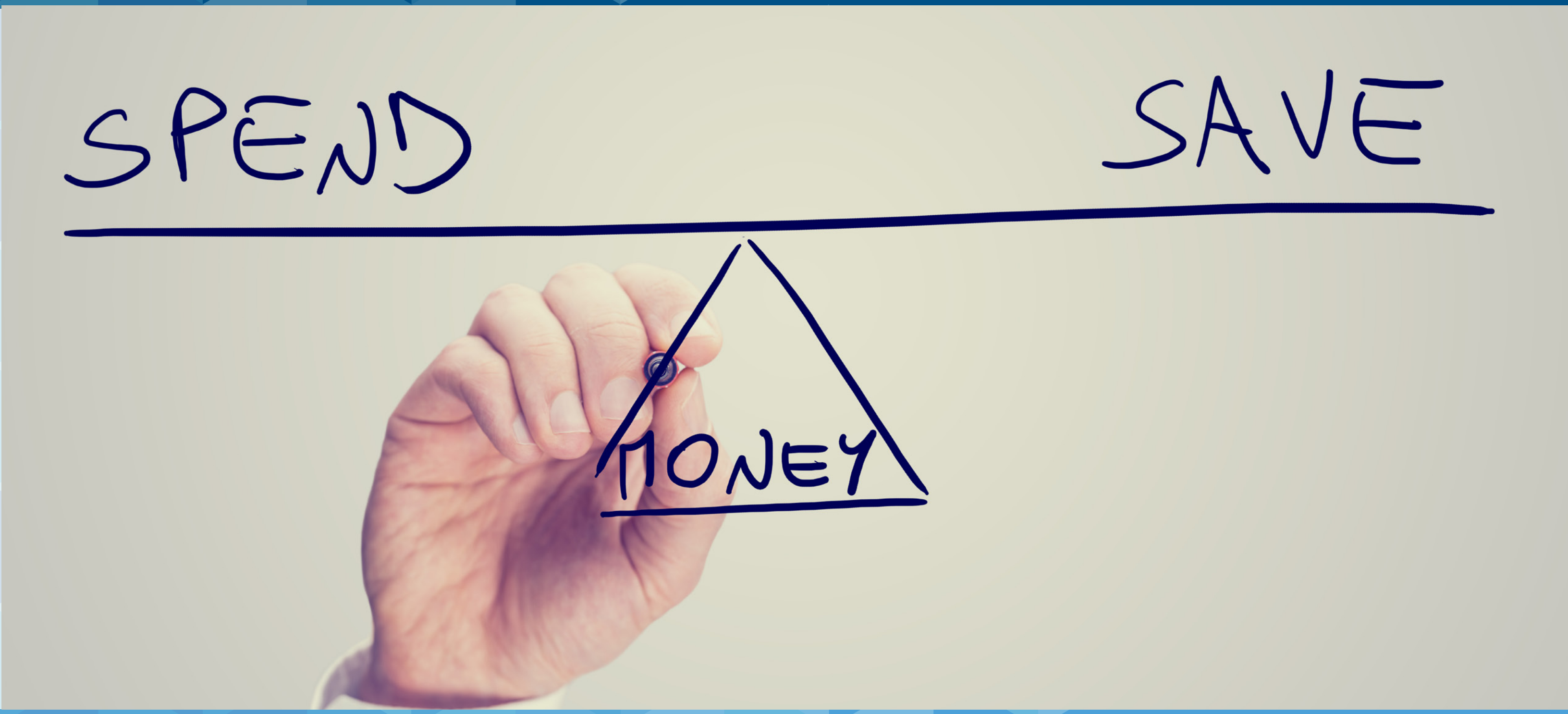
NATIONAL DISABILITY INSTITUTE



Banking Status and Financial Behaviors of Adults with Disabilities

Findings from the FDIC National Survey of Unbanked and Underbanked Households

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April 30, 2015

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A Letter from National Disability Institute

National Disability Institute (NDI) is pleased to present *Banking Status and Financial Behaviors of Adults with Disabilities: Findings from the 2013 FDIC National Survey of Unbanked and Underbanked Households*. Coupled with NDI's 2014 report, *Financial Capability of Adults with Disabilities*,[1] there is a growing body of evidence that Americans with disabilities are experiencing less financial independence and economic stability than their peers without disabilities.

Participation in mainstream financial services is a critical indicator of the economic inclusion of people with disabilities; yet the findings in this report indicate that significant challenges still remain as 46.5% of households headed by working-age adults with disabilities are identified as unbanked or underbanked.

Included in this report are recommendations for policy and program changes to address the financial challenges that individuals with disabilities identify as barriers to being fully banked, a key aspect of economic inclusion.

To advance the economic inclusion of people with disabilities, NDI asks policy makers, financial institutions, and community organizations to adopt and implement three core principles:

1. Value all individuals across the spectrum of disability as productive contributors to the vitality of communities.
2. Support self-determination and informed decision making that empowers individuals with disabilities to have choices which respect their individual preferences and needs.
3. Encourage collaboration among all stakeholders, including people with disabilities and the public and private sectors to design, implement, and improve opportunities for individuals with disabilities to participate in the economic mainstream and advance their financial independence.

NDI envisions a world where people with disabilities have the same opportunities to achieve financial stability and independence as those without disabilities. This report provides an important step and vital data to help make this a reality.

We thank the Federal Deposit Insurance Corporation (FDIC) for its inclusion of survey questions to identify respondents with disabilities in the *2013 FDIC National Survey of Unbanked and Underbanked Households*.[2] The new knowledge gained enables us to better understand the banking status and financial behaviors of households headed by adults with disabilities. We would also like to thank JPMorgan Chase whose generous support made this groundbreaking report possible.

Michael Morris
Executive Director
National Disability Institute

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[1] National Disability Institute, "Financial Capability of American Adults Reporting a Work-Related Disability," http://www.realeconomicimpact.org/data/files/reports/NDI_financial_capability_report_july_2014.pdf
[2] FDIC, "2013 FDIC National Survey of Unbanked and Underbanked Households," https://www.fdic.gov/householdsurvey/2013report.pdf

Executive Summary

Since 2009, the Federal Deposit Insurance Corporation (FDIC) has conducted a biennial national survey, in collaboration with the U.S. Census Bureau on unbanked and underbanked households, created in part as a response to a recognition that "public confidence in the banking system is strengthened when banks effectively serve the broadest possible set of consumers."[3] To increase public confidence in the banking system, the *2013 FDIC National Survey of Unbanked and Underbanked Households* has been used to inform decisions that will increase the participation of unbanked and underbanked households in the financial mainstream. The 2013 FDIC report was the first to publicly provide information about the population of households headed by working-age adults with and without disability, including account ownership; use of prepaid debit cards; use of alternative financial services; mobile phone, smartphone and online access to accounts; as well as use of other banking methods.

The full economic inclusion of all Americans, including those with disabilities, requires access to income, safe and affordable financial services, opportunities to save and to build assets, and personal control over finances. Being banked (i.e., having access to an account at a federally insured institution) is a critical component of economic inclusion and "provides opportunities for households to deposit funds securely, conduct basic financial transactions, accumulate savings for emergencies and long-term security needs, build credit history, and access credit on fair and affordable terms."[4] Banks and credit unions in America offer a wide range of options: teller banking, mobile banking, online-only banking, even text banking. Yet, 7.7% of U.S. households were unbanked in 2013 and 20% were underbanked (i.e., alternative financial services (AFS) were used outside of the banking system in addition to bank account ownership).[5] This translates to approximately 16.7 million adults and 8.7 million children living in unbanked households, and 50.9 million adults and 16.6 million children living in underbanked households.[6] Households headed by individuals with disabilities are unbanked and underbanked at even higher rates, with 18.4% unbanked and 28.1% underbanked, as discussed throughout this report.

In this report, National Disability Institute expands on the data provided in the recent FDIC report, with special attention to households headed by working-age adults with disability by doing the following:

- Contextualizing comparisons between households headed by working-age adults with and without disability provided by FDIC;
- Providing novel comparisons between households headed by working-age adults with and without disability using FDIC data;
- Analyzing whether households headed by working-age adults with and without disability significantly differ on each indicator of financial well-being, and
- Providing recommendations to move individuals with disabilities from unbanked and underbanked to fully banked status, thereby fostering their economic inclusion.

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[3] Ibid.
[4] Ibid.
[5] Ibid.
[6] Ibid.

People with disabilities comprise 12-19% of the U.S. population and face substantial economic challenges, such as lower rates of participation in the labor force and lower income, compared to those living without disabilities.[7] Furthermore, households headed by working-age adults with disability significantly differ from households headed by those without disability on several aspects of banking status and financial well-being. Major findings include that households headed by working-age adults with disability are:

1. **Banking Status**
   - More likely to be unbanked or underbanked
   - More likely to be longer term unbanked
   - More likely to open an account to receive direct deposit paychecks or other income, such as Social Security benefits
   - Less likely to report future plans to join or rejoin the banking system when unbanked

2. **Checking and Savings Account Ownership, and Automatic Transfers**
   - Less likely to have both checking and savings accounts
   - Less likely to have a savings account
   - More likely to use direct deposit/automatic transfer

3. **Prepaid Debit Cards**
   - More likely to have ever used a prepaid card
   - More likely to use prepaid cards for receiving direct deposit of paycheck or other income, such as Social Security benefits
   - Less likely to acquire and reload prepaid cards at banks

4. **Alternative Financial Services**
   - More likely to have ever used alternative financial services
   - More likely to use transaction and credit alternative financial services
   - More likely to use more than one alternative financial service

5. **Access to Mobile Phones and the Internet**
   - Less likely to have access to mobiles phones, including smartphones
   - Less likely to use mobile banking
   - Less likely to have Internet access

6. **Banking Methods**
   - Less likely to use online banking
   - More likely to use bank tellers, ATM/kiosk, or telephone as primary method for account access

[7] US Census Bureau, "Americans With Disabilities: 2010," http://www.census.gov/prod/2012pubs/p70-131.pdf

The fragile financial situation of households headed by working-age adults with disability is reflected in their underutilization of the banking system, greater use of alternative financial services, and limited access to modern banking technologies through mobile and online services. In other words, over 5 million households headed by working-age adults with disability are unbanked or underbanked, and missing out on the financial security and benefits of participation in the banking system provided by federally insured financial institutions. The exclusion of people with disabilities from the banking system is reflective of their exclusion in other areas of community life.

To aid in the forging of relationships between federally insured financial institutions and people with disabilities and their families, NDI offers the following recommendations mirroring a three-part evaluation framework offered by the FDIC Advisory Committee on Economic Inclusion, originally developed for increasing inclusion via mobile financial services[8]:

1. **Access: Drawing Consumers with Disabilities into Mainstream Financial Services**
    a. Create *The ADA@25 FDIC Financial Toolkit* to Help Financial Institutions Bring People with Disabilities into the Economic Mainstream

Participation in mainstream financial services is a critical indicator of economic inclusion; yet the findings in this report indicate that significant challenges still remain. Taking a leadership role, the FDIC could dedicate an upcoming meeting of the Advisory Committee on Economic Inclusion to: "*Access: Drawing Consumers with Disabilities into Mainstream Financial Services.*" An agenda could feature the inclusive efforts of financial institutions to bring individuals with disabilities into the financial mainstream, and a panel of leaders of national disability organizations could provide further insights on financial service needs.

An outcome from this targeted agenda and dialogue would be to establish a time-limited workgroup of the Advisory Committee to create the *ADA@25 FDIC Financial Toolkit,* to help financial institutions improve access and participation of people with disabilities in the financial mainstream. The Toolkit would offer examples of inclusive strategies from financial institutions in collaboration with community-based organizations and/or the government that improves the availability of:

- basic and auxiliary financial products and services,
- financial education and outreach activities,
- customer engagement and support at a retail level (on-site and online),
- disability inclusive marketing approaches, and
- quality improvement processes that build on customer feedback.

As a result of the Toolkit-driven activities, future meetings of the Advisory Committee could provide updated status reports on effective inclusive strategies led by financial institutions nationwide.

[8] FDIC, "Assessing the Economic Inclusion Potential of Mobile Financial Services," https://www.fdic.gov/consumers/community/mobile/

b. Lead by Example: Financial Institutions As Model Employers of People with Disabilities

A new final rule of Section 503 of the Rehabilitation Act of 1973 creates new affirmative obligations of federal contractors to recruit, hire, promote and retain individuals with disabilities, with a nationwide 7% utilization goal for hiring qualified individuals with disabilities.[9] Because depository institutions meet the definition of federal contractors under this rule, they could lead by example as model employers by expanding internship opportunities and increasing recruitment efforts, and adopting a central pool of funds to affirmatively meet accommodation needs as a best practice to improve hiring outcomes. In doing so financial institutions, as model employers, would build trust with the target audience and their families and friends while better meeting the needs of the disability community.

