exception, the use of nonbank credit was highest in rural areas regardless of region, as shown in Figure 7.6. The exception is the South, where the proportion of urban households that used nonbank credit (6.8 percent) was almost identical to the proportion among rural households (7.0 percent).

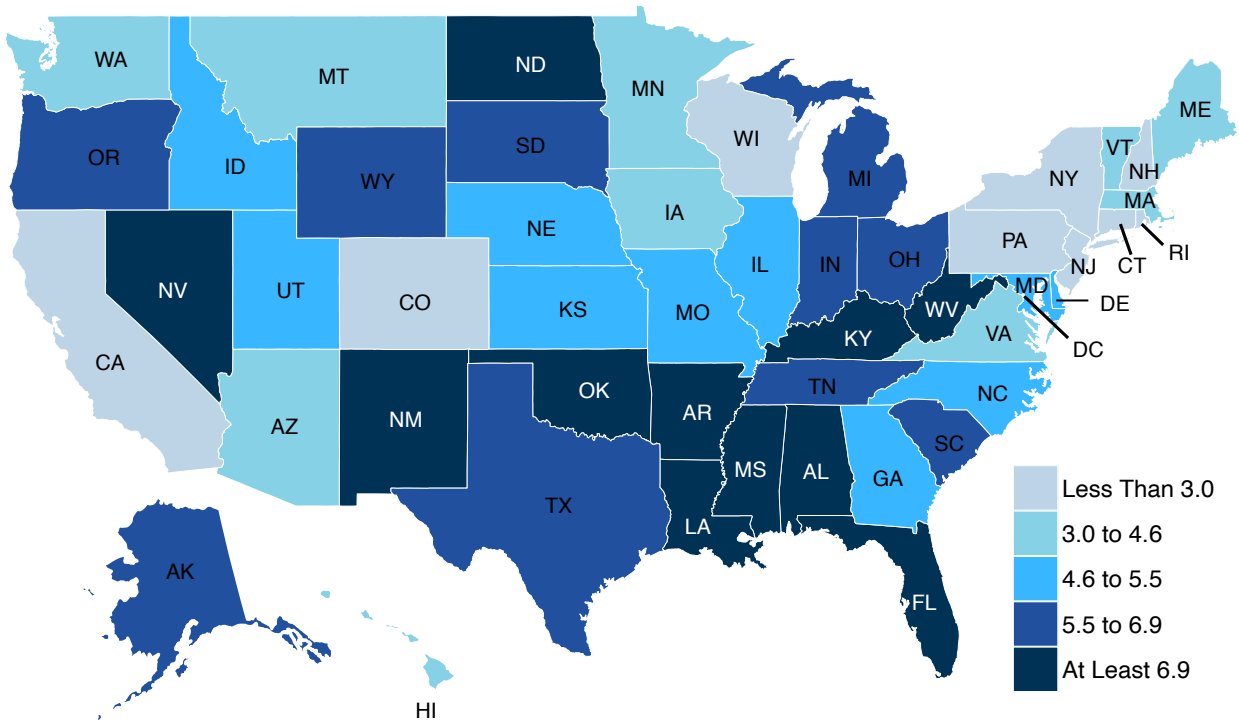
**Changes in Bank Credit Demand Measures**

Table 7.3 shows changes in measures of bank credit demand between 2015 and 2019. The share of households that applied for bank credit increased from 13.9 percent in 2015 and 14.1 percent in 2017 to 15.1 percent in 2019. Among households that had applied for bank credit, the share that were denied or not given as much credit as requested declined from 20.0 percent in 2015 and 19.5 percent in

**Figure 7.3 Bank Credit Use by State, 2019 (Percent)**



**Figure 7.4 Nonbank Credit Use by State, 2019 (Percent)**



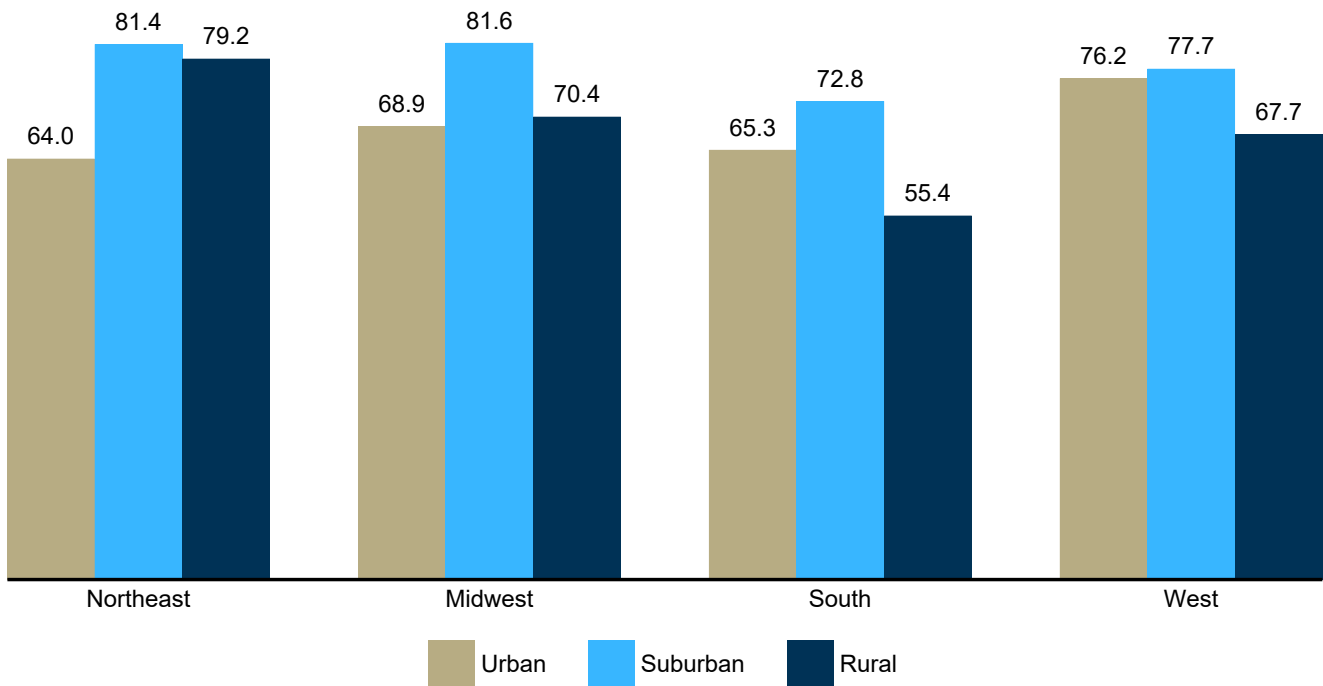
**Table 7.3 Bank Credit Demand Measures by Year**

For All Households

	2015 (Percent)	2017 (Percent)	2019 (Percent)	Difference (2019–2017)
Applied	13.9	14.1	15.1	0.9*
<i>Among Households That Had Applied, Share That Were Denied or Not Given as Much Credit as Requested</i>	20.0	19.5	17.1	-2.4*
Did Not Apply Because of Concerns About Being Turned Down	6.1	5.6	6.3	0.7*

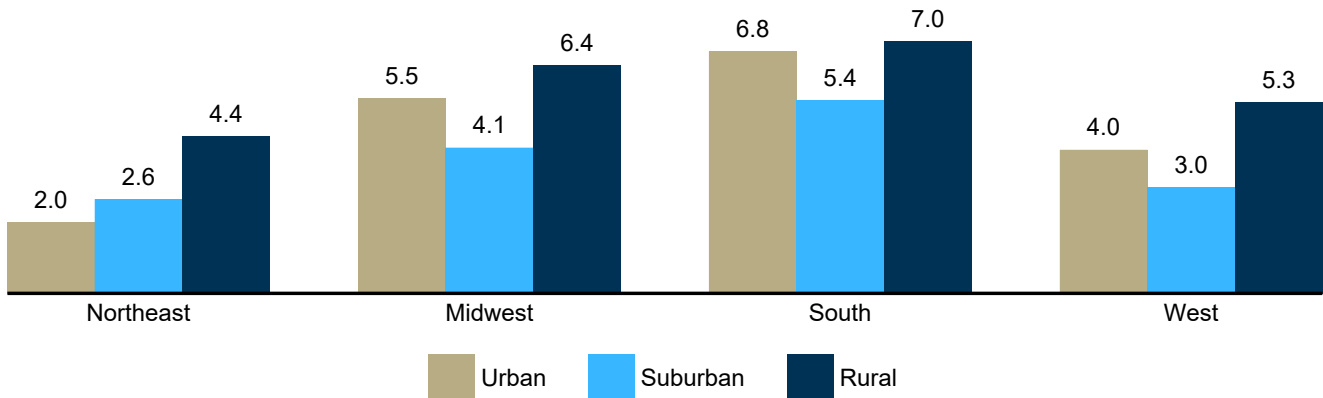
Notes: Asterisk indicates differences that are statistically significant at the 10 percent level. See Appendix Tables E.8–E.10 for estimates by bank account ownership and household characteristics and for selected confidence intervals.

**Figure 7.5 Bank Credit Use by Metropolitan Status and Region, 2019 (Percent)**



Note: This figure does not display bank credit use for households where—to maintain confidentiality—the U.S. Census Bureau suppressed specific urban, suburban, or rural status (14.2 percent of households).