2. **Sustainability: Keeping Consumers in the Banking System**
    a. Integrate Financial Capability Skills Building within the Workforce Development Service Delivery System

A new law, the Workforce Innovation and Opportunity Act (WIOA), directs the public workforce development system to support job seekers, with and without disabilities, in succeeding in the labor market, and assists employers by identifying the skilled workers they need to compete in a global economy. Congress has also included the provision of "financial literacy" as a component of allowable services to be provided to an individual "to obtain or retain employment." For the FDIC and banks, there is an unprecedented opportunity to bring to American Job Centers (AJCs), in every community, coordinated resources that improve the ability of individuals served to make better informed financial decisions. Financial education and counseling/coaching provided to the job seeker could improve access to safe and secure financial products and services and positively influence financial behaviors.

b. Foster ABLE Accounts for Down Payments on Financial Inclusion

The ABLE (Achieving a Better Life Experience) Act, was signed into law on December 19, 2014. ABLE Accounts present a new opportunity to save money and remain eligible for federally-funded means-tested programs and benefits. For the FDIC and for financial institutions nationwide, the next 24 months is the optimum time to learn more about the rules to be established by each state regarding tax-free savings and disbursements for qualified disability expenses. Financial institutions may market existing products and services or may decide to modify products and services to be sensitive to the target market, creating a new pathway to mainstream financial services for people with disabilities. Treasury and the IRS, which have joint responsibility for development of the proposed rules, could help define and support safe, secure savings and disbursement options with the advice of the FDIC.

3. **Growth: Deepening Banking Relationships and Fostering Financial Empowerment**
    a. Target the Economic Inclusion Potential of Mobile Financial Services

As smartphone penetration is growing and with the resulting access to the Internet, working-age adults with disabilities are a likely target to build and deepen a banking relationship though mobile financial

[9] Exec. Order No. 11246, 3 C.F.R. (2014). http://www.dol.gov/ofccp/regs/statutes/eo11246.htm.

services. The multiple advantages of mobile financial services requires education and outreach activities to increase customer awareness and understanding of the value proposition. These may include cost savings from reduced fees, convenience overcoming transportation barriers, speed to make timely bill payments, and informed financial decision-making with real-time account balance access and alerts. Challenges to be addressed include long-held concerns regarding security and fraud protection, as well as current banking use behaviors that favor personal interaction at retail outlets.

To realize the economic inclusion potential of mobile financial services, financial institutions must proactively consider accessibility issues when they design and develop products and services for mobile and web-enabled platforms. The recognition of mobile financial services as a pathway to economic inclusion presents a unique opportunity for further conversation between the Federal Communications Commission (FCC) and FDIC on the affordability and accessibility of broadband.

b. Generate New Financial Knowledge on People with Disabilities to Inform Pathways to Economic Inclusion

Changes to the FDIC supplement and report may yield additional critical information for understanding the banking status and financial behaviors of households with disability. Future supplements could consider households with disability as a whole, not solely the disability status of the householder, as well as household members younger than 15 years. Considering many people with disabilities receive government benefits, future supplements could distinguish between the receipt of benefits and other income. Also, the FDIC supplement could ask about whether respondents with disability in the household know about and have an ABLE account, and open-ended data for questions in which "other" was an option could be analyzed by disability status. Future research could measure the accessibility of financial products and services, and include smaller-scale qualitative and collaborative research with people with disabilities to gain useful guidance on creating more inclusive measures of financial status.

These recommendations represent first steps toward an increased focus on improving the economic inclusion of individuals with disabilities.

When federally insured depository institutions effectively serve the broadest possible set of consumers, public confidence is strengthened in the banking system, which ultimately benefits everyone. This includes the approximately 8.9 million adults and 2.4 million children living in unbanked or underbanked households headed by working-age adults with disability. Findings from the FDIC report present an opportunity for banks to forge new and expanded relationships with the disability community by creating and marketing products and services that are responsive to the needs of people with disabilities. The knowledge gained by these findings and the recommendations above represent new opportunities to define pathways to full economic inclusion for this financially vulnerable population.

The time to focus efforts toward the economic inclusion of persons with disabilities is now. Whether a working-age adult with disability securing new employment or opening an ABLE account, multiple new federal policies are paving the way for individuals with disabilities to establish a mainstream banking relationship. It's up to America's financial institutions to focus on **access:** drawing consumers into the banking system**; sustainability:** keeping consumers in the banking system; and **growth:** deepening banking relationships to positively impact the banking status and financial behaviors of adults with disabilities. With FDIC leadership, we are optimistic that our nation's youth and adults with disabilities can build their trust and confidence with a mainstream bank in their community that invests in a long-term customer relationship.

With the celebration of the 25th Anniversary of the Americans with Disabilities Act (ADA@25) just a few months away, this report's findings and recommendations should serve as a call to action for government, financial institutions, and community organizations. Collectively, we can do more to advance the economic inclusion and financial well-being of individuals with disabilities.

Introduction

As Americans continue to recover from the Great Recession, the financial security, stability, capability and overall financial health of American households are of great interest to policymakers and financial service providers. Although Americans' perceptions of the economy and their household finances are improving, many households (55%) still struggle to make ends meet, break even or have more expenditures than income each month.[10] Particular demographic and household characteristics put some households in an even more precarious financial situation than the average American, including individuals looking for work and those earning less than $25,000 per year.[11] Similarly, households in the bottom wealth quintile are less likely to experience gains in wealth than households in higher quintiles.[12]

According to the Center for Financial Services Innovation, indicators of financial health broadly include (i) smooth and effective management of day-to-day financial life, (ii) resilience in the face of life's inevitable ups and downs, and (iii) capacity to seize opportunities leading to financial security and mobility.[13] Furthermore, the financially healthiest consumers have the highest rates of checking account, savings account, and credit card ownership, whereas consumers that are classified as "financially coping" struggle with day-to-day financial management, and "financially vulnerable" consumers have less knowledge of and control over their daily financial situations, have difficulty making ends meet, and use alternative financial services at higher rates. The findings of this report suggest that persons with disability are financially coping, at best, and are often financially vulnerable.

When households open an account at a federally insured depository institution, they establish a relationship that anchors them in the economic mainstream. These relationships allow the consumer to deposit funds securely, access credit on fair and affordable terms, and accumulate savings. Financial decisions to go outside a federally insured depository institution do not offer the same protections, often include additional costs for basic financial transactions, and can trap the individual in a spiral of increased debt from a loan with predatory rates and conditions. Recent work by the Federal Deposit Insurance Corporation (FDIC), in collaboration with the U.S. Census Bureau, indicates that in 2013 one in 13 households (7.7%) was unbanked. This represents nearly 9.6 million households nationwide composed of approximately 16.7 million adults and 8.7 million children. What we also know is that one in five households (20%) were underbanked, meaning that although they had a bank account they also used alternative financial services as varied as check cashing stores, pawn shops, payday lenders and rent-to-

[10] Pew Charitable Trusts, "Americans' Financial Security: Perception and Reality,"
http://www.pewtrusts.org/~/media/Assets/2015/02/FSM-Poll-Results-Issue-Brief_ARTFINAL_v3.pdf
[11] Ibid.
[12] Pew Charitable Trusts, "The Precarious State of Family Balance Sheets,"
http://www.pewtrusts.org/~/media/Assets/2015/01/FSM_Balance_Sheet_Report.pdf
[13] Center for Financial Services Innovation, "Understanding and Improving Consumer Financial Health in America,"
http://www.cfsinnovation.com/Document-Library/Understanding-Consumer-Financial-Health

own programs. Approximately 67.6 million adults and 25.3 million children live in unbanked or underbanked households.[14]

The challenges facing all households in making informed decisions about financial products and services may translate into costly economic mistakes that limit access to affordable financial transactions, negatively impact credit, increase debt and further impede economic inclusion. For households headed by working-age adults with a disability, these challenges are further compounded by limited education, limited participation in the labor force, greater rates of poverty, expenses that exceed income, and health care and long-term support needs that are greater than those experienced by households headed by individuals without disabilities.[15] For example, March 2015 Current Population Survey (CPS) data indicate an unemployment rate of 11.7% for the civilian non-institutional population of persons with disability age 16 and older; this is compared to an unemployment rate of persons without disability of 5.3%. Most strikingly, persons with disability have a 19.8% participation rate in the civilian labor force as compared to a 68.3% participation rate among persons without disability.[16]

Additionally, there is reason to be concerned that individuals with disabilities may experience poorer financial health. A 2014 report issued by National Disability Institute (NDI), using survey data from the 2012 National Financial Capability Study from the FINRA Investor Education Foundation, found that households with work-related disability are more financially vulnerable than households without work-related disability, particularly as they have greater difficulty making ends meet, are less likely to plan ahead, have greater difficulty managing financial products, and have less overall financial knowledge.[17]

Recent work by the FDIC suggests similar patterns: households in which the working-age head of household had a disability were unbanked at higher rates (18.4% vs. 7.2%), underbanked at higher rates (28.1% vs. 21.1%), and fully banked at lower rates (49% vs. 66.8%), compared to households in which the working-age head of household did not have a disability.[18] These findings suggests that the banking system is less inclusive of people with disabilities, limiting the economic inclusion of this financially vulnerable population. The exclusion of people with disabilities from the banking system is reflective of their exclusion in other areas of community life.

The FDIC notes that "public confidence in the banking system is strengthened when banks effectively serve the broadest possible set of consumers," and regularly undertakes efforts, such as the *2013 FDIC*

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[14] FDIC, "2013 FDIC National Survey of Unbanked and Underbanked Households," https://www.fdic.gov/householdsurvey/2013report.pdf

[15] US Census Bureau, "American FactFinder," http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t; US Department of Labor, "Disability Employment Statistics," http://www.dol.gov/odep/topics/DisabilityEmploymentStatistics.htm; Soffer, M., McDonald, K. & Blanck, P. (2010). Poverty among adults with disabilities: Barriers to promoting asset accumulation in individual development accounts. *American Journal of Community Psychology, 46,* 376-385.

[16] Bureau of Labor Statistics, "The Employment Situation – 2015," http://www.bls.gov/news.release/pdf/empsit.pdf

[17] National Disability Institute, "Financial Capability of American Adults Reporting a Work-Related Disability," http://www.realeconomicimpact.org/data/files/reports/NDI_financial_capability_report_july_2014.pdf

[18] FDIC, "2013 FDIC National Survey of Unbanked and Underbanked Households," https://www.fdic.gov/householdsurvey/2013report.pdf

National Survey of Unbanked and Underbanked Households to help inform policymakers and financial institutions leaders about consumer behavior and how to better meet consumers' needs. To further explore the banking status and experiences of households headed by working-age adults with disability, as compared to households headed by working-age adults without disability, this report builds on the data presented in the FDIC's 2013 report.[19] This report (i) contextualizes the descriptive comparisons presented in the 2013 FDIC report relating to working-age head of household disability status, (ii) provides novel comparisons between households headed by working-age adults with and without disability, (iii) analyzes whether or not the descriptive differences (head of households with disability vs. without disability) are statistically significant, and (iv) provides recommendations to move individuals with disabilities from unbanked and underbanked to fully banked status, thereby fostering their economic inclusion. Findings complement those from the *FINRA Investor Education Foundation 2012 Financial Capability Study*, and National Disability Institute's 2014 report, *Financial Capability of American Adults Reporting a Work-Related Disability* and also provide new understanding and knowledge of relationships between households headed by working-age adults with disability, traditional financial institutions and alternative financial service providers.

[19] Ibid.

Background and Methodology

The FDIC conducted the *National Survey of Unbanked and Underbanked Households* in January 2009, followed by a second survey in June 2011 and a third survey in June 2013. The 2013 report was the first to provide information about the population of working-age head of households with disability, including account ownership; use of prepaid debit cards; use of alternative financial services; mobile phone, smartphone and online access to accounts; as well as use of other banking methods.