**Figure 7.6 Nonbank Credit Use by Metropolitan Status and Region, 2019 (Percent)**



Note: This figure does not display nonbank credit use for households where—to maintain confidentiality—the U.S. Census Bureau suppressed specific urban, suburban, or rural status (14.2 percent of households).

2017 to 17.1 percent in 2019. The share of households that did not apply for bank credit because of concerns about being turned down increased slightly between 2017 and 2019. This increase holds even after changes in income and other characteristics of U.S. households between 2017 and 2019 were accounted for.<sup>81</sup>

### Bank Credit Demand Measures by Bank Account Ownership and Household Characteristics

Table 7.4 shows measures of bank credit demand by selected household characteristics. Unbanked households applied for bank credit at a substantially lower rate

(2.8 percent) than banked households (15.8 percent). Certain segments of the population, including lower-income households, less-educated households, older households, and Black households, also applied at lower rates than other segments. Lower-income households, Black households, working-age disabled households, and households with volatile income were more likely to have been denied bank credit or not to have been given as much credit as requested (among households that had applied) or not to have applied for bank credit because of concerns about being turned down.

### Saving for Unexpected Expenses or Emergencies

Savings can help households better manage unexpected expenses or emergencies, such as a sudden illness, job loss, or home or car repairs. The absence of savings can sometimes be a barrier to financial stability and resilience, particularly for consumers with uneven or low incomes. To gain insight into these issues, households were asked whether they set aside any money in the past 12 months that could be used for unexpected expenses or emergencies, even if the funds were later spent. Households were prompted to consider only funds that could have been easily spent, if necessary, and not retirement or other long-term savings.<sup>82</sup>

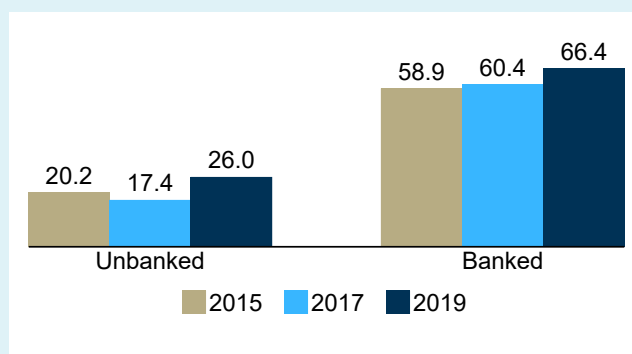
In 2019, 64.2 percent of households saved for unexpected expenses or emergencies in the past 12 months, up from 56.3 percent in 2015 and 57.8 percent in 2017.

As in previous years, rates of saving for unexpected expenses or emergencies in 2019 varied by household characteristics. For example, savings rates were lower among lower-income households, less-educated households, older households, Black households, Hispanic households, American Indian or Alaska Native households, and working-age disabled households. Across population segments, however, savings rates increased broadly between 2015 and 2019. (See Appendix Table E.14 for detailed estimates of savings

rates by household characteristics and for selected confidence intervals.)

In 2019, rates of saving for unexpected expenses or emergencies continued to be much lower among unbanked households than among banked households. Figure 7.7 shows that in 2019, 26.0 percent of unbanked households saved for unexpected expenses or emergencies, compared with 66.4 percent of banked households. However, the proportion of unbanked households that saved for unexpected expenses or emergencies was higher in 2019 than in previous years.<sup>83</sup>

**Figure 7.7 Rates of Saving for Unexpected Expenses or Emergencies by Bank Account Ownership and Year (Percent)**



<sup>81</sup> See Table 3.4 for the list of household characteristics. The wording of the survey question on whether a household did not apply for bank credit because of concerns about being turned down changed slightly from 2017 to 2019. See Appendix 2 for details.

<sup>82</sup> The question allows for funds to be later spent because a household might have experienced an unexpected expense or emergency that required the household to draw on its savings. In the 2015 and 2017 surveys, households that saved for unexpected expenses or emergencies were asked where they kept the money, selecting from a number of options, among which were savings accounts, checking accounts, and in the home or with family or friends. As discussed in Appendix 2, this follow-up question was not repeated in the 2019 survey.

<sup>83</sup> The 2015 and 2017 surveys found that unbanked households that saved kept their savings primarily in the home or with family or friends, whereas banked households that saved kept their savings primarily in savings or checking accounts.

**Table 7.4 Bank Credit Demand Measures by Bank Account Ownership and Household Characteristics, 2019**

For All Households, Row Percent

<b>Characteristics</b>	<b>Applied (Percent)</b>	<b>Among Households That Had Applied, Share That Were Denied or Not Given as Much Credit as Requested (Percent)</b>	<b>Did Not Apply Because of Concerns About Being Turned Down (Percent)</b>
All	15.1	17.1	6.3
<b>Bank Account Ownership</b>			
Unbanked	2.8	NA	9.9
Banked	15.8	16.7	6.1
<b>Family Income</b>			
Less Than \$15,000	6.7	32.0	8.8
\$15,000 to \$30,000	8.8	34.3	8.5
\$30,000 to \$50,000	13.1	21.7	8.1
\$50,000 to \$75,000	16.0	17.3	6.8
At Least \$75,000	20.4	11.3	3.7
<b>Education</b>			
No High School Diploma	7.6	29.3	6.8
High School Diploma	11.5	21.2	7.0
Some College	15.5	22.0	8.4
College Degree	18.8	11.2	4.2
<b>Age Group</b>			
15 to 24 Years	20.7	20.2	9.8
25 to 34 Years	20.3	20.4	9.4
35 to 44 Years	16.7	16.4	7.5
45 to 54 Years	17.6	17.5	7.2
55 to 64 Years	14.4	15.0	5.9
65 Years or More	8.7	13.4	2.7
<b>Race/Ethnicity</b>			
Black	11.0	26.1	10.9
Hispanic	14.4	22.7	8.8
Asian	17.1	16.1	3.8
American Indian or Alaska Native	15.7	NA	10.3
Native Hawaiian or Other Pacific Islander	NA	NA	NA
White	15.8	14.7	4.9
Two or More Races	17.9	NA	14.1
<b>Disability Status</b>			
Disabled, Aged 25 to 64	13.1	28.6	11.8
Not Disabled, Aged 25 to 64	17.7	16.4	6.9
<b>Monthly Income Volatility</b>			
Income Was About the Same Each Month	14.2	15.6	4.9
Income Varied Somewhat From Month to Month	17.9	19.5	10.7
Income Varied a Lot From Month to Month	18.6	27.2	14.6
Notes: NA indicates that the sample size is too small to produce a precise estimate. See Appendix Tables E.8–E.10 for estimates by other household characteristics.			

## Postscript: Potential Consequences of COVID-19 Pandemic on Household Use of Banking and Financial Services

### Overview

As this report is being written, changes in the labor market and financial landscape resulting from the COVID-19 pandemic are still unfolding, and the full effects of the pandemic are far from known. However, early evidence has shown a rapid and dramatic increase in the unemployment rate. Even individuals who did not lose their job may be working fewer hours and may therefore have reduced income. For the self-employed, revenue may be lost as economic conditions worsen.

As the next subsection indicates, one effect of these conditions is likely to be an increase in the unbanked rate from its level just before the pandemic.

The pandemic is also presenting particular challenges to households that rely on paper instruments to conduct financial transactions; that need or want to visit bank branches; that do not have an adequate savings cushion; or that do not have access to responsible, affordable credit.

### Potential Effects of the COVID-19 Pandemic on the Unbanked Rate

The COVID-19 pandemic is likely to contribute to a rise in the rate of unbanked households, meaning households in which no one has a checking or savings account at a bank or credit union (i.e., bank). The unbanked rate in 2019—5.4 percent—was the lowest since the survey began in 2009.

Changes in the socioeconomic circumstances of U.S. households over time have contributed to changes in the unbanked rate. During the Great Recession and its immediate aftermath, the unbanked rate rose from 7.6 percent in 2009 to 8.2 percent in 2011. Approximately one-third of this increase was associated with changes in the socioeconomic circumstances of U.S. households between 2009 and 2011. Then, from its peak in 2011 through 2019, the unbanked rate fell by 2.8 percentage points. Approx-

imately two-thirds of this decline was associated with changes in the socioeconomic circumstances of U.S. households between 2011 and 2019.

Unbanked rates have been consistently higher among certain segments of the population, including lower-income households, unemployed households, and households with volatile income. In 2019, roughly one-quarter of households with less than \$15,000 in income were unbanked, and the unbanked rate among unemployed households was almost four times as high as the unbanked rate among employed households. The unbanked rate in 2019 among households with income that varied from month to month was almost 50 percent higher than the unbanked rate among households with income that was about the same each month.

Of particular relevance to current economic conditions, the 2013 survey found that one in three households (34.1 percent) that became unbanked in the past 12 months experienced either a significant income loss or a job loss that contributed to their becoming unbanked.<sup>84</sup>

Taken together, these data suggest that the unbanked rate is likely to rise from its level just before the pandemic.<sup>85</sup>

### Potential Challenges in Conducting Financial Transactions, Visiting Bank Branches, Saving for Unexpected Expenses or Emergencies, and Obtaining Credit

#### Conducting Financial Transactions

The social distancing guidelines instituted in response to the COVID-19 pandemic may make the use of cash, paper checks, and money orders (i.e., paper instruments) to conduct financial transactions particularly challenging. Reliance on paper instruments may make it harder for households to receive government relief efforts. For example, households without direct

<sup>84</sup> See Federal Deposit Insurance Corporation, *2013 FDIC National Survey of Unbanked and Underbanked Households* (October 2014), [economicinclusion.gov/surveys/2013household/documents/2013\\_FDIC\\_Unbanked\\_HH\\_Survey\\_Report.pdf](https://economicinclusion.gov/surveys/2013household/documents/2013_FDIC_Unbanked_HH_Survey_Report.pdf).

<sup>85</sup> Given the unprecedented nature of the pandemic and the fact that its full economic effects are not yet known, we are unable to predict the magnitude or persistence of any increase in the unbanked rate. Because the *FDIC Survey of Household Use of Banking and Financial Services* is conducted every two years, the survey is not able to measure shorter-term fluctuations in unbanked rates.

deposit may experience delays in receiving government stimulus payments.<sup>86</sup>

The 2015 and 2017 surveys, which asked households how they paid bills and received income in a typical month, showed that use of paper instruments was much more common among unbanked households than among banked households.<sup>87</sup> For example, 66.1 percent of unbanked households in 2017 used cash to pay bills in a typical month, compared with 13.4 percent of banked households.<sup>88</sup> Unbanked households received income in a variety of ways, but the most prevalent method was by paper check or money order (45.4 percent in 2017), followed by cash (26.5 percent in 2017). In a typical month, about half of the unbanked households that received income by paper check or money order used a nonbank check casher to get the funds. For banked households, by far the most prevalent method of receiving income was direct deposit into a bank account (90.8 percent in 2017).

Nonbank P2P payment services could facilitate some payments electronically that households would otherwise execute with paper instruments. In 2019, however, only 8.8 percent of unbanked households used a nonbank P2P payment service, compared with 32.3 percent of banked households.

### Visiting Bank Branches

Social distancing guidelines may make bank branch visits more challenging.

Physical access to bank branches remains important despite the increase in the use of mobile banking and the decline in the use of bank tellers for account access.<sup>89</sup> Households may rely on bank branches not only to access an account but also for a variety of other activities, such

as resolving a problem or asking about products or services. In 2019, 83.0 percent of banked households spoke with a teller or other employee in person at a bank branch (i.e., visited a bank branch) in the past 12 months, and 28.4 percent visited ten or more times.

Bank branch visits were prevalent among certain segments of the banked population, including rural households, older households, and households with volatile income. For example, in 2019, 87.7 percent of rural banked households visited a branch, and 41.6 percent visited ten or more times. Because rural households have lower rates of home internet and smartphone access, they may find it harder to reduce their reliance on branches. In 2019, 14.8 percent of rural banked households had neither smartphone access nor home internet access, compared with 7.2 percent of urban banked households and 5.8 percent of suburban banked households. These findings suggest that for many banked households, branches and the range of services they provide play an important role.

### Saving for Unexpected Expenses or Emergencies and Obtaining Credit

The economic ramifications of the COVID-19 pandemic may particularly affect households without an adequate savings cushion or without access to responsible, affordable credit. In 2019, 35.8 percent of households did not save for unexpected expenses or emergencies. Moreover, 37 percent of adults could not cover an emergency expense of \$400 using only cash, savings, or a credit card paid in full on their next statement.<sup>90</sup> As a result, many households may need credit to handle unexpected changes in income and expenses. In 2017, however, one in five households (19.7 percent) likely did not have a credit score, which could make it harder for these households to obtain credit.<sup>91</sup>

<sup>86</sup> Individuals eligible for an Economic Impact Payment authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) but without direct deposit information on file with the Internal Revenue Service may have received their payment by paper check or prepaid card. Some individuals that received a paper check may have used a nonbank check casher to get the funds. As of May 31, 2020, 120.1 million payments were made by direct deposit, 36.6 million by paper check, and 3.6 million by prepaid card; see U.S. Government Accountability Office, *COVID-19: Opportunities to Improve Federal Response and Recovery Efforts*, Publication No. GAO-20-625 (June 25, 2020), 219, [gao.gov/assets/710/707839.pdf](https://www.gao.gov/assets/710/707839.pdf).

<sup>87</sup> As discussed in Appendix 2, questions on bill payment and income receipt in a typical month were not repeated in the 2019 survey.

<sup>88</sup> Use of cash for paying bills in a typical month was also higher among lower-income households, less-educated households, younger households, Black households, Hispanic households, American Indian or Alaska Native households, working-age disabled households, and households with volatile income.

<sup>89</sup> Use of mobile banking as a primary method of bank account access increased sharply, rising from 15.6 percent of banked households in 2017 to 34.0 percent of banked households in 2019. At the same time, use of bank tellers as a primary method of account access decreased from 24.3 percent in 2017 to 21.0 percent in 2019.

<sup>90</sup> See Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2019, Featuring Supplemental Data from April 2020* (May 2020), [federalreserve.gov/publications/files/2019-report-economic-well-being-us-households-202005.pdf](https://www.federalreserve.gov/publications/files/2019-report-economic-well-being-us-households-202005.pdf).

<sup>91</sup> The 2017 survey included questions to capture the full range of credit products that are included on credit records with the nationwide credit reporting agencies. Households that did not have at least one of these credit products in the past 12 months were likely not to have a credit score. For the list of credit products, see Federal Deposit Insurance Corporation, *2017 FDIC National Survey of Unbanked and Underbanked Households*. As discussed in Appendix 2, questions on many of these credit products were not repeated in the 2019 survey.

Certain population segments, including unbanked households, lower-income households, less-educated households, Black households, Hispanic households, American Indian or Alaska Native households, and working-age disabled households, were less likely to save or to have access to responsible, affordable credit. For

example, in 2019, nearly three in four unbanked households (74.0 percent) did not save for unexpected expenses or emergencies, and in 2017, 80.2 percent of unbanked households likely did not have a credit score, which could make it harder for these households to access responsible, affordable credit.



## Appendix 1. FDIC Technical Notes

The data for this report were collected through an FDIC-sponsored supplement (Supplement) to the Current Population Survey (CPS) for June 2019. The CPS, conducted by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS), is a monthly survey with about 59,000 households selected for interview each month. The survey is based on a scientific sample that is representative of the U.S. civilian noninstitutional population, aged 15 or older.

The CPS is the primary source of information on the labor force characteristics of the U.S. population, including employment, unemployment, and earnings statistics. It also collects data on a variety of demographic characteristics, such as age, sex, race, marital status, and educational attainment. Additional information about the CPS is provided on the Census Bureau's website.<sup>1</sup>

The CPS sample consists of independent samples in each state and the District of Columbia.<sup>2</sup> The sample size for each state is set to meet specific precision requirements for the unemployment rate estimate.<sup>3</sup>

### 2019 Supplement

The sixth Supplement was conducted in June 2019. Previous Supplements were conducted in January 2009, June 2011, June 2013, June 2015, and June 2017. A primary purpose of the Supplement is to estimate the percentage of U.S. households that are “unbanked” and to identify the reasons why. The Supplement has also collected information since 2009 on household use of a variety of bank and nonbank financial transaction services and credit products. The Supplement survey instrument used in 2019, attached as Appendix 3, included approximately 60 questions designed to provide this information.

The 2019 instrument was developed in conjunction with experts from a nationally recognized survey research firm. Consumer focus groups were conducted to assist in question development, and the survey instrument underwent two rounds of cognitive testing. For a detailed description of the 2019 revisions, see Appendix 2. Because of changes in the questionnaire, direct comparisons between 2019 and prior-year estimates are not possible in some cases.

### Eligibility and Exclusions

All households that participated in the June 2019 CPS were eligible to participate in the Supplement. However, only CPS respondents that specified they had some level of participation in their household finances *and* that responded “yes” or “no” to whether someone in their household had a checking or savings account (question B20) were considered Supplement respondents.<sup>4</sup>

### CPS Response Rate and Coverage Ratio

For the June 2019 CPS, a statistical sample of 59,320 survey-eligible households was selected from the sampling frame.<sup>5</sup> Of these households, 48,863 participated in the CPS, resulting in an 82 percent response rate. There were 10,457 nonrespondent eligible households, most of which refused to participate (83 percent). The remaining 17 percent consisted of households where (a) no one was home at the time of the interview, (b) the household respondent was temporarily absent, (c) the household could not be located, (d) language barriers prevented the interview, or (e) other reasons. Because of the availability of translators for many languages, only one percent of nonrespondents (106 households) did not participate as a result of language barriers.

<sup>1</sup> See, for example, U.S. Census Bureau, *Current Population Survey: Design and Methodology, Technical Paper 77* (October 2019), [census.gov/programs-surveys/cps/methodology/CPS-Tech-Paper-77.pdf](https://www.census.gov/programs-surveys/cps/methodology/CPS-Tech-Paper-77.pdf).

<sup>2</sup> California and New York State are each divided into two areas that have independent sample designs: Los Angeles County and the remainder of California, and New York City (five boroughs) and the remainder of New York State.

<sup>3</sup> The precision targets that are the basis for the sample design of the CPS are provided in Chapter 2-2 of U.S. Census Bureau, *Current Population Survey: Design and Methodology, Technical Paper 77*.