Data were collected for the 2013 FDIC study through the *Unbanked/Underbanked Supplement to the Current Population Survey (CPS) for June 2013*. The CPS is a monthly state-based survey conducted by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS) and is representative of the U.S. civilian, non-institutionalized population of people 15 years and older.[20] The supplement is intended to estimate the number of U.S. households that are "unbanked" and "underbanked" and to determine why households had particular banking statuses. CPS participants that reported having some level of participation in household finances were eligible to participate in the supplement.[21]

This report expands on the initial insight provided by the 2013 FDIC survey regarding the banking status of households headed by working-age adults with disability. Here, we focus on households in which the *householder* (i.e., the person who owns or rents the home) has a disability and is between age 25 and 64 (working-age). Heads of households were classified as having a disability if they responded "yes" to any of the questions in the six-question disability sequence in the CPS, or were classified as "not in labor force – disabled."[22] The classification of disability status indicates only the disability status of the head of household; information about the disability status of other members of the household is not available. We use the term "households headed by working-age adults with disability" for this group. Of all working-age respondents to the June 2013 CPS, 12.2% reported having a disability compared to 87.8% of respondents without disability.[23]

In this report, we compare the banking status and banking experiences of households headed by working-age adults with disability to those of households headed by those without disability,[24] as well as provide

[20] Additional information about the CPS can be found at http://www.census.gov/CPS
[21] Additional information about the Unbanked/Underbanked Supplement can be found at https://www.fdic.gov/householdsurvey/2013appendix.pdf.
[22] Additional information about measuring disability in the FDIC report can be found at https://www.fdic.gov/householdsurvey/2013appendix.pdf; information about the CPS six-question disability sequence can be found at http://www.bls.gov/cps/cpsdisability_faq.htm and http://aspe.hhs.gov/datacncl/standards/ACA/4302/index.shtml.
[23] FDIC, "2013 FDIC National Survey of Unbanked and Underbanked Households," https://www.fdic.gov/householdsurvey/2013report.pdf
[24] Non-working-age participants (i.e., younger than 25 or older than 64) are excluded from analysis, so the data reported for the total sample will differ from the total sample discussed in the FDIC 2013 report. Also, group data may not total 100% due to the omission of missing and "unknown" data in sections of the report.

novel comparisons that were not presented in the FDIC 2013 report and identification of differences that are statistically significant.[25] [26] [27]

Despite the valuable information in this report, it is important to be mindful of the methodological limitations as results are interpreted and conclusions are drawn. First, the respondents to the FDIC survey represent heads of households. Individuals with disabilities living in institutions are not counted. Because the respondent is a head of household, the survey results produce a census of people with disabilities with nearly 50% over age 55 to age 64. Similarly, because the classification of disability status, in response to a series of questions, indicates only the disability status of the head of household, information about households where there is another member with a disability (child or spouse) was not asked and thus such information is not available.

Despite these limitations, the analysis of FDIC survey data confirms the challenges individuals with disabilities face in their struggle to be a part of the economic mainstream.

[25] The procedure for calculating the standard error of surveys estimates can be found at https://www.fdic.gov/householdsurvey/2013appendix.pdf
[26] Comparisons were made at $p<.001$ level.
[27] Group data may not total 100% due to the omission of missing and "unknown" data in sections of the report.

Banking Status of Households Headed by Working-Age Adults with Disability

Household Characteristics

Table 1 provides demographic information for households headed by working-age adults with disability and households headed by working-age adults without disability. Individual-level demographic variables, such as gender,⏶[28] race/ethnicity, age group, education, disability status and employment status, are characteristics of the owner or renter of the home. Other members of the household may have characteristics that are different from the householder or renter, including disability status, and the total number of people with disability in the home is unknown.

The household characteristics of households headed by working-age adults with disability significantly differ from those of households headed by working-age adults without disability. Households headed by working-age adults with disability are less likely to: be headed by a married couple; be Hispanic or Asian; have a college degree; be employed; earn more than $30,000 per year; and own their home. On the other hand, households headed by working-age adults with disability are more likely to: be unmarried and/or live alone; be female; be Black/African American or Native American/Alaskan Native; be 55 to 64 years older; have a high school degree or less; be unemployed or not be in the labor force; and earn less than $30,000 per year.

Table 1: Household Characteristics by Disability Status*

Characteristic	Disability (%)	No Disability (%)
Household Type*[29]		
Married couple	31.7	54.1
Unmarried female-headed family	16.8	13.3
Unmarried male-headed family	5.5	5.5
Female individual	23.0	11.8
Male individual	22.8	15.2
Other	0.1	0
Gender⏶*		
Male	45.4	52.1
Female	54.6	47.9
Race/Ethnicity*		
Black/African American	21.3	13.4
Hispanic/Latino	9.8	14.1
Asian	1.7	5.8

[28] Note: ⏶indicates that the information provided is a novel addition to the data presented in the FDIC Report for households headed by working-age persons with and without disability.
[29] Note: * indicates that households headed by working-age persons with and without disability significantly differed on all levels of this characteristic using Chi-square analysis, p <.001, other than levels marked *ns* (non-significant difference).

Characteristic	Disability (%)	No Disability (%)
American Indian/Alaskan Native	2.6	1.0
Hawaiian/Pacific Islander*ns*	0.2	0.3
White non-Black/African American non-Hispanic*ns*	64.3	65.4
Other non-Black/African American non-Hispanic*ns*	0	0
Age Group*		
25 to 34 years	9.9	24.8
35 to 44 years	14.9	25.3
45 to 54 years*ns*	30.9	27.1
55 to 64 years	44.4	22.9
Education*		
No high school degree	19.9	8.1
High school degree	34.8	24.2
Some college	32.4	29.3
College degree	12.9	38.4
Employment Status*		
Employed	23.1	81.4
Unemployed	3.9	5.1
Not in labor force	73.1	13.4
Family Income*		
Less than $15,000	40.6	9.2
Between $15,000 and $30,000	21.9	13.5
Between $30,000 and 50,000	16.9	19.0
Between $50,000 and $75,000	10.7	20.9
At least $75,000	10.0	37.4
Homeownership*		
Homeowner	50.3	64.5
Non-homeowner	49.7	35.5

Banking Status

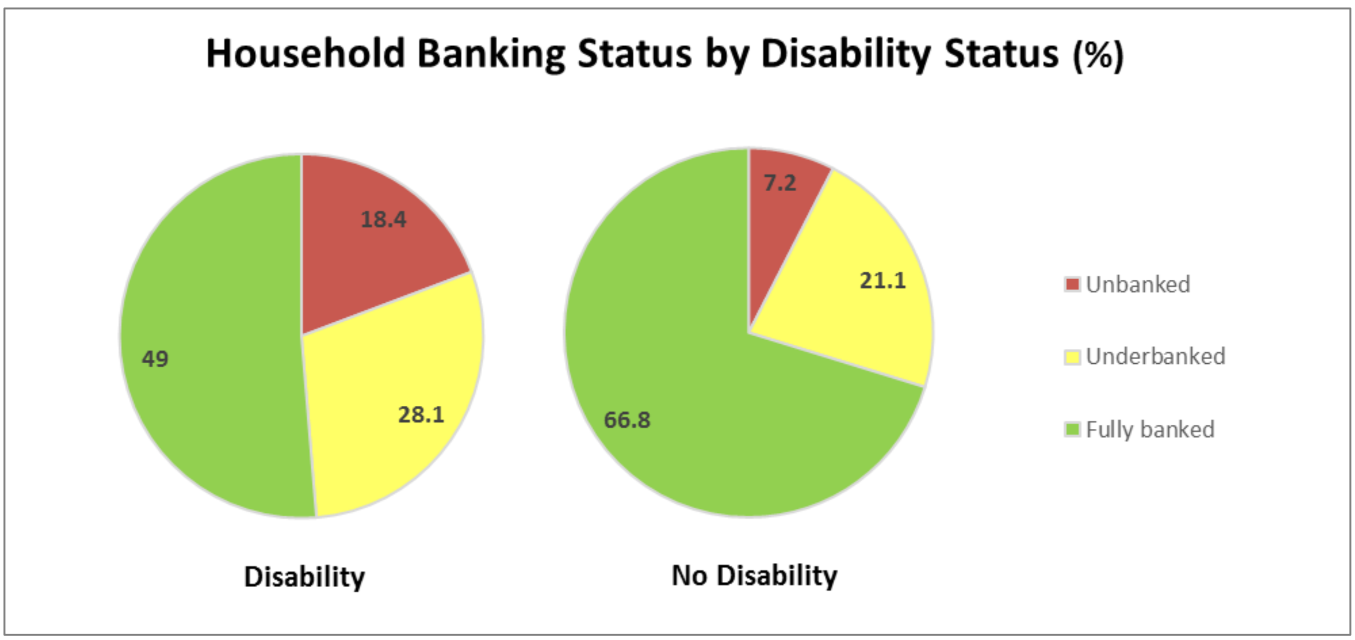
Per the FDIC Supplement, households were classified by banking status using the following criteria:

Households were classified as "unbanked" if they answered "no" to the question, "Do you or does anyone in your household currently have a checking or savings account?" Households were classified as "underbanked" if they answered "yes" to having a checking or savings account in the household, but have used alternative financial services in the last 12 months (e.g., nonbank money orders, nonbank check-cashing services, nonbank remittances, payday loans, rent-to-own services, pawn shops, refund anticipation loans, or auto-title loans). Households were classified as "fully banked" if they answered "yes" to having a checking or savings account in the household and have not used alternative financial services in the last 12 months.

Disability status of households headed by working-age adults was significantly associated with household banking status: households headed by working-age adults with disability were significantly more likely to be unbanked or underbanked, and significantly less likely to be banked.

Among households headed by working-age adults with disability, nearly one-fifth were unbanked (18.4%) and more than one-fourth were underbanked (28.1%). This translates to more than 1.9 million unbanked households, including over 1.07 million children and 3.1 million adults, and approximately 3 million underbanked households, including more than 1.36 million children and 5.8 million adults. See Figure 1.

Figure 1: Household Banking Status by Disability Status*[30]



[30] Figures labeled * significantly differ on all levels. Figure labeled * *and* have ** near particular items in the figure only differ on those items (**); characteristics without asterisks do not significantly differ between groups.

Banking Status and Household Characteristics

Among the overall sample, non-Asian minorities, lower-income households, younger households, unemployed households, and households headed by adults with disability reported the highest rates of being unbanked and underbanked. However, when looking specifically at households headed by working-age adults with disability, a different relationship between household characteristics and banking status emerges.

Risk factors for being unbanked and underbanked for households headed by adults with working-age disability include: being in an unmarried female-headed household; being a single male-headed household; being Black/African American or Hispanic/Latino; being younger than 55 years old; not having a high school degree; and not being in the labor force. Protective factors seem to include: being a married couple; being White; being 55 to 64 years old; having a college degree; being employed; earning more than $30,000 per year; and being a homeowner. Gender alone was not related to the banking status of households headed by adults with disability. See Table 2.

Table 2: Household Characteristics by Banking Status for Households Headed by Working-Age Adults with Disability *^

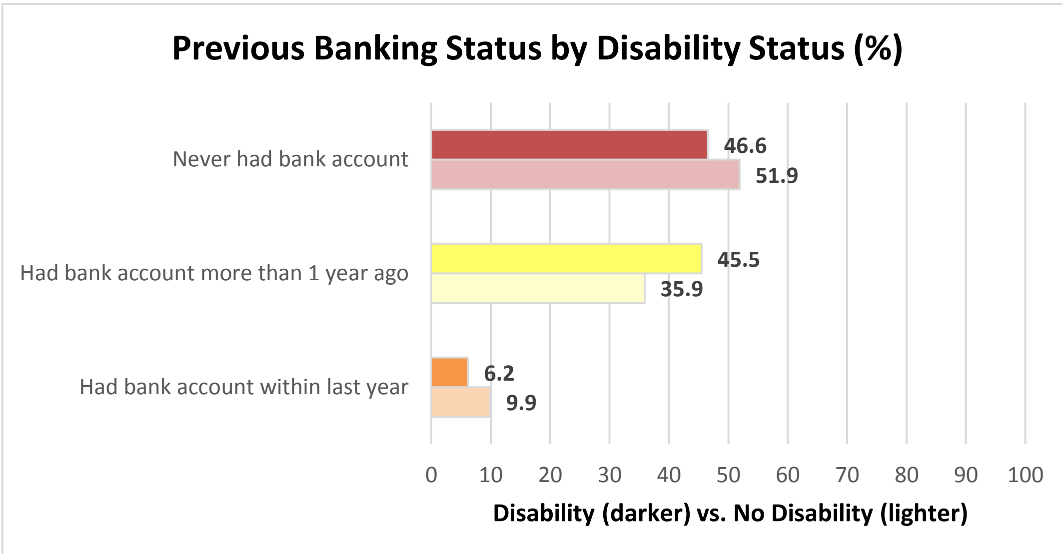
	Unbanked	Banked: Underbanked	Banked: Fully Banked
Household Type*			
Married couple	17.6	31.9	36.9
Unmarried female-headed family	21.6	20.5	12.9
Unmarried male-headed family[ns]	6.0	6.6	5.1
Female individual[ns]	24.2	21.3	22.9
Male individual	30.3	19.7	22.0
Other[ns]	0.4	0	0.1
Gender[ns]			
Male	44.5	42.0	48.2
Female	55.5	58.0	51.8
Race/Ethnicity*			
Black/African American	37.3	23.4	14.5
Hispanic/Latino	14.9	9.5	7.9
Asian[ns]	0.7	1.5	1.9
American Indian/Alaskan Native[ns]	3.0	2.9	2.3
Hawaiian/Pacific Islander[ns]	0.6	0.1	0.1
White non-Black/African American non-Hispanic	43.5	62.6	73.2
Other non-Black/African American non-Hispanic[ns]	0	0	0
Age Group*			
25 to 34 years	14.5	11.4	7.5
35 to 44 years	18.1	16.9	12.5

	Unbanked	Banked: Underbanked	Banked: Fully Banked
45 to 54 years	34.2	34.2	28.0
55 to 64 years	33.2	37.6	52.0
Education*			
No high school degree	38.6	19.9	13.5
High school degree*ns*	35.3	35.4	34.3
Some college	21.0	34.8	34.7
College degree	5.0	9.8	17.5
Employment Status*			
Employed	10.8	23.3	28.2
Unemployed*ns*	4.3	4.2	3.8
Not in labor force	84.9	72.5	68.1
Family Income*			
Less than $15,000	69.7	40.3	30.4
Between $15,000 and $30,000*ns*	18.5	24.8	20.9
Between $30,000 and 50,000	7.4	17.1	20.0
Between $50,000 and $75,000	1.9	10.6	14.0
At least $75,000	2.5	7.2	14.7
Homeownership*			
Homeowner	21.5	44.8	63.9
Non-homeowner	78.5	55.2	36.1

Household Banking Status Transitions

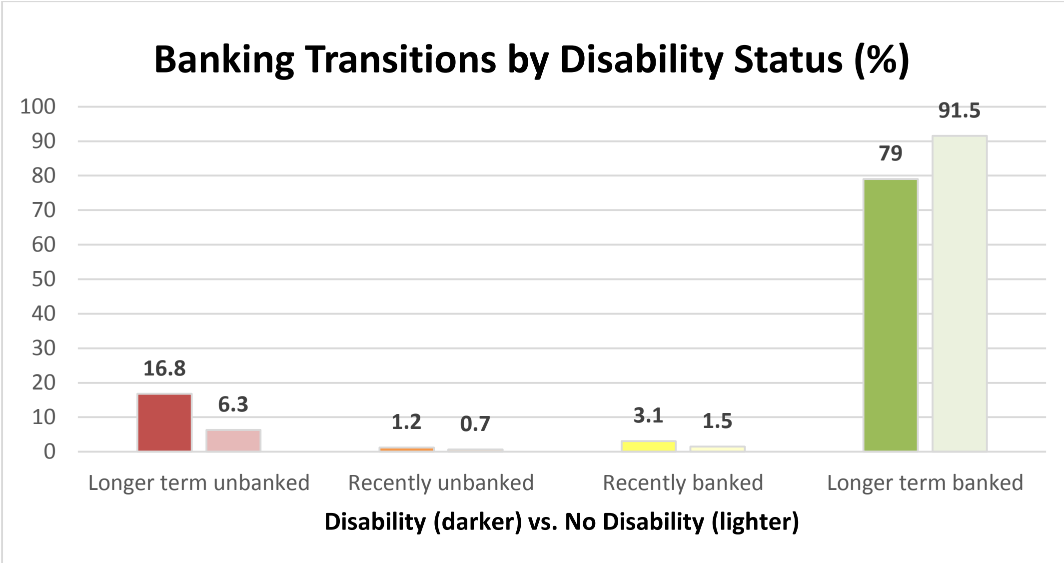
Households headed by working-age adults with a disability were significantly less likely to have had a bank account within the last year, more likely to have had a bank account more than one year ago, and less likely to have never had an account. See Figure 2.

Figure 2: Previous Banking Status by Disability Status*



Households headed by working-age adults with disability reported significantly higher rates of being longer term unbanked (i.e., never having an account or having an account more than one year ago), being recently unbanked (i.e., closed account within the past 12 months), and being recently banked (i.e., opening an account in the last 12 months). Correspondingly, households headed by working-age adults with disability reported significantly lower rates of being longer term banked (i.e., having an account for more than one year) compared to households headed by those without disability. See Figure 3.

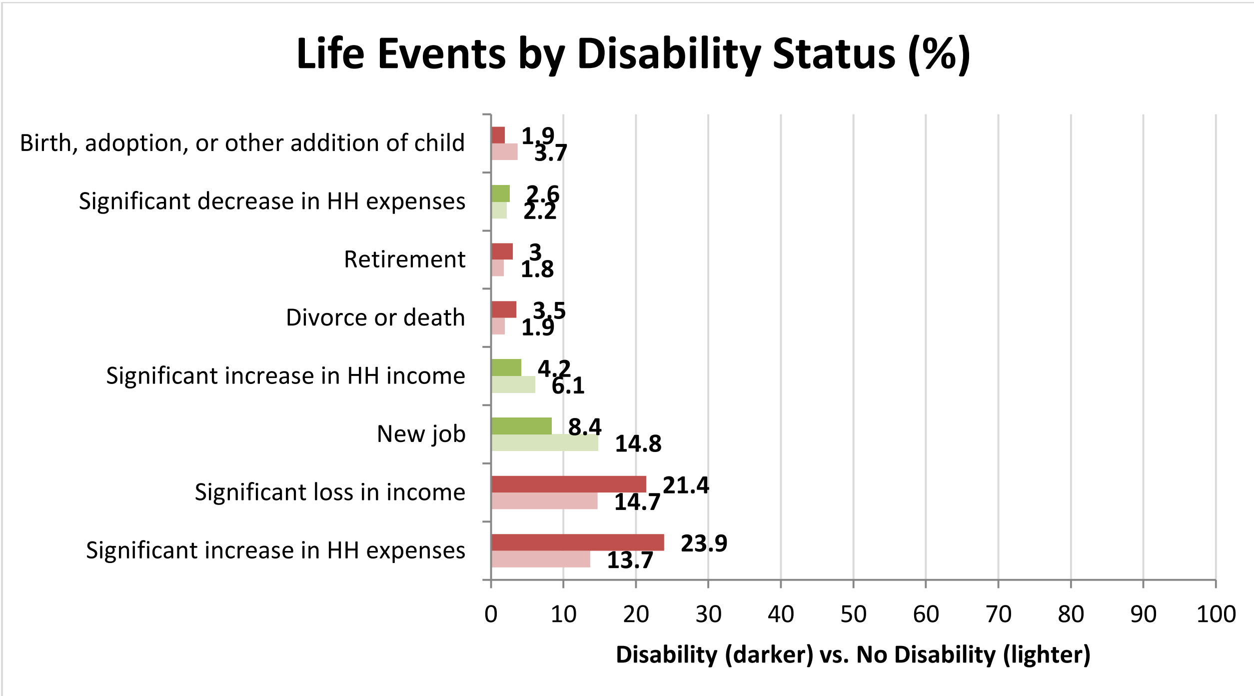
Figure 3: Banking Transitions by Disability Status *



Banking Status Transitions and Incidence of Life Events

Respondents were asked to report on the incidence of life events and banking status transitions. In general, disability status was significantly associated with experiencing a number of life events. Households headed by working-age adults with disability were significantly more likely to experience a significant loss of income, retirement, a significant increase and decrease in household expenses, and divorce or death compared to households headed by those without disability. Similarly, households headed by working-age adults with disability experienced significantly lower rates of having a notable increase in income, acquiring a new job, and birth, adoption or addition of a new child compared to households headed by those without disability. Households headed by working-age adults with disability did not differ from households headed by others on reports of moving or locating (9.8% vs. 10.1%); experiencing a new marriage, civil union or domestic partnership (1.5% vs. 1.9%); or experiencing job loss (12% vs. 11.1%). See Figure 4.

Figure 4: Life Events by Disability Status^*



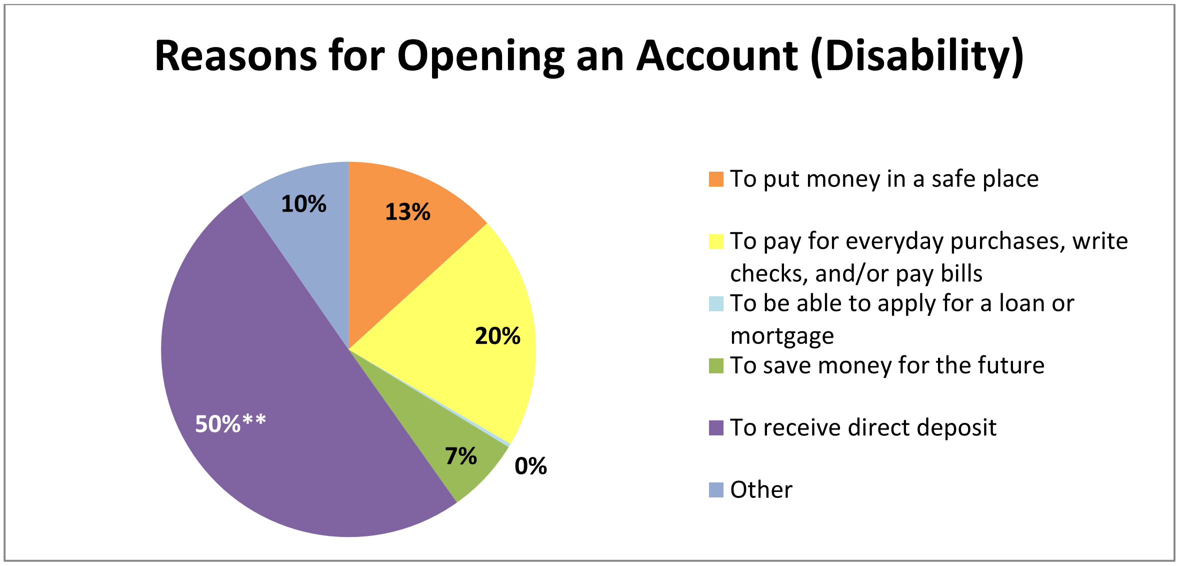
Households that had opened an account in the last 12 months were also asked if any of the above events contributed to the opening of an account. Households headed by working-age adults with disability were significantly less likely to report that a significant increase in income was a reason for opening an account in the last 12 months, as compared to households headed by those without disability (28.5% as compared to 49.1%, respectively).

Reasons that Recently Banked Households Opened Accounts

Similarly, respondents that opened an account in the last 12 months were asked to report on the main reason for opening an account, including putting money in a safe place (12.9% vs. 18.5%); paying for everyday purchases, writing checks, and/or paying bills (19.6% vs. 27.6%); being able to apply for a loan or mortgage (0.3% vs 0.2%); saving money for the future (6.3% vs. 7.6%); and receiving direct deposit (48.8% vs. 31.1%). Households headed by working-age adults with disabilities were significantly more likely to report opening an account to receive direct deposit. See Figure 5.[31]

[31] Note: Percentages in Figure 5 are rounded and therefore may not match the numbers listed in text.