<sup>4</sup> CPS respondents that specified they had some level of participation in their household finances but that did not answer or responded “don't know” to question B20 would have also been considered Supplement respondents if they had used a bank prepaid card at the time of the survey (i.e., had responded “yes” to questions P10, PW10D, and PBUSE). However, no CPS respondent fell into this category. CPS respondents involved in their household finances include respondents in households where adults had separate finances or where the respondent was the only adult in the household. For households where adults shared finances or had a mix of shared and separate finances, respondents were asked to specify how much they participated in their household financial decisions. Only those that reported having at least some level of participation were considered to be involved in their household finances.

<sup>5</sup> For details on the sampling frame, refer to the technical documentation for the June 2019 Supplement, available at [census.gov/programs-surveys/cps/technical-documentation/complete.html](https://www.census.gov/programs-surveys/cps/technical-documentation/complete.html).

Coverage ratios for the CPS measure the percentage of persons in the target universe (the U.S. civilian noninstitutional population, aged 15 or older) that are included in the sampling frame.<sup>6</sup> The overall coverage ratio for the June 2019 CPS was 89 percent. The missing 11 percent (i.e., undercoverage) consists of three groups: (a) persons residing in households that are not in the CPS sampling frame, (b) noninstitutional persons not residing in households at the time the CPS was conducted, and (c) household residents that were not listed as household members for the CPS for various reasons. The coverage ratios varied across demographic groups. For example, among women aged 15 or older, the coverage ratio was 94 percent for Whites, 80 percent for Blacks, and 87 percent for Hispanics.

### Supplement Response Rate

Of the 48,863 households that participated in the CPS, 32,904 (67 percent) also participated in the Supplement (i.e., were Supplement respondents). Taking into account the nonresponse to the CPS, the overall response rate for the Supplement was 55 percent.

### CPS and Supplement Weights

The weights calculated by the Census Bureau for the CPS and the Supplement were adjusted to account for both nonresponse and undercoverage. These adjustments help correct any biases in estimates because of nonresponse and undercoverage, so that results are representative of the U.S. civilian noninstitutional population, aged 15 or older.<sup>7</sup>

### Supplement Item Nonresponse and Imputation

In the 2019 Supplement, nonresponse to individual survey questions (i.e., item nonresponse) was addressed through imputation, consistent with the Census Bureau's treatment of missing values in the CPS.<sup>8</sup> For a given Supplement question, item nonresponse occurred when a Supplement respondent refused to answer the question,

responded “don't know,” or dropped out of the Supplement before the question was administered (i.e., the household broke off).<sup>9</sup> Breakoffs were the most common source of item nonresponse.

The Census Bureau implemented “hot deck” allocation for nearly all missing values in the Supplement. For a household with a missing value to a given question, hot deck allocation replaced the missing value with a response to the same question provided by a household with similar characteristics, known as the donor household. In general, the characteristics used to identify donor households should be associated with the outcome variable, Y, and with the indicator variable for whether Y is missing. Identifying donors according to these criteria reduces both the bias and the variance of household estimates.<sup>10</sup> Examples of variables used to select donor households in the 2019 Supplement included household bank account ownership, household income, and the race and age of the householder/reference person (i.e., the person that owns or rents the home).

Some missing values were not imputed with hot deck allocation but were instead allocated according to an edit rule. For example, an edit rule was applied to households with (a) a missing value for having accessed a bank account with a bank teller in the past 12 months (question BA10A) and (b) a response of “no” for having visited a bank branch in the past 12 months (question BR10). For these households, the missing value for question BA10A was set to “no.”

For nearly all questions, item nonresponse due to a breakoff, a response of “don't know,” or a refusal was treated as a missing value and was imputed.<sup>11</sup> For questions A20 (satisfaction with banks) and A40 (clarity of banks' communications about account fees), “don't know” was considered a valid response. Therefore, missing values to

<sup>6</sup> The coverage ratio is the weighted number of persons in a demographic group (after weights are adjusted to account for household nonresponse) divided by an independent count of persons in that demographic group (obtained from the 2010 Census and updated with data on the components of population change, including births, deaths, and net migration).

<sup>7</sup> For details on the weighting procedure, refer to the technical documentation for the June 2019 Supplement, available at [census.gov/programs-surveys/cps/technical-documentation/complete.html](https://www.census.gov/programs-surveys/cps/technical-documentation/complete.html). The household weight is generally the weight of the householder/reference person; however, if the householder/reference person is a married male, the spouse's weight is used.

<sup>8</sup> A description of the methodology used by the Census Bureau to impute missing values in the CPS is provided in Chapter 3–4 of U.S. Census Bureau, *Current Population Survey: Design and Methodology, Technical Paper 77*.

<sup>9</sup> As mentioned earlier, 67 percent of the households that participated in the CPS were Supplement respondents. The remaining households (i.e., Supplement nonrespondents) had missing values for all Supplement questions. These households, which were not assigned a Supplement weight, did not have missing values imputed.

<sup>10</sup> See Rebecca R. Andridge and Roderick J. A. Little, A Review of Hot Deck Imputation for Survey Non-response, *International Statistical Review* 78, No. 1 (2010), 40–64, [dx.doi.org/10.1111%2Fj.1751-5823.2010.00103.x](https://dx.doi.org/10.1111%2Fj.1751-5823.2010.00103.x).

<sup>11</sup> The raw dataset, available at [census.gov/programs-surveys/cps/data.html](https://www.census.gov/programs-surveys/cps/data.html), contains an allocation flag for each Supplement question. For example, HXP10 is the allocation flag for question P10. Each allocation flag takes the value of -1 if the household is not in the universe for the Supplement question, one if the household has an allocated value (i.e., a missing value was imputed with hot deck allocation or allocated according to an edit rule), or two if the household does not have an allocated value (i.e., no missing value).

these questions due to a breakoff or refusal were imputed to one of the four explicit answer choices detailed on the questionnaire or to “don’t know.” Supporting the inclusion of “don’t know” as a valid response for these questions, unbanked households were much more likely to respond “don’t know” to these questions than they were to other Supplement questions. Moreover, qualitative research conducted by the FDIC found that many unbanked households lacked familiarity with banks.<sup>12</sup>

Missing values in previous Supplements were not imputed. The analysis presented in previous survey reports handled item nonresponse in different ways. In some cases, households with a missing value were dropped when computing an estimate, while in other cases, households with a missing value were retained and reported as “unknown.” The 2019 survey report contains many estimated changes in outcome variables between 2017 and 2019. To avoid bias in these estimates for cases where missing values had been retained in previous survey years, missing values for earlier survey years were dropped from the analysis in the 2019 report.<sup>13</sup>

### Analysis of Supplement Survey Results

#### Estimating the Share and Number of Unbanked Households

Using Supplement survey results, households were classified as unbanked if they responded “no” to question B20, “Do you or anyone else in your household have a checking or savings account now?”<sup>14</sup> The proportion of U.S. households that were unbanked was estimated by dividing the sum of the weights of the household respondents that were identified as being unbanked by the sum of the weights of all household respondents. For estimated proportions of unbanked households for demographic subgroups, the same computational approach was used and applied to respondent households in the subgroup.

In addition to presenting estimated proportions, the report includes estimated numbers of unbanked and banked households. The number of households for a given category is estimated as the sum of the weights of the sample households in that category. For the entire Supplement sample of 32,904 respondent households, the sum of the household weights is roughly 131.2 million, which would be an estimate of all U.S. households as of June 2019. The *Housing Vacancy Survey*, another survey related to the CPS that uses household controls to produce household weights, provided an estimate of 122.3 million as the number of households in June 2019.<sup>15</sup> This difference (131.2 million versus 122.3 million) is because household weights prepared by the Census Bureau for the CPS and for the Supplement are generally the reference person weights and are not adjusted to align with household count controls. Household count controls were not used to adjust household weights because the CPS is a person-level survey rather than a household-level survey; therefore, population controls were used only in the preparation of person weights. As a result, the sum of household weights for a category tends to be somewhat higher than the actual household count for the category.

#### Assigning Household Characteristics

This report also contains a number of tables for which unbanked rates and other household statistics are computed for subgroups defined by a particular socioeconomic or demographic characteristic. The household classification of a socioeconomic or demographic variable that is defined at the person level rather than the household level (e.g., race/ethnicity, education, or employment status) is based on the socioeconomic or demographic classification of the householder/reference person.<sup>16</sup>

<sup>12</sup> See Federal Deposit Insurance Corporation, *Bank Efforts to Serve Unbanked and Underbanked Consumers: Qualitative Research* (May 25, 2016), [fdic.gov/consumers/community/research/QualitativeResearch\\_May2016.pdf](https://www.fdic.gov/consumers/community/research/QualitativeResearch_May2016.pdf).

<sup>13</sup> In the 2019 report, missing values for prepaid card use; nonbank money order, check cashing, and international remittance use; mobile phone, smartphone, and home internet access; and overall nonbank credit use and specific nonbank credit product use (i.e., pawn shop loan, payday loan, tax refund anticipation loan, rent-to-own service, and auto title loan use) were dropped for 2017 and 2015. For the primary method used to access bank accounts, households with missing values for methods used to access bank accounts (but not on the primary method) were dropped in previous reports. In the 2019 report, missing values for the primary method used to access bank accounts for 2017 and 2015 were retained to preserve consistency with estimates in previous reports; dropping these missing values had an immaterial effect on the estimates. Likewise, for bank branch visits, households with missing values for having visited a bank branch (but not on the frequency of bank branch visits) were dropped in the 2017 report (the first time these questions were asked). In the 2019 report, missing values for the frequency of bank branch visits for 2017 were retained to preserve consistency with estimates in the 2017 report; dropping these missing values had an immaterial effect on the estimates.