Figure 5: Reasons for Opening an Account (Disability)*

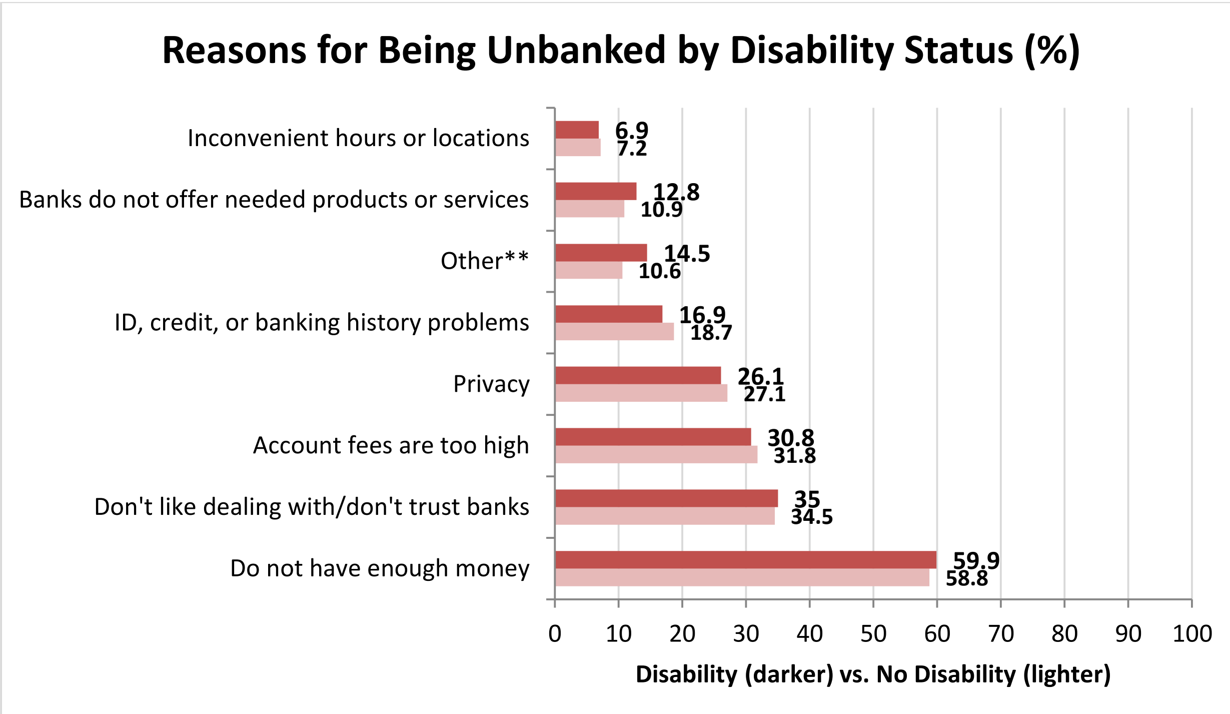


Unbanked households that closed an account in the last 12 months were asked if major life events contributed to closing an account. Households headed by working-age adults with disability were significantly more likely to report that retirement (60% vs. 57.2%), and moving or relocating (74.1% vs. 23.7%) contributed to bank account closing.

Reasons for Being Unbanked

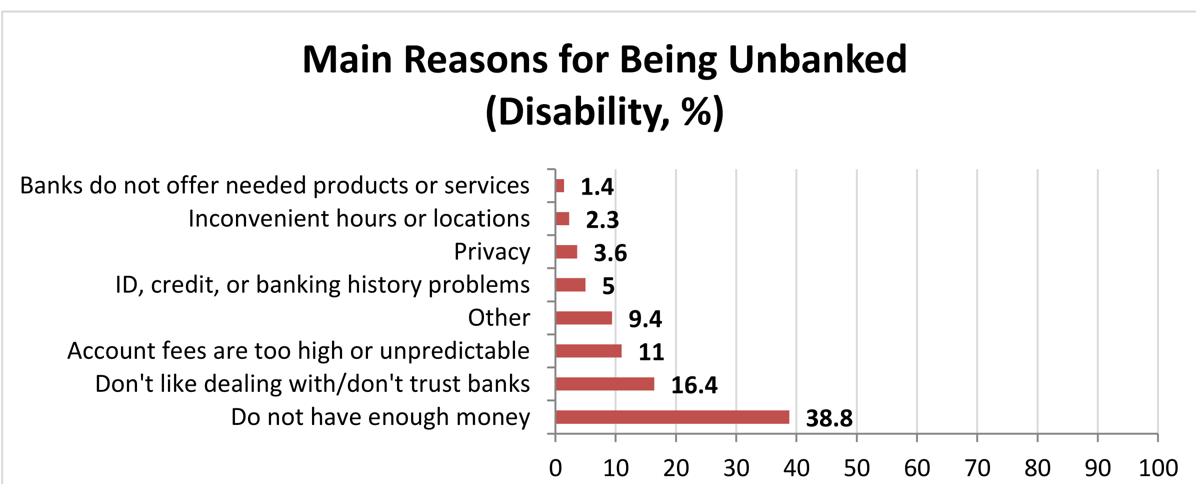
All unbanked households reported on reasons for being unbanked, including: inconvenient hours or locations; account fees are too high or unpredictable; banks do not offer needed products or services; do not like dealing with and/or trust banks; do not have enough money; privacy; ID, credit, or banking history problems; or "other."^ Households headed by working-age adults with disability did not significantly differ from households headed by those without disability regarding the reasons for being unbanked, with the exception of the number of respondents choosing "other" (14.5% and 10.6% respectively). It is possible that written in responses to this question may provide insight into understanding unique reasons for being unbanked for households headed by working-age adults with disability; however, the FDIC does not have responses by disability status. Figure 6.

Figure 6: Reasons for Being Unbanked by Disability Status^*



When asked about the main reasons for being unbanked, households headed by adults with and without disability did not significantly differ. Main reasons for being unbanked included: do not have enough money (38.8% vs. 36.7%); account fees are too high or unpredictable (11% vs. 14%); ID, credit, or banking history problems (5.0% vs. 8.5%); privacy (3.6% vs. 3.7%); inconvenient hours or locations (2.3% vs. 3%); banks do not offer needed products or services (1.4% vs. 1.3%); and "other" (9.4% vs. 5.7%). See Figure 7.

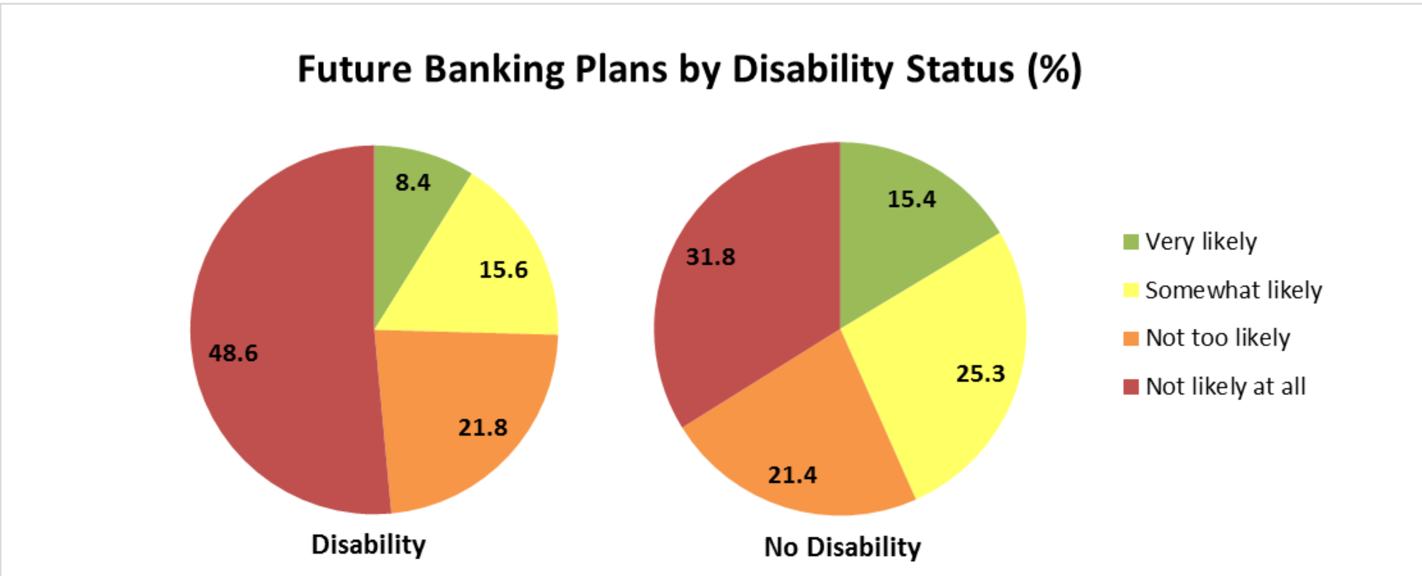
Figure 7: **Main Reason for Being Unbanked (Disability)^**



Future Banking Plans of Unbanked Households

Unbanked households were asked about the likelihood of opening an account in the future. Overall, respondents in households headed by working-age adults with disability were significantly less likely to report future plans to join or rejoin the banking system. See Figure 8.

Figure 8: Future Banking Plans by Disability Status*

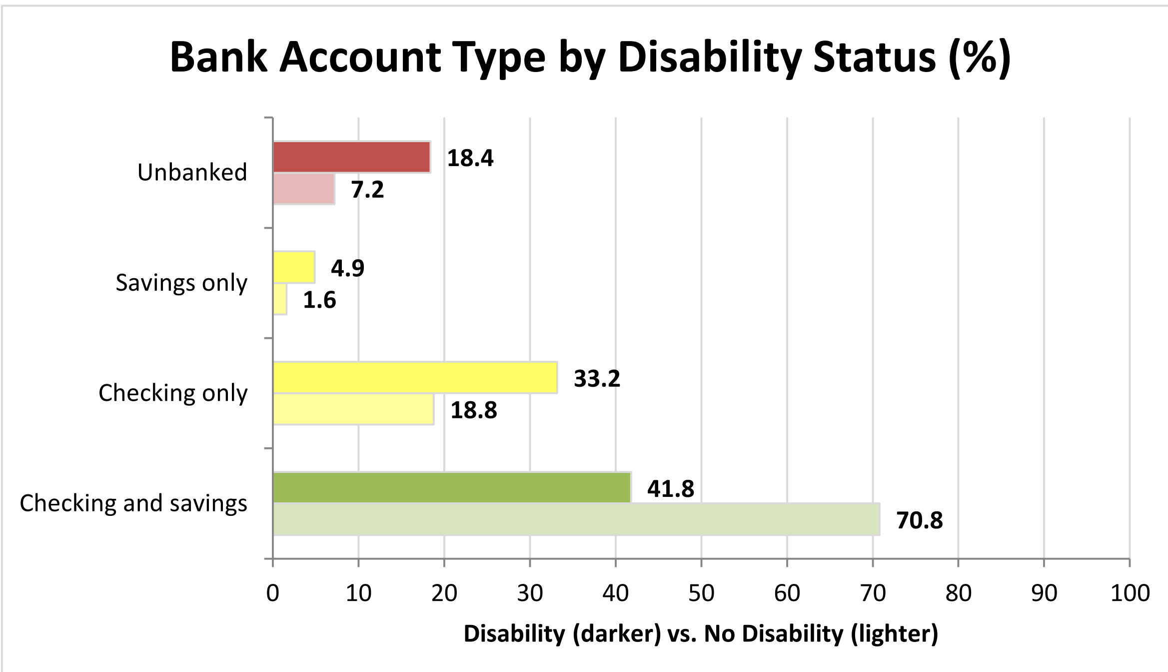


Checking and Savings Account Ownership, and Automatic Transfers

Checking and Savings Account Ownership

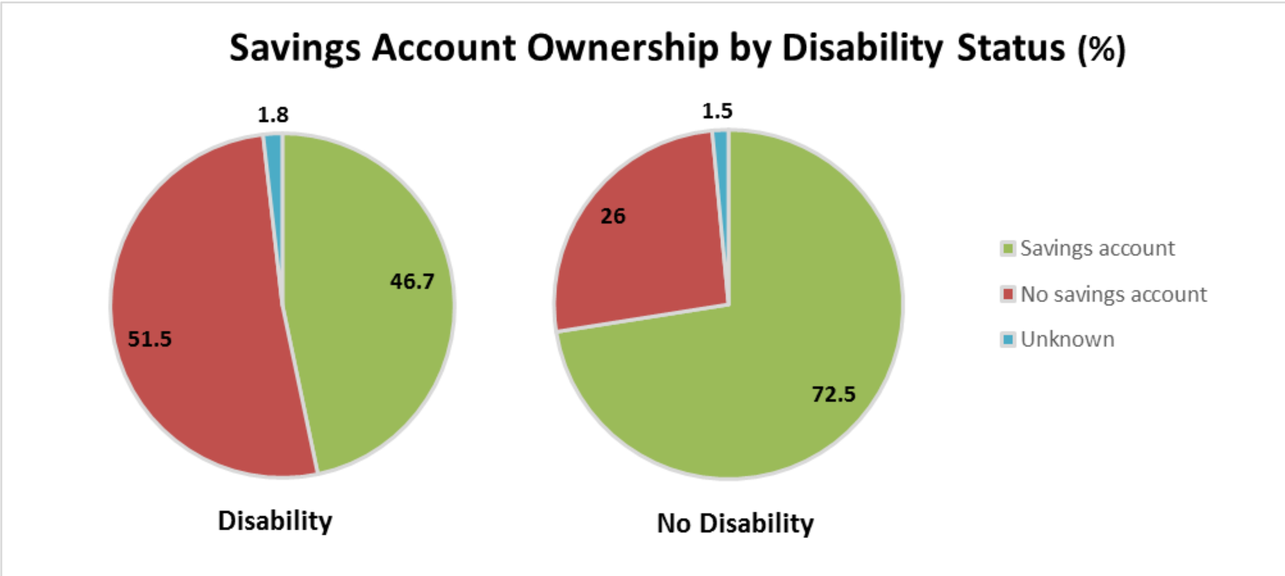
Rates of checking and savings account ownership were significantly different for households headed by working-age adults with and without disability: households headed by working-age adults with disability reported higher rates of being unbanked, and having only a savings account or only having a checking account, whereas households headed by those without disability reported higher rates of having both checking and savings accounts. See Figure 9.

Figure 9: Bank Account Type by Disability Status*



Similarly, households headed by working-age adults with disability were significantly less likely to have a savings account (with or without a checking account) compared to households headed by those without disability (46.7% vs. 72.5%). See Figure 10.

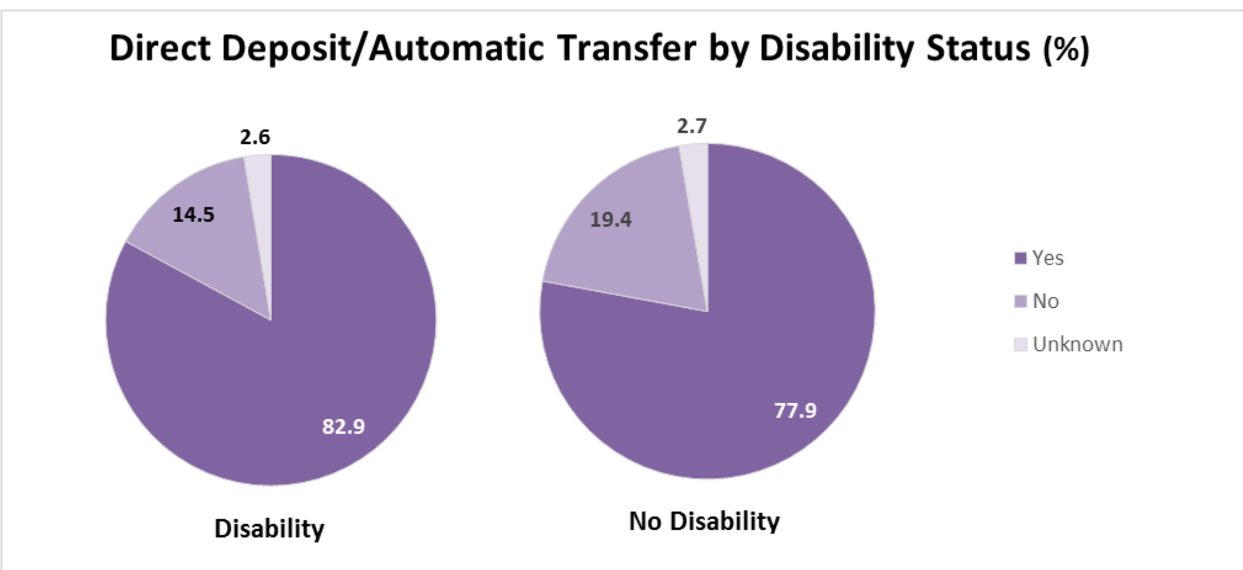
Figure 10: Savings Account Ownership by Disability Status*



Direct Deposit and Automatic Transfers

All banked households were asked whether they used direct deposit or automatic transfers to put money in (or between) an account. Use of direct deposit or automatic transfer was associated with disability status: households headed by working-age adults with disability reported significantly higher rates of direct deposit/automatic transfer usage than households headed by those without disability. See Figure 11.

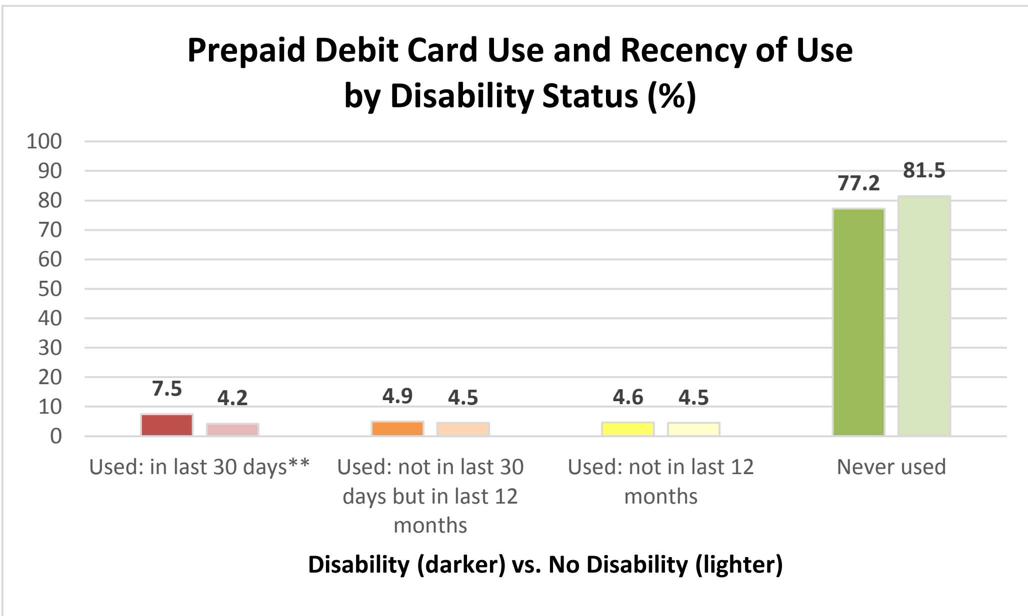
Figure 11: Direct Deposit/Automatic Transfer by Disability Status^*



Prepaid Debit Cards

Nearly 14% of the overall sample reported ever using prepaid debit cards. However, households headed by working-age adults with disability were significantly more likely to report ever using a prepaid debit card, compared to households headed by those without disability (17% vs. 13.2%). When asked about the recency of use, households headed by working-age adults with disability were also significantly more likely to have used a prepaid debit card in the last 30 days. See Figure 12.

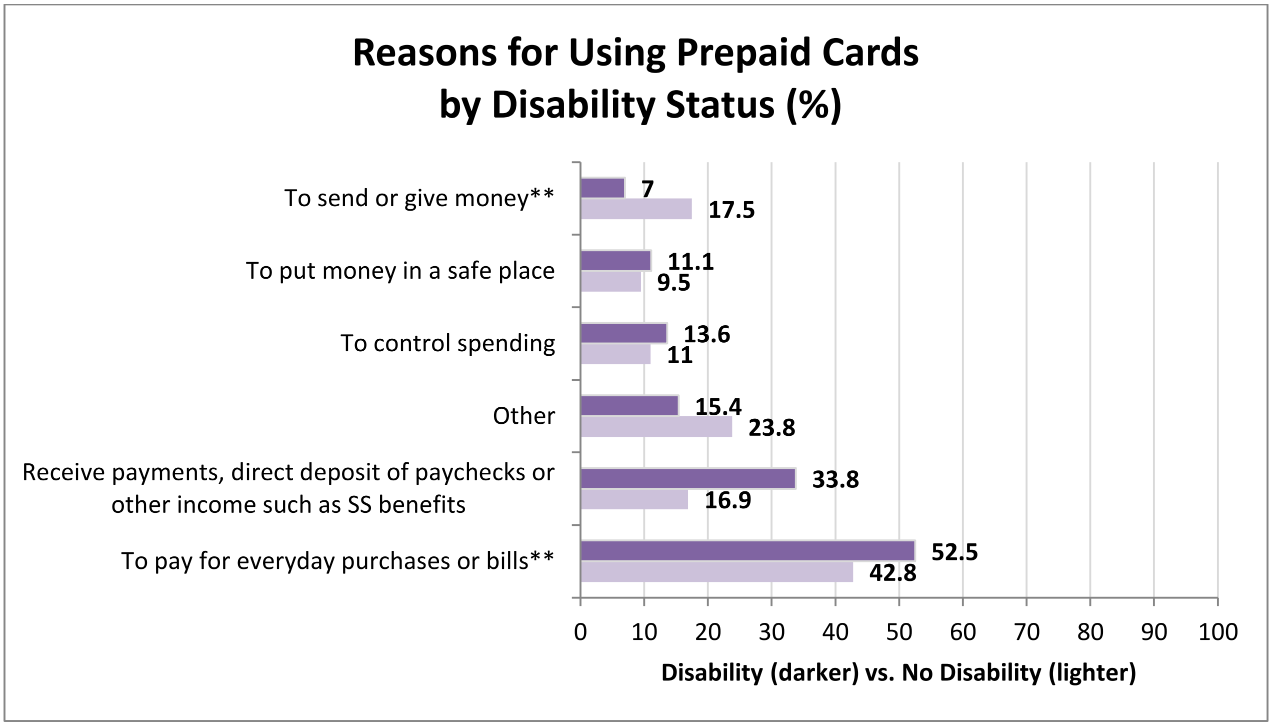
Figure 12: Prepaid Debit Card Use and Recency of Use by Disability Status*



Reasons for Using Prepaid Cards

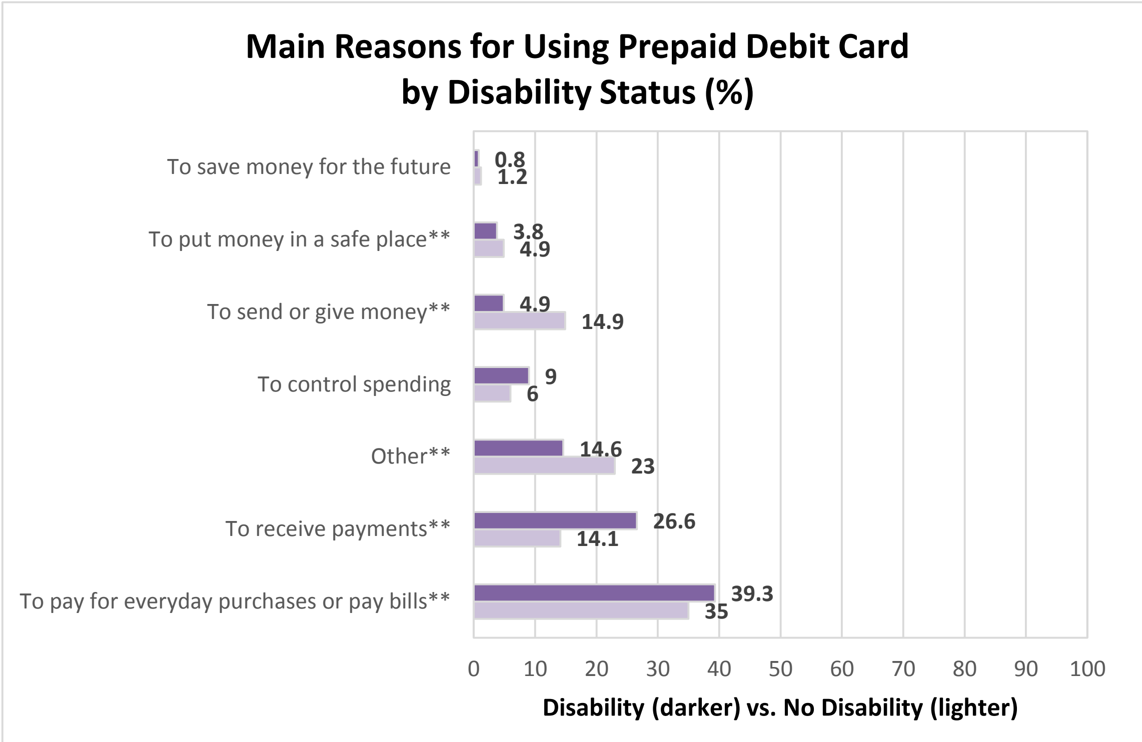
When asked about reasons for using prepaid debit cards, households headed by working-age adults with disability were significantly more likely to use prepaid debit cards for everyday purchases or bills (52.5% vs. 42.8%), and to use prepaid debit cards to receive payments, including paychecks or other income such as Social Security benefits (33.8% vs. 16.9%). Households headed by working-age adults with disability were also significantly less likely to use a prepaid debit card to send or give money to others (7% vs. 17.5%). See Figure 13.