<sup>14</sup> Of the 32,904 households that participated in the Supplement, 1,611 were unbanked. The skip patterns in the Supplement survey instrument (see Appendix 3) were such that certain questions were not asked of the 40 unbanked households that used a bank prepaid card at the time of the survey (i.e., unbanked households that responded “yes” to questions P10, PW10D, and PBUSE) but were asked of the remaining unbanked households. Accordingly, the analyses of previous and recent bank account ownership (questions UB10 and UB15), interest in having a bank account (question UB50), and reasons for not having a bank account (questions UB55 and UB60) in section 3 excluded the aforementioned 40 unbanked households. The analyses of satisfaction with banks (question A20) and clarity of banks’ communications about account fees (question A40) in section 3 also excluded these 40 households because they were asked different versions of the questions than other unbanked households (see Appendix 3).

<sup>15</sup> See U.S. Census Bureau, *Current Population Survey/Housing Vacancy Survey Table 13a Monthly Household Estimates: 2000 to Present, Vintage 2019* (July 28, 2020), [census.gov/housing/hvs/data/hist\\_tab\\_13a\\_v2019.xlsx](https://www.census.gov/housing/hvs/data/hist_tab_13a_v2019.xlsx).

<sup>16</sup> In a few cases, the householder/reference person is classified as an ineligible respondent for the CPS, but another eligible household resident participated in the CPS and in the Supplement. In these cases, we use the attributes of the eligible respondent to characterize the household.

The Census Bureau classifies households into different household types. For instance, a family household is a household that includes two or more people related by birth, marriage, or adoption and residing together, along with any unrelated people that may be residing there. Detailed definitions regarding household types can be found in the technical documentation on the CPS website.<sup>17</sup>

### Classifying Household Race and Ethnicity

Consistent with U.S. Office of Management and Budget (OMB) standards for the classification of race and ethnicity and with CPS tabulations of race and ethnicity, households are classified into the following racial and ethnic categories:<sup>18</sup>

- “Hispanic household” refers to a household for which the householder identifies as Hispanic or Latino regardless of race.
- “Black household” refers to a household for which the householder identifies as Black or African American alone and not Hispanic or Latino.
- “Asian household” refers to a household for which the householder identifies as Asian alone and not Hispanic or Latino.
- “American Indian or Alaska Native household” refers to a household for which the householder identifies as American Indian or Alaska Native alone and not Hispanic or Latino.
- “Native Hawaiian or Other Pacific Islander household” refers to a household for which the householder identifies as Native Hawaiian or Other Pacific Islander alone and not Hispanic or Latino.
- “White household” refers to a household for which the householder identifies as White alone and not Hispanic or Latino.

- “Two or More Races household” refers to a household for which the householder identifies as two or more races and not Hispanic or Latino.

### Classifying Working-Age Households With Disabilities

This report provides unbanked and other estimates for the population of households with disabilities. As in the 2013 report (the first time these estimates were presented) and later reports, households are categorized as follows: if the householder is between the ages of 25 and 64 and either (a) indicates “yes” to any of the six-question disability sequence in the CPS or (b) is classified as “not in labor force—disabled,” the household is classified as “disabled, aged 25 to 64.”<sup>19</sup> If the householder is between the ages of 25 and 64 and neither condition (a) nor (b) above is met, the household is classified as “not disabled, aged 25 to 64.” If the householder is not between the ages of 25 and 64, the household is classified as “not applicable (not aged 25 to 64).”<sup>20</sup>

### Metropolitan Statistical Area Definitions

This report presents estimates of unbanked rates and other outcomes of interest for larger metropolitan statistical areas (MSAs). MSA delineations are established by OMB. OMB published a revised set of MSA delineations in February 2013, based on data from the 2010 Census and the 2006–2010 American Community Surveys. The 2013 delineations superseded the earlier delineations based on 2000 Census data, first established by OMB in June 2003.<sup>21</sup>

As discussed in the technical documentation to the June 2015 Supplement, the Census Bureau phased the 2013 MSA delineations into the CPS (and phased out the 2003 delineations) over the period May 2014 to July 2015.<sup>22</sup> Housing units first included in the CPS before May 2014 were assigned metropolitan area codes based on the 2003 delineations. These metropolitan area codes consisted of metropolitan New England city and town area (NECTA) codes for New England states (Connecticut,

<sup>17</sup> See [census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html](https://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html).

<sup>18</sup> For the OMB standards for the classification of race and ethnicity, see Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity, *Federal Register* 62, No. 210 (October 30, 1997), 58782–58790, [govinfo.gov/content/pkg/FR-1997-10-30/pdf/97-28653.pdf](https://www.govinfo.gov/content/pkg/FR-1997-10-30/pdf/97-28653.pdf). For information on CPS tabulations of race and ethnicity, see [bls.gov/cps/definitions.htm](https://www.bls.gov/cps/definitions.htm). All estimates presented in the 2019 report, including 2017 and 2015 estimates provided for comparative purposes, use these racial and ethnic categories. Estimates presented in the 2009–2017 reports used different racial and ethnic categories; see Appendix 1 of the 2017 report, available at [economicinclusion.gov/downloads/2017\\_FDIC\\_Unbanked\\_HH\\_Survey\\_Report.pdf](https://www.economicinclusion.gov/downloads/2017_FDIC_Unbanked_HH_Survey_Report.pdf).

<sup>19</sup> Specifically, we use the variable PEMLR (monthly labor force recode) to determine if the respondent is not in the labor force because of a disability. Refer to the CPS Data Dictionary for detail on the six-question disability sequence, available at [census.gov/data/datasets/time-series/demo/cps/cps-basic.html](https://www.census.gov/data/datasets/time-series/demo/cps/cps-basic.html).

<sup>20</sup> A universally accepted method to identify the population with disabilities does not exist. Key estimates from the Supplement, such as the unbanked rate among disabled households, are qualitatively similar using alternative disability measures. For more information, see Appendix I of the 2013 report, available at [economicinclusion.gov/surveys/2013household/documents/2013\\_FDIC\\_Unbanked\\_HH\\_Survey\\_Appendix.pdf](https://www.economicinclusion.gov/surveys/2013household/documents/2013_FDIC_Unbanked_HH_Survey_Appendix.pdf).

<sup>21</sup> For the February 2013 delineations, see Office of Management and Budget, *OMB Bulletin Number 13-01* (February 28, 2013), [whitehouse.gov/sites/whitehouse.gov/files/omb/bulletins/2013/b13-01.pdf](https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/bulletins/2013/b13-01.pdf). For the June 2003 delineations, see Office of Management and Budget, *OMB Bulletin Number 03-04* (June 6, 2003), [whitehouse.gov/wp-content/uploads/2017/11/bulletins\\_b03-04.pdf](https://www.whitehouse.gov/wp-content/uploads/2017/11/bulletins_b03-04.pdf). In each year between 2003 and 2009, OMB published minor revisions to the MSA delineations, based on the Census Bureau’s annual population estimates.

<sup>22</sup> The technical documentation for the June 2015 Supplement is available at [census.gov/programs-surveys/cps/technical-documentation/complete.html](https://www.census.gov/programs-surveys/cps/technical-documentation/complete.html).

Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont) and MSA codes for other states.<sup>23</sup> Housing units first included in the CPS in May 2014 or later were assigned metropolitan area codes based on the 2013 delineations. These metropolitan area codes consisted only of MSA codes, as housing units in New England were given MSA codes as part of the phase-in of the 2013 delineations.

For the 2017 and 2019 survey data, all housing units were assigned metropolitan area codes based on the 2013 delineations. For the 2015 survey data, approximately three-quarters of housing units were assigned metropolitan area codes based on the 2013 delineations, while the remaining housing units were assigned metropolitan area codes based on the 2003 delineations. To facilitate MSA-level estimates using the 2015 survey data, a housing unit with an obsolete 2003 MSA code was assigned the corresponding 2013 MSA code.<sup>24</sup> A housing unit with a NECTA code was assigned the 2013 MSA code that comprised the majority of the NECTA population.<sup>25</sup> Overall, less than three percent of housing units in the 2015 survey data were affected by these adjustments.

For the 2013 and earlier survey data, all housing units were assigned metropolitan area codes based on the 2003 delineations. For these survey years, metropolitan area estimates are based on the 2003 delineations. Because of changes in geographic boundaries (e.g., the addition or subtraction of a county), some metropolitan area estimates that use 2015–2019 survey data are not directly comparable to the corresponding metropolitan area estimates that use 2013 and earlier survey data. In the appendix tables (published separately on [economicinclusion.gov](http://economicinclusion.gov)), a tilde (~) next to an MSA name indicates that the MSA was affected by a geographic

boundary change. All MSA names in the tables, however, reflect the 2013 delineations.