Figure 13: Reasons for Using Prepaid Card by Disability Status^*



Main reasons for using a prepaid debit card were significantly different for households headed by working-age adults with and without disability. Households headed by working-age adults with disability were significantly more likely to cite receiving payments (26.6% vs. 14.1%) and paying for everyday purchases and bills (39.3% vs. 35%), as primary reasons for using a prepaid debit card. Householders headed by working-age adults with disability were also significantly less likely to cite the following as main reasons for using a prepaid debit card: to put money in a safe place, to send or give money, and "other." Households headed by adults with and without disability reported comparable rates of using prepaid debit cards to save money for the future and to control spending. See Figure 14.

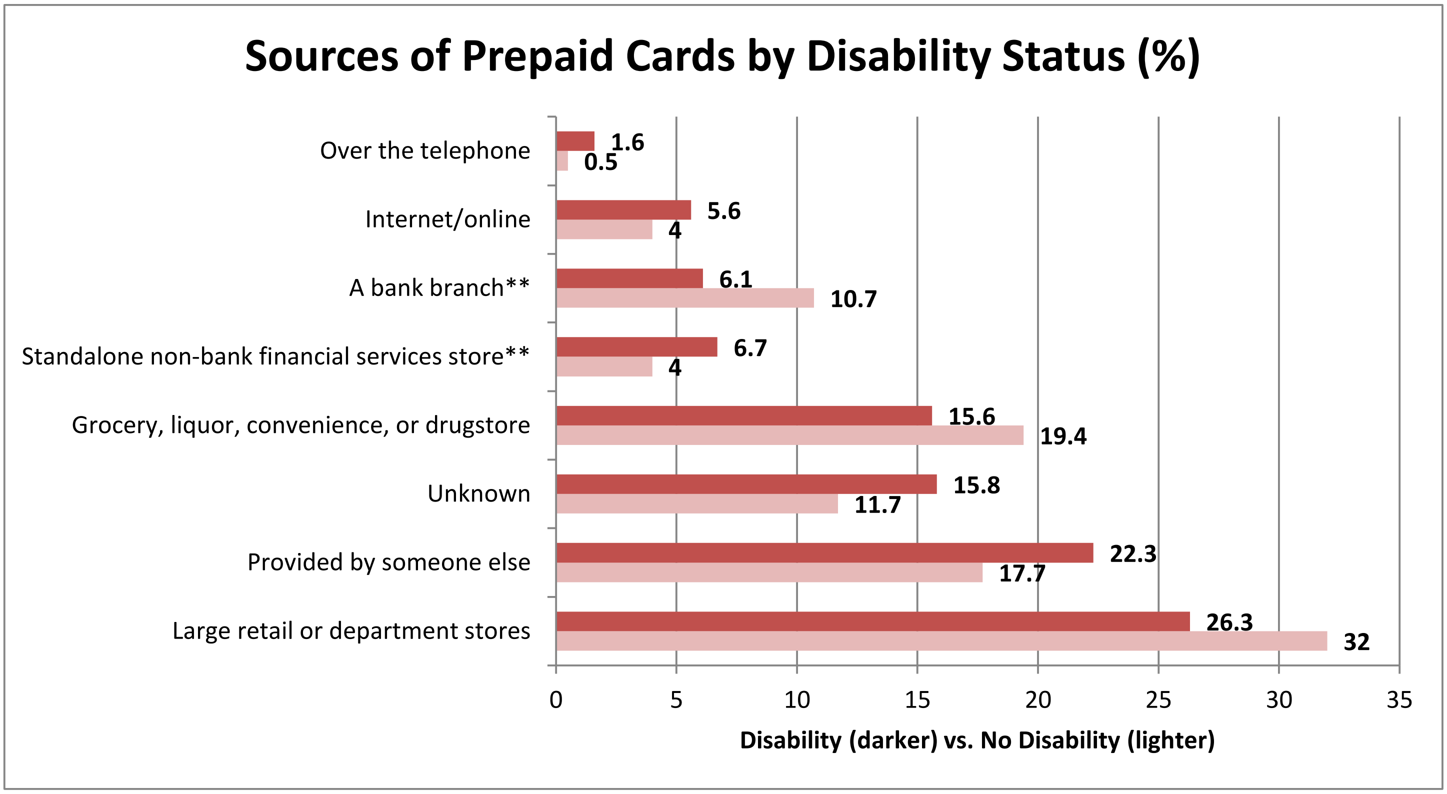
Figure 14: Main Reason for Using Prepaid Debit Card by Disability Status^ *



Sources of Prepaid Cards

For all households that used prepaid debit cards in the last 12 months, respondents were asked to report on the typical location at which their households obtained prepaid cards. Households headed by working-age adults with disability were significantly more likely to report acquiring a prepaid card from a standalone non-bank financial services store, compared to households headed by those without disability, and they were significantly less likely to have acquired a prepaid debit card from a bank branch. See Figure 15.

Figure 15: Sources of Prepaid Cards by Disability Status^*

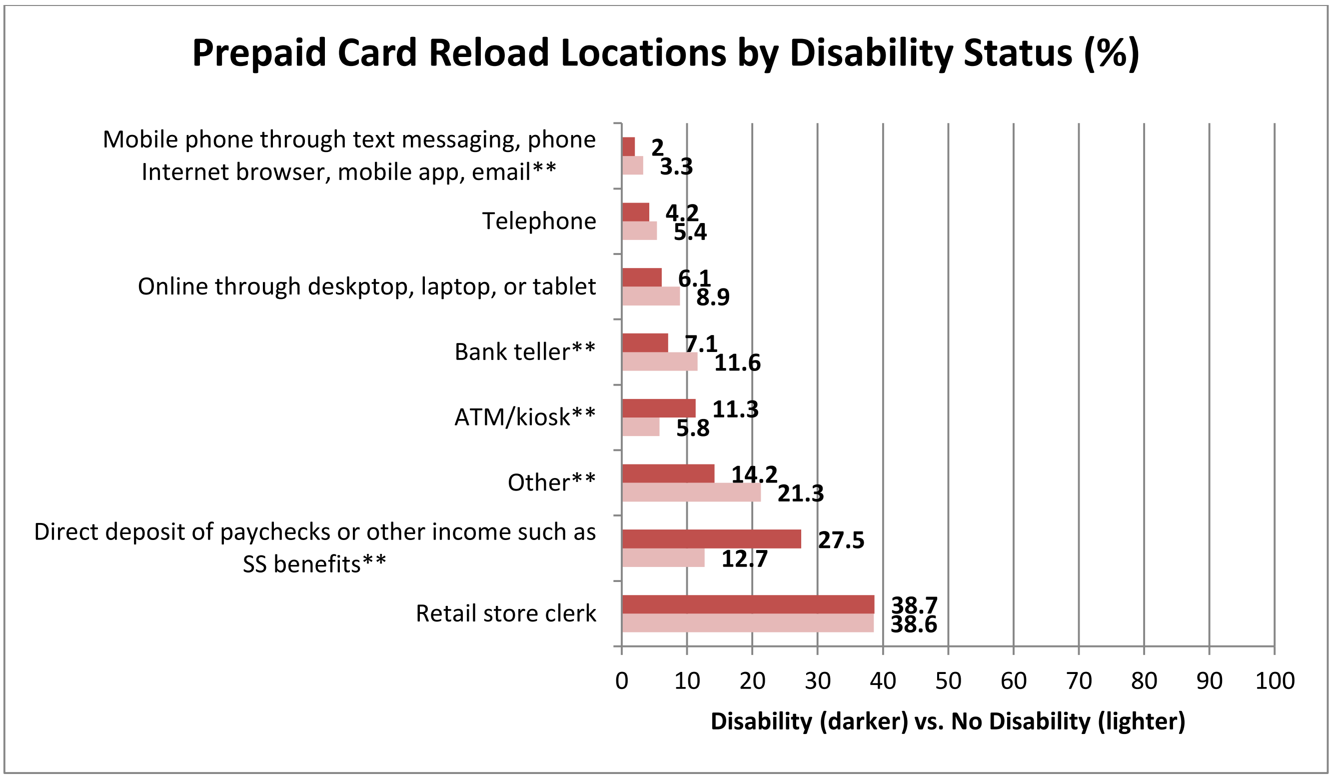


Reloading Prepaid Cards

For all households that used prepaid debit cards in the last 12 months, respondents also reported on whether or not the prepaid card was reloaded during that time. Over one-third (37.3%) of all participants reported reloading their prepaid card. However, households headed by working-age adults with disability were significantly more likely to have reloaded their prepaid card in the last 12 months than households headed by those without disability (42.6% vs. 36.7%, respectively).

Disability status was also associated with prepaid debit card reload location. Households headed by working-age adults with disability were significantly more likely to reload their prepaid debit cards at an ATM/kiosk, and to have their card reloaded via direct deposit of a paycheck or other income, such as Social Security benefits, as compared to households headed by those without disability. Households headed by working-age adults with disability were also significantly less likely to reload their prepaid debit cards using a bank teller or "other" locations, or via mobile phone. See Figure 16.

Figure 16: Prepaid Card Reload Locations by Disability Status^*

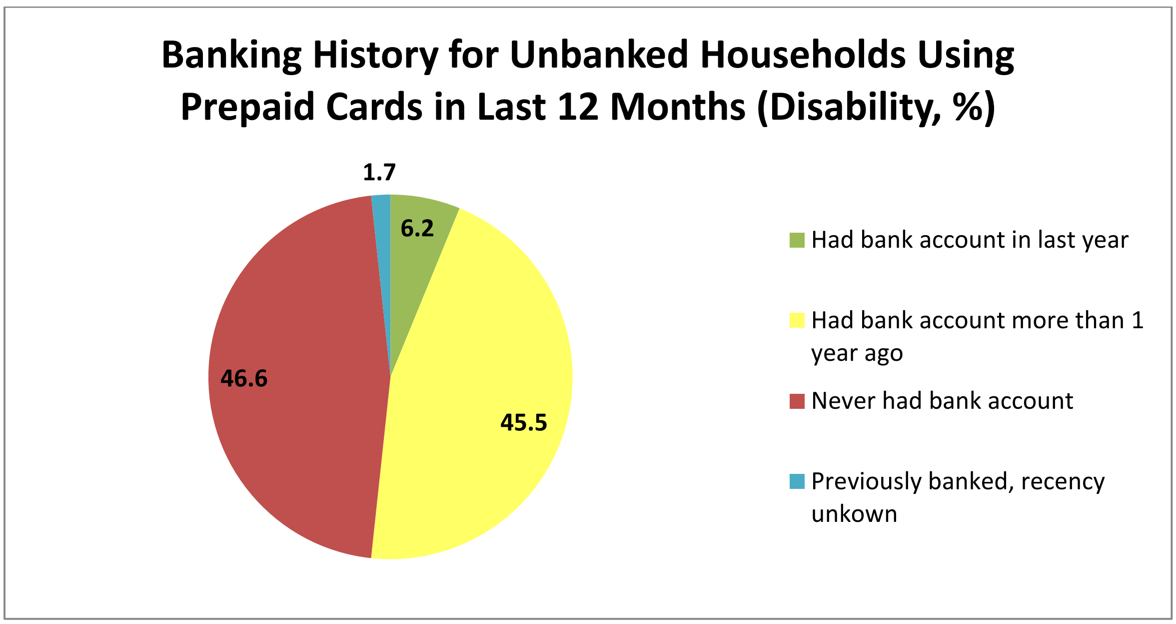


Banking History and Future Banking Plans of Unbanked Households Headed by Working-age Adults with Disability

The figures below provide insight into the banking history and future banking plans of unbanked households headed by adults with disability that have used prepaid cards in the last 12 months, as well as the reasons these households were unbanked.