### **Statistical Precision of Estimates**

To indicate the precision of certain estimates, standard errors were calculated based on the variation of the estimates across a set of 160 sample replicates provided by the Census Bureau. Details of the calculation of standard errors based on sample replicates (and on the CPS methodology in general) are available from the Census Bureau.<sup>26</sup>

Estimated differences discussed in this report are significant at the 10 percent level, unless noted otherwise. That is, if the population difference were zero, then the probability of obtaining estimates having the observed difference or a larger difference would be no more than 10 percent and could be considerably less. For example, the estimated difference in the proportions of U.S. households that were unbanked between 2019 (5.4 percent) and 2017 (6.5 percent) is -1.1 percentage points. The estimated standard error of this difference (computed using the 160 replicates as described above) is 0.2 percentage points. Under the assumption that the true difference in the unbanked rate between 2019 and 2017 is zero, the probability of observing the -1.1 percentage point difference in our sample data is less than 0.1 percent (the p-value reported by statistical software is 0.000).

Certain 2019 report appendix tables include 90 percent confidence intervals in addition to point estimates. The confidence interval is one way to describe the uncertainty surrounding the estimate. For example, as shown in Appendix Table A.2, the estimated proportion of U.S. households that were unbanked in 2019 is 5.4 percent, and the 90 percent confidence interval around this estimate ranges from 5.1 to 5.6 percent.

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<sup>23</sup> Unlike MSAs, which are composed of one or more full counties or county equivalents, NECTAs are composed of cities and towns and often do not follow county boundaries.

<sup>24</sup> In the 2015 survey data, some housing units were located in counties populous enough to be identified, but no MSA code was assigned because these counties were not in an MSA based on the 2003 delineations (all of these housing units were first included in the CPS before May 2014). Because some of these counties were in an MSA based on the 2013 delineations, a 2013 MSA code was assigned to housing units located in such counties.

<sup>25</sup> For example, housing units with a NECTA code for Boston-Cambridge-Quincy, MA-NH, were assigned the MSA code for Boston-Cambridge-Newton, MA-NH. For each NECTA code in the 2015 survey data, at least 80 percent of the 2010 Census NECTA population (and the estimated July 1, 2015, NECTA population) resided within the corresponding MSA, and for the majority of the NECTAs this number was at least 90 percent.

<sup>26</sup> For a detailed description of the methodology used to calculate standard errors based on sample replicates, see Chapter 2–4 of U.S. Census Bureau, *Current Population Survey: Design and Methodology, Technical Paper 77*.

## Appendix 2. 2019 Revisions to the FDIC Survey of Household Use of Banking and Financial Services

The FDIC revised the survey instrument based on lessons learned from the administration of the 2017 survey, feedback received in response to the 2017 survey results, and an interest in topics not covered in past surveys. For example, the 2019 survey included new questions on use of nonbank bill payment services and peer-to-peer or person-to-person (P2P) payment services in the past 12 months; frequency of use of nonbank money orders, check cashing, bill payment services, and international remittances; satisfaction with banks; and perceptions of the clarity of banks' communications about account fees.

To accommodate new questions in the 2019 survey, several questions from the 2017 survey were dropped. For example, the 2019 survey did not include questions on use of a mobile phone for specific banking activities in the past 12 months (e.g., remote deposit capture) or on income receipt or bill payment in a typical month.

Specific revisions to the 2019 survey are described below.

### **Bank Account Ownership**

The question on previous bank account ownership (2017 Q3, 2019 UB10), which had been asked of all unbanked households in 2017, was asked in 2019 only of unbanked households that did not use a bank prepaid card at the time of the survey.

A question on which adults in the household had a bank account was broadened to include bank prepaid cards if the household used a bank prepaid card at the time of the survey (2017 Q2a, 2019 B30). A follow-up question on the specific types of accounts owned by each adult (2017 Q2b) was dropped, as was a question on whether a banked household did not have an account at some point in the past 12 months (2017 Q2e).

### **Interest in Having a Bank Account and Reasons for Not Having a Bank Account**

All questions in 2017 that had been asked of unbanked households were asked in 2019 of unbanked households that did not use a bank prepaid card at the time of the survey.

The 2019 survey included a new question on interest in having a bank account (2019 UB50). This question

replaced a question on the likelihood of opening a bank account in the next 12 months (2017 Q7).

Three response options on reasons for not having a bank account (2017 Q5, 2019 UB55) were revised:

- “Because bank account fees are unpredictable” was changed to “Because bank account fees are too unpredictable.”
- “Because banks do not offer products or services you need” was changed to “Because banks do not offer products and services you need.”
- “Because you do not have enough money to keep in an account” was changed to “Because you don’t have enough money to meet minimum balance requirements.”

Response options on the main reason for not having a bank account (2017 Q6, 2019 UB60) were revised to be consistent with 2019 UB55.

### **Prepaid Cards**

The introductory language for the questions on prepaid card use was revised. The second sentence, “Prepaid cards allow you or others, like relatives or a government agency, to load funds that can later be spent,” was changed to “Prepaid cards allow you or others, like relatives, an employer, or a government agency, to load or reload funds that can later be spent.” The fourth (final) sentence, “I am not asking about gift cards or debit cards linked to a checking account,” was shortened to “I am not asking about gift cards.”

The survey question on prepaid card sources (2017 Q111, 2019 PW10) included a revised list of sources and a new question structure for 2019 (separate questions for each source instead of “mark all that apply”).

The 2019 survey responses were:

- Employer to pay salary or wages
- Government agency
- Place or website that is not a bank
- Bank branch or bank website

The 2017 survey responses were:

- Bank location or bank's website
- Store or website that is not a bank
- Government agency
- Employer payroll card
- Family or friends
- Other (Specify)

For households that used bank prepaid cards in the past 12 months, a new, follow-up question asked whether these cards were used at the time of the survey (2019 PBUSE). For households that used government prepaid cards in the past 12 months, a follow-up question on the reasons for having these cards (2017 Q112) was dropped.

### **Nonbank Financial Transaction Services**

The 2019 survey included new questions on use of non-bank bill payment services and P2P payment services in the past 12 months. Specifically, all households were asked whether they paid bills through a service like Western Union or MoneyGram (2019 NBBP10). Households were instructed not to include services from a bank. In addition, all households were asked whether they used a website or app that is not a bank to send or receive money within the United States (2019 NBP2P). Examples provided were PayPal, Venmo, and Cash App.

While the 2017 survey asked about use of bank and non-bank international remittances in the past 12 months (2017 Q130 and 2017 Q135), the 2019 survey asked only about use of nonbank international remittances in the past 12 months (2019 NBRM10).

For households that used nonbank money orders, check cashing, bill payment services, or international remittances in the past 12 months, new, follow-up questions asked whether these services were used often, sometimes, or rarely (2019 NBMO15, 2019 NBCC15, 2019 NBBP15, and 2019 NBRM15). For households that used nonbank money orders often or sometimes, a new, follow-up question asked whether the money orders were used to pay bills (2019 NBMO16).

### **Satisfaction and Clarity**

The 2019 survey included new questions on satisfaction with banks (2019 A20) and clarity of banks' communications about account fees (2019 A40). Two versions of each question were administered depending on the population segment.

On satisfaction, unbanked households that had previously been banked and that did not use a bank prepaid card at the time of the survey were asked, "Now, think about your experience with the bank your household most recently had an account with. How satisfied were you with your bank?" Banked households, as well as unbanked households that used a bank prepaid card at the time of the survey, were asked, "Now, think about your experience with your household's primary bank. How satisfied are you with your bank?"

On clarity, unbanked households that did not use a bank prepaid card at the time of the survey were asked, "Now, think about banks in general. How clearly do you think banks communicate account fees?" Banked households, as well as unbanked households that used a bank prepaid card at the time of the survey, were asked, "How clearly do you think your bank communicates account fees?"

### **Methods Used to Access Bank Accounts**

The survey question on methods used to access bank accounts in the past 12 months (2017 Q2g, 2019 BA10) included a reworded list of methods and a new question structure for 2019 (separate questions for each method instead of "mark all that apply").

The 2019 survey responses were:

- Visiting a bank teller
- Using an ATM or bank kiosk
- Calling the bank
- Using a computer or tablet
- Using a mobile phone including an app
- Any other way (Specify)

The 2017 survey responses were:

- Bank teller
- ATM or bank kiosk
- Telephone banking through phone call or automated voice or touch tone
- Online banking with a laptop, desktop computer, or tablet such as an iPad
- Mobile banking with text messaging, mobile app, or internet browser or email on a mobile phone
- Other (Specify)

Additionally, 2019 BA10 was asked of banked households, unbanked households that used a bank prepaid card at

the time of the survey, and unbanked households that had a bank account in the past 12 months, while 2017 Q2g was asked only of banked households. Response options on the main account access method (2017 Q2h, 2019 BA15) were revised to be consistent with 2019 BA10.

A question on use of a mobile phone for specific banking activities in the past 12 months (2017 Q80) was dropped.

### **Bank and Nonbank Credit**

The question on use of tax refund anticipation loans in the past 12 months (2017 Q124, 2019 CNBTAX) was slightly modified: the clause, “or use a tax preparation service in order to receive your tax refund faster than the IRS would provide it,” in the 2017 question was replaced with “This is a way to receive your tax refund faster than the IRS would provide it.” A question on use of other types of loans or lines of credit from a payday lender, auto title lender, pawn shop, or check casher in the past 12 months (2017 Q127) was dropped.

Questions on whether a household had a store credit card; auto loan; mortgage, home equity loan, or home equity line of credit; student loan; or other personal loans or lines of credit from a company other than a bank in the past 12 months (2017 Q1600b-e and 2017 Q1600g) were dropped. To accommodate the removal of these questions, the wording of questions on whether a household had a Visa, MasterCard, American Express, or Discover credit card (2017 Q1600a, 2019 CCC10) or a personal loan or line of credit from a bank (2017 Q1600f, 2019 CPL10) in the past 12 months were changed somewhat.<sup>27</sup>

For households that had applied for a new credit card or a personal loan or line of credit at a bank in the past 12 months, the follow-up question on whether the household was turned down or not given as much credit as applied for (2017 Q163, 2019 CA15) was reworded:

- 2017 Q163: “In the past 12 months, did any lender or creditor turn down your or someone else in your household’s request for new credit or not give you as much credit as you applied for?”
- 2019 CA15: “Did the lender or creditor turn down this request for new credit or not give as much credit as you or someone in your household applied for?”

The question on whether a household thought about applying for a new credit card or a personal loan or line of credit at a bank but did not because of concerns about being turned down (2017 Q164, 2019 CA20) was also reworded:

- 2017 Q164: “Was there any time in the past 12 months that you or someone else in your household thought about applying for a new credit card, or a personal loan or line of credit at a bank, but changed your mind because you thought you might be turned down?”
- 2019 CA20: “Was there any time in the past 12 months that you or anyone in your household thought about applying for a new credit card, or a personal loan or line of credit at a bank, but didn’t apply because of concerns of being turned down?”

### **Saving for Unexpected Expenses or Emergencies, Income Receipt and Bill Payment in a Typical Month, and Falling Behind on Bill Payments**

For households that saved for unexpected expenses or emergencies in the past 12 months, the follow-up question on where the savings were kept (2017 Q171) was dropped.

Questions on income receipt and bill payment in a typical month (2017 Q140, 2017 Q141, and 2017 Q150) and on whether a household fell behind on bill payments in the past 12 months (2017 Q181) were dropped.

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<sup>27</sup> The wording of 2019 CCC10 and 2019 CPL10 is very similar to the wording of 2015 Q160 and 2015 Q161, respectively.



## Appendix 3. 2019 Survey Instrument

This month we are asking some additional questions about household finances.

*[B10 is asked only of households with more than one adult.]*

B10. Which of the following best describes how adults in your household handle finances?

- Share all finances [CONTINUE]
- Share some finances [CONTINUE]
- Share no finances at all [GO TO B20]
- I AM THE ONLY ADULT IN THE HOUSEHOLD (VOLUNTEERED) [GO TO B20]
- DK/REFUSE [CONTINUE]

*[B15 is asked only of households with adults that share all or some finances.] (B10=1,2)*

B15. How much do you participate in making financial decisions for your household?

- A lot [CONTINUE]
- Some [CONTINUE]
- Not at all [TERMINATE]
- DK/REFUSE [TERMINATE]

Now I'm going to ask some questions about accounts that you (IF OTHERS AGE≥15 FILL: or anyone in your household) might have at banks, including credit unions.

*[B20 is asked of all households.]*

B20. Do you (IF OTHERS AGE≥15 FILL: or anyone else in your household) have a checking or savings account now?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

Now I have a question about prepaid cards. Prepaid cards allow you or others, like relatives, an employer, or a government agency, to load or reload funds that can later be spent. Prepaid cards also allow you to withdraw cash from ATMs. I am not asking about gift cards.

*[P10 is asked of all households.]*

P10. In the past 12 months, that is since June 2018, did you (IF OTHERS AGE≥15 FILL: or anyone else in your household) use any prepaid cards?

- YES [CONTINUE]
- NO [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]
- DK/REFUSE [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]

[PW10 is asked only of households that used a prepaid card in the past 12 months.] (P10=1)

PW10. The next questions ask where prepaid cards that your household used in the past 12 months came from.

A. Did any of those prepaid cards come from an employer to pay salary or wages?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

B. Did any of those prepaid cards come from a government agency?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

C. Did any of those prepaid cards come from a place or a website that is not a bank? Do not include gift cards or cards that can only be used at a particular store or website.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

D. Did any of those prepaid cards come from a bank branch or a bank website? I am asking about prepaid cards that were opened at a bank or a bank website (IF PW10A=1 OR PW10B=1 OR PW10C=1 FILL:, which are different from the other prepaid cards I've just asked you about).

- YES [CONTINUE]
- NO [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]
- DK/REFUSE [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]

[PBUSE is asked only of households that used a bank prepaid card in the past 12 months.] (PW10D=1)

PBUSE. Thinking only about the prepaid cards that came from a bank branch or a bank website, do you (IF OTHERS AGE≥15 FILL: or anyone else in your household) still use a prepaid card from a bank?

- YES [GO TO NBMO10]
- NO [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]
- DK/REFUSE [IF B20=1, GO TO NBMO10; IF B20=2, GO TO UB10; ELSE TERMINATE]

[UB10 is asked only of households that do not have a bank account and do not still use a bank prepaid card.] (B20=2 AND NOT(PBUSE=1))

UB10. You mentioned that (IF NOT(OTHERS AGE≥15) FILL: you don't have a bank account.) (IF OTHERS AGE≥15 FILL: no one in your household has a bank account.) Have you (IF OTHERS AGE≥15 FILL: or anyone else in your household) ever had a bank account?

- YES [CONTINUE]
- NO [GO TO UB50]
- DK/REFUSE [GO TO UB50]

[UB15 is asked only of households that do not have a bank account and do not still use a bank prepaid card but had a bank account in the past.] (UB10=1)

UB15. In the past 12 months, that is since June 2018, have you (IF OTHERS AGE≥15 FILL: or anyone in your household) had a bank account?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[UB50 is asked only of households that do not have a bank account and do not still use a bank prepaid card.] (B20=2 AND NOT(PBUSE=1))

UB50. How interested are you (IF OTHERS AGE≥15 FILL: or anyone in your household) in having a bank account?

- Very interested [CONTINUE]
- Somewhat interested [CONTINUE]
- Not very interested [CONTINUE]
- Not at all interested [CONTINUE]
- DK/REFUSE [CONTINUE]

[UB55 is asked only of households that do not have a bank account and do not still use a bank prepaid card.] (B20=2 AND NOT(PBUSE=1))

UB55. There are different reasons people might not have a checking or savings account. Do any of the following reasons apply to you (IF OTHERS AGE≥15 FILL: or others in your household)? Do you not have an account...

A1. Because bank hours are inconvenient?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

A2. Because bank locations are inconvenient?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

B1. Because bank account fees are too high?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

B2. Because bank account fees are too unpredictable?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

C. Because banks do not offer products and services you need?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

D. Because you don't trust banks?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

E. Because you don't have enough money to meet minimum balance requirements?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

F. Because avoiding a bank gives more privacy?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

G. Because you cannot open an account due to personal identification, credit, or former bank account problems?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

H. Because of some other reason?

- YES (Specify) [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[UB60 is asked only of households that selected more than one reason in UB55A1–H.]

UB60. What is the main reason why no one in your household has an account? (Read only answers marked in UB55A1–H. Mark only one.)

- Bank hours are inconvenient [CONTINUE]
- Bank locations are inconvenient [CONTINUE]
- Bank account fees are too high [CONTINUE]
- Bank account fees are too unpredictable [CONTINUE]
- Banks do not offer products and services you need [CONTINUE]
- Don't trust banks [CONTINUE]
- Don't have enough money to meet minimum balance requirements [CONTINUE]
- Avoiding a bank gives more privacy [CONTINUE]
- Cannot open an account due to personal identification, credit, or former bank account problems [CONTINUE]
- Some other reason (Specify) [CONTINUE]
- DK/REFUSE [CONTINUE]

The next few questions are about other financial products or services that you might have used in the past 12 months.

[NBMO10 is asked of all households.]

NBMO10. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) go to some place other than a bank to purchase a money order?

- YES [CONTINUE]
- NO [GO TO NBBP10]
- DK/REFUSE [GO TO NBBP10]

[NBMO15 is asked only of households that used a nonbank money order in the past 12 months.] (NBMO10=1)

NBMO15. Was this often, sometimes, or rarely?

- OFTEN [CONTINUE]
- SOMETIMES [CONTINUE]
- RARELY [GO TO NBBP10]
- DK/REFUSE [GO TO NBBP10]

[NBMO16 is asked only of households that used nonbank money orders often or sometimes in the past 12 months.] (NBMO15=1,2)

NBMO16. Were these money orders used to pay bills?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[NBBP10 is asked of all households.]

NBBP10. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) pay bills through a service like Western Union or MoneyGram? Do not include services from a bank.

- YES [CONTINUE]
- NO [GO TO NBCC10]
- DK/REFUSE [GO TO NBCC10]

[NBBP15 is asked only of households that used a nonbank bill payment service in the past 12 months.] (NBBP10=1)

NBBP15. Was this often, sometimes, or rarely?

- OFTEN [CONTINUE]
- SOMETIMES [CONTINUE]
- RARELY [CONTINUE]
- DK/REFUSE [CONTINUE]

[NBCC10 is asked of all households.]

NBCC10. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) go to some place other than a bank to cash a check?

- YES [CONTINUE]
- NO [GO TO NBRM10]
- DK/REFUSE [GO TO NBRM10]

[NBCC15 is asked only of households that used a nonbank check casher in the past 12 months.] (NBCC10=1)

NBCC15. Was this often, sometimes, or rarely?

- OFTEN [CONTINUE]
- SOMETIMES [CONTINUE]
- RARELY [CONTINUE]
- DK/REFUSE [CONTINUE]

[NBRM10 is asked of all households.]

NBRM10. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) send money to family or friends living outside of the US through a service that is not a bank?

- YES [CONTINUE]
- NO [GO TO NBP2P]
- DK/REFUSE [GO TO NBP2P]

[NBRM15 is asked only of households that sent money abroad through a nonbank service in the past 12 months.] (NBRM10=1)

NBRM15. Was this often, sometimes, or rarely?

- OFTEN [CONTINUE]
- SOMETIMES [CONTINUE]
- RARELY [CONTINUE]
- DK/REFUSE [CONTINUE]

[NBP2P is asked of all households.]

NBP2P. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) use a website or an app that is not a bank to send or receive money within the US? Examples are PayPal, Venmo, or Cash App.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[CNBPDL is asked of all households.]

CNBPDL. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) take out a payday loan or payday advance from a provider other than a bank?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[CNBPWN is asked of all households.]

CNBPWN. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) pawn an item at a pawn shop? Do not include selling an unwanted item to a pawn shop.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[CNBTAX is asked of all households.]

CNBTAX. In the past 12 months, that is since June 2018, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) take out a tax refund anticipation loan? This is a way to receive your tax refund faster than the IRS would provide it.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[CNBATL is asked of all households.]

CNBATL. Auto title loans use a car title to borrow money for a short period of time. They are NOT loans used to purchase a car. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) take out an auto title loan?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[CNBRTO is asked of all households.]

CNBRTO. Some stores allow people to rent to own items such as furniture or appliances. We do not mean stores that offer installment plans or layaway plans. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) rent anything from a rent-to-own store because it couldn't be financed any other way?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[Read only for households that have a bank account or still use a bank prepaid card.] (B20=1 OR PBUSE=1)

**Now think about your bank accounts. (IF PBUSE=1 FILL: This includes checking, savings, and prepaid cards from a bank.)**

[B30 is asked only of households that (have a bank account or still use a bank prepaid card) and that have more than one individual aged 15 or older.] ((B20=1 OR PBUSE=1) AND OTHERS AGE≥15)

B30. Who in your household has an account? (Enter line number.)

- 1-16 [CONTINUE]
- DK/REFUSE [CONTINUE]

[Read only for households that do not have a bank account and do not still use a bank prepaid card but had a bank account in the past 12 months.] (UB15=1)

**Now think about your bank accounts that you (IF OTHERS AGE≥15 FILL: or anyone in your household) had in the past 12 months.**

[BA10 is asked only of households that have a bank account, still use a bank prepaid card, or had a bank account in the past 12 months.] (B20=1 OR PBUSE=1 OR UB15=1)

BA10. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) access an account (IF NOT(B20=1) AND PBUSE=1 FILL:, including a prepaid card that you got at a bank,) in any of the following ways?

A. Visiting a bank teller?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

B. Using an ATM or bank kiosk?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

C. Calling the bank?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

D. Using a mobile phone, including an app?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]



E. Using a computer or tablet?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

F. Any other way?

- YES (Specify) [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

[BA10X is asked only of households that (have a bank account, still use a bank prepaid card, or had a bank account in the past 12 months) and that did not indicate YES to any questions in BA10A-F.] (B20=1 OR PBUSE=1 OR UB15=1) AND (NOT(BA10A=1 OR BA10B=1 OR BA10C=1 OR BA10D=1 OR BA10E=1 OR BA10F=1))

BA10X. In the past 12 months, did you (IF OTHERS AGE≥15 FILL: or anyone in your household) access a bank account in any way?

- YES [GO TO BR10]
- NO [GO TO BR10]
- DK/REFUSE [GO TO BR10]

[BA15 is asked only of households that selected more than one access method in BA10A-F.]

BA15. What was the most common way that you (IF OTHERS AGE≥15 FILL: or anyone in your household) accessed an account? (Read only answers marked in BA10A-F. Mark only one.)

- Visiting a bank teller? [CONTINUE]
- Using an ATM or bank kiosk? [CONTINUE]
- Calling the bank? [CONTINUE]
- Using a mobile phone, including an app? [CONTINUE]
- Using a computer or tablet? [CONTINUE]
- Other (Specify) [CONTINUE]
- DK/REFUSE [CONTINUE]

[BR10 is asked only of households that did not access an account by visiting a bank teller.] (NOT(BA10A=1))

BR10. (IF B20=2 AND NOT(PBUSE=1) FILL: Even though you don't currently have an account with a bank,) In the past 12 months, have you (IF OTHERS AGE≥15 FILL: or anyone in your household) spoken with a teller or other employee in person at a bank branch?

- YES [CONTINUE]
- NO [GO TO A20]
- DK/REFUSE [GO TO A20]

*[BR15 is asked only of households that spoke with a teller or other employee in person at a bank branch in the past 12 months.]*  
(BA10A=1 OR BR10=1)

BR15. How many times have you (IF OTHERS AGE≥15 FILL: or anyone in your household) spoken with a teller or other employee in person at a bank branch in the past 12 months?

- 1 to 4 times in the past 12 months [CONTINUE]
- 5 to 9 times in the past 12 months [CONTINUE]
- 10 or more times in the past 12 months [CONTINUE]
- DK/REFUSE [CONTINUE]

*[A20 is asked only of households that have a bank account, still use a bank prepaid card, or had a bank account in the past.]*  
(B20=1 OR PBUSE=1 OR UB10=1)

A20. (IF B20=1 OR PBUSE=1 FILL: Now, think about your experience with your household's primary bank. How satisfied are you with your bank?) (IF UB10=1 FILL: Now, think about your experience with the bank your household most recently had an account with. How satisfied were you with your bank?)

- Very satisfied [CONTINUE]
- Somewhat satisfied [CONTINUE]
- Not very satisfied [CONTINUE]
- Not satisfied at all [CONTINUE]
- DK/REFUSE [CONTINUE]

*[A40 is asked of all households.]*

A40. (IF B20=1 OR PBUSE=1 FILL: How clearly do you think your bank communicates account fees?) (IF B20=2 AND NOT(PBUSE=1) FILL: Now, think about banks in general. How clearly do you think banks communicate account fees?)

- Very clearly [CONTINUE]
- Somewhat clearly [CONTINUE]
- Not very clearly [CONTINUE]
- Not clearly at all [CONTINUE]
- DK/REFUSE [CONTINUE]

**The next few questions are about how people borrow money, and types of credit products or loans that you might have.**

*[CCC10 is asked of all households.]*

CCC10. In the past 12 months, have you (IF OTHERS AGE≥15 FILL: or anyone in your household) had a credit card from Visa, MasterCard, American Express, or Discover? Please do not include debit cards.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

*[CPL10 is asked of all households.]*

CPL10. In the past 12 months, have you (IF OTHERS AGE $\geq$ 15 FILL: or anyone in your household) had a personal loan or line of credit from a bank? Do not include student loans, or loans taken out to make major purchases like a house or car.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

*[CA10 is asked of all households.]*

CA10. In the past 12 months, that is since June 2018, did you (IF OTHERS AGE $\geq$ 15 FILL: or anyone in your household) apply for a new credit card, or a personal loan or line of credit at a bank?

- YES [CONTINUE]
- NO [GO TO CA20]
- DK/REFUSE [GO TO CA20]

*[CA15 is asked only of households that applied for a new credit card, or a personal loan or line of credit at a bank, in the past 12 months.] (CA10=1)*

CA15. Did the lender or creditor turn down this request for new credit or not give as much credit as you (IF OTHERS AGE $\geq$ 15 FILL: or someone in your household) applied for?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

*[CA20 is asked of all households.]*

CA20. Was there any time in the past 12 months that you (IF OTHERS AGE $\geq$ 15 FILL: or anyone in your household) thought about applying for a new credit card, or a personal loan or line of credit at a bank, but didn't apply because of concerns of being turned down?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

**Now I'm going to ask about saving money.**

*[S10 is asked of all households.]*

S10. Even if you later spent it, did you (IF OTHERS AGE $\geq$ 15 FILL: or anyone in your household) set aside any money in the past 12 months that could be used for unexpected expenses or emergencies? I'm only asking about funds that could be easily spent if necessary, and am not asking about retirement or other long-term savings.

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

**Now I have a few final questions.**

*[H10 is asked of all households.]*

H10. Which best describes your household's income over the past 12 months? *(Mark only one.)*

- Income is about the same each month [CONTINUE]
- Income varies somewhat from month to month [CONTINUE]
- Income varies a lot from month to month [CONTINUE]
- DK/REFUSE [CONTINUE]

*[H20 is asked of all households.]*

H20. Do you (IF OTHERS AGE≥15 FILL: or anyone else in your household) currently own or have regular access to a mobile phone?

- YES [CONTINUE]
- NO [GO TO H40]
- DK/REFUSE [GO TO H40]

*[H30 is asked only of households that have a mobile phone.] (H20=1)*

H30. Are any of these mobile phones a smartphone with features to access the Internet, send emails, and download apps?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

*[H40 is asked of all households.]*

H40. Do you (IF OTHERS AGE≥15 FILL: or anyone else in your household) currently have regular access to the Internet at home, using a desktop, laptop, or tablet computer?

- YES [CONTINUE]
- NO [CONTINUE]
- DK/REFUSE [CONTINUE]

<END>





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