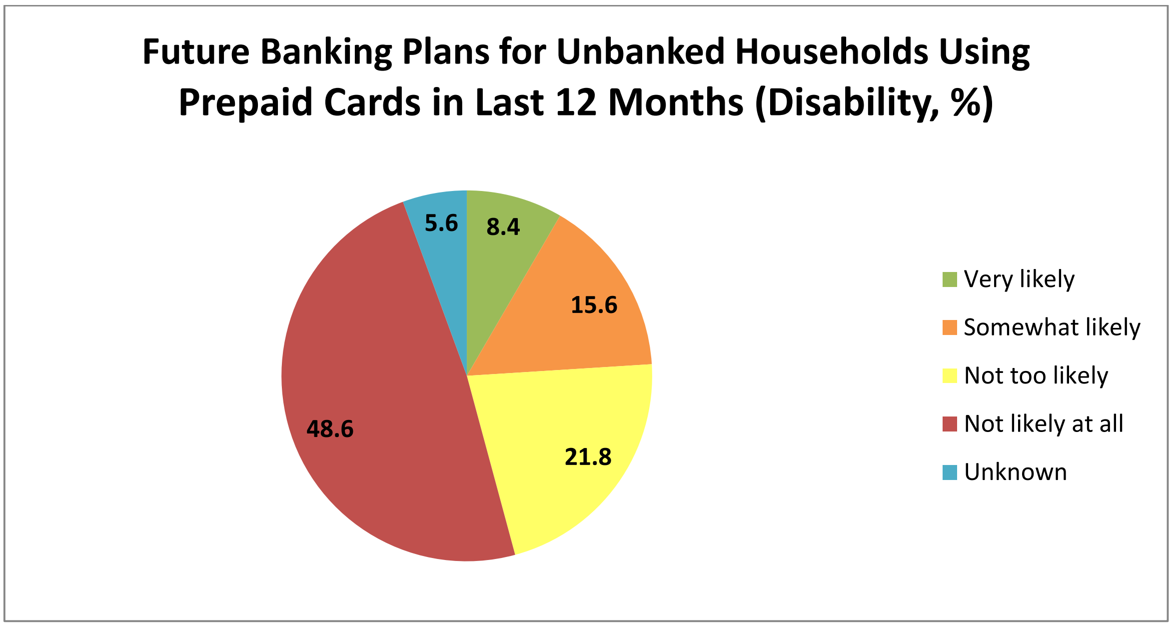
Among unbanked households headed by working-age adults with disability that had used a prepaid card in the last 12 months, nearly half have never had a bank account, and nearly all others had an account more than one year ago. For unbanked households headed by working-age adults without disability that had used a prepaid card in the last 12 months, 13.1% had an account in the last year, 56.4% had an account more than one year ago, and 29.8% never had an account.

Figure 17: Banking History for Unbanked Households Using Prepaid Cards in Last 12 Months (Disability)^



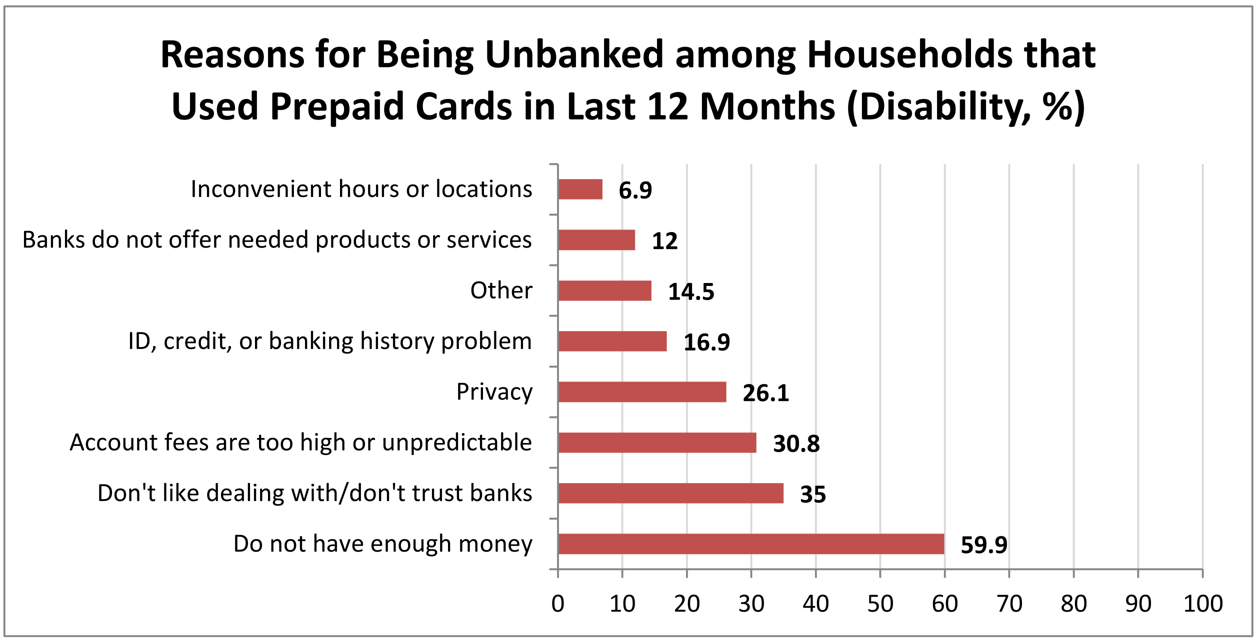
Among unbanked households headed by working-age adults with disability that had used a prepaid card in the last 12 months, less than 10% of households were very likely to join or rejoin the banking system; nearly half were not at all likely to do so. For unbanked households headed by working-age adults without disability that had used a prepaid card in the last 12 months, 20.8% reported they were very likely to open an account, 31.5% were somewhat likely, 21.8% were not too likely, and 24.8% were not at all likely to open an account.

Figure 18: Future Banking Plans for Unbanked Households Using Prepaid Cards in Last 12 Months (Disability)˄



The top three reasons for being unbanked among households, headed by working-age adults with disability that had used a prepaid card in the last 12 months, include not having enough money, dislike of dealing with banks and/or lack of trust in banks, and high and/or unpredictable account fees. Households, headed by working-age adults without disability that had used a prepaid card in the last 12 months, reported similar reasons for being unbanked in the following order, from least common to most common: inconvenient hours or locations (10.5%); banks do not offer needed products or services (14.6%); “other” (15.2%); ID, credit, or banking history problem (27.2%); privacy (37.4%); account fees are too high or unpredictable (41.3%); do not like dealing with or do not trust banks (42.8%); and do not have enough money (58.2%).

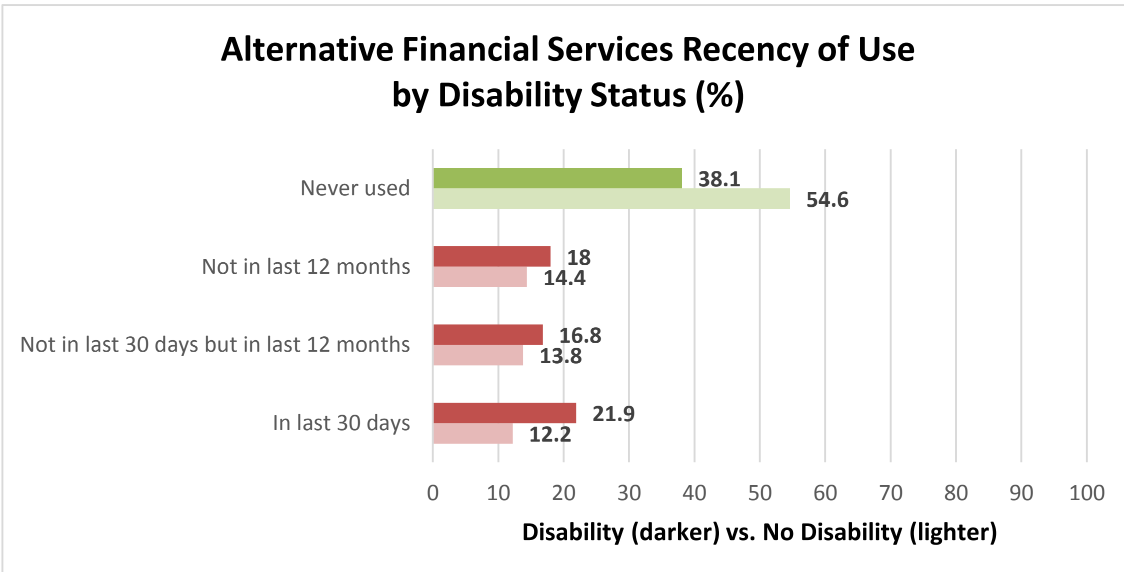
Figure 19: Reasons for Being Unbanked among Households that Used Prepaid Cards in Last 12 Months (Disability)^



Alternative Financial Services

Respondents reported on the recency of their use of alternative financial services, including nonbank money orders, nonbank check-cashing services, nonbank remittances, payday loans, rent-to-own services, pawn shops, refund anticipation loans, and auto-title loans. Households headed by working-age adults with disability were significantly more likely to report ever using alternative financial services than households headed by those without disability (46.7% vs. 35.1%, respectively), and were more likely to use each type of alternative financial services.

Figure 20: Alternative Financial Services Recency of Use by Disability Status *



Respondents also reported on their households' overall use of *transaction* alternative financial services (money orders, check casher, and remittance) and overall use of *credit* alternative financial services (payday loan, pawnshops, rent-to-own, refund anticipation loan and auto title loan). Households headed by working-age adults with disability were significantly more likely to use both transaction and credit alternative financial services than households headed by those without disability. See Tables 3 and 4.

Table 3: Types of Transaction Alternative Financial Services and Recency of Use *

	Disability (%)	No Disability (%)
Any Transaction Services*	32.8%	22.7%
Money order use*		
In last 30 days	15.1	7.6
Not in last 30 days but in last 12 months	12.5	10.0
Not in last 12 months	13.2	11.2
Never used	54.2	66.8
Check casher use*		
In last 30 days	5.1	3.6
Not in last 30 days but in last 12 months	5.9	3.1
Not in last 12 months	7.5	5.3
Never used	76.9	83.7
Remittance use*		
In last 30 days	.7	2.2
Not in last 30 days but in last 12 months	1.3	2.6
Not in last 12 months	2.0	2.0
Never used	91.0	88.7

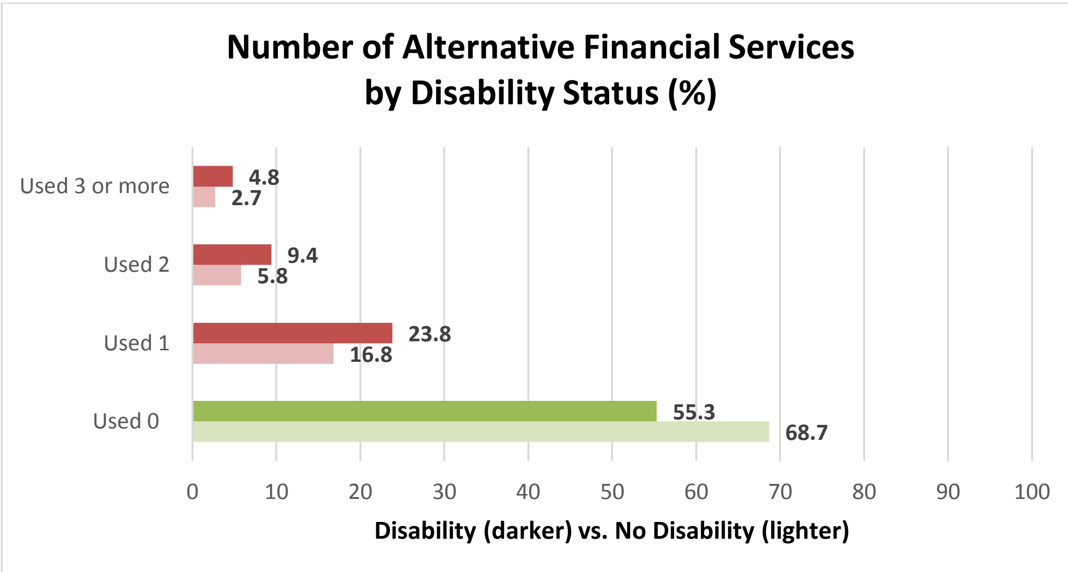
Table 4: Types of Credit Alternative Financial Services and Recency of Use*

	Disability (%)	No Disability (%)
Any Credit Services*	14.5	7.4
Payday loan use*		
In last 30 days	1.6	.8
Not in last 30 days but in last 12 months	2.2	1.3
Not in last 12 months	5.0	3.0
Never used	86.1	90.2
Pawn shop use*		
In last 30 days	2.1	.7
Not in last 30 days but in last 12 months	5.2	2.2
Not in last 12 months	10.2	4.5
Never used	77.1	87.9
Rent-to-own use*		
In last 30 days	1.9	.7
Not in last 30 days but in last 12 months	2.2	.7
Not in last 12 months	7.0	3.3
Never used	83.5	90.5
Refund anticipation loan use*[32]		
Not in last 30 days but in last 12 months	2.7	2.0
Not in last 12 months	6.1	3.3
Never used	85.7	89.8
Auto title loan use*		
In last 30 days	.5	.4
Not in last 30 days but in last 12 months	.7	.6
Not in last 12 months	4.0	1.8
Never used	89.3	92.3

[32] Note: Data is not provided for use in the last 30 days because of the timing of refund anticipation loans availability and data collection.

Households headed by working-age adults with a disability were also significantly more likely to use more than one type of alternative financial service compared to households headed by those without disability.

Figure 21: Number of Alternative Financial Services by Disability Status*



Locations of Alternative Financial Services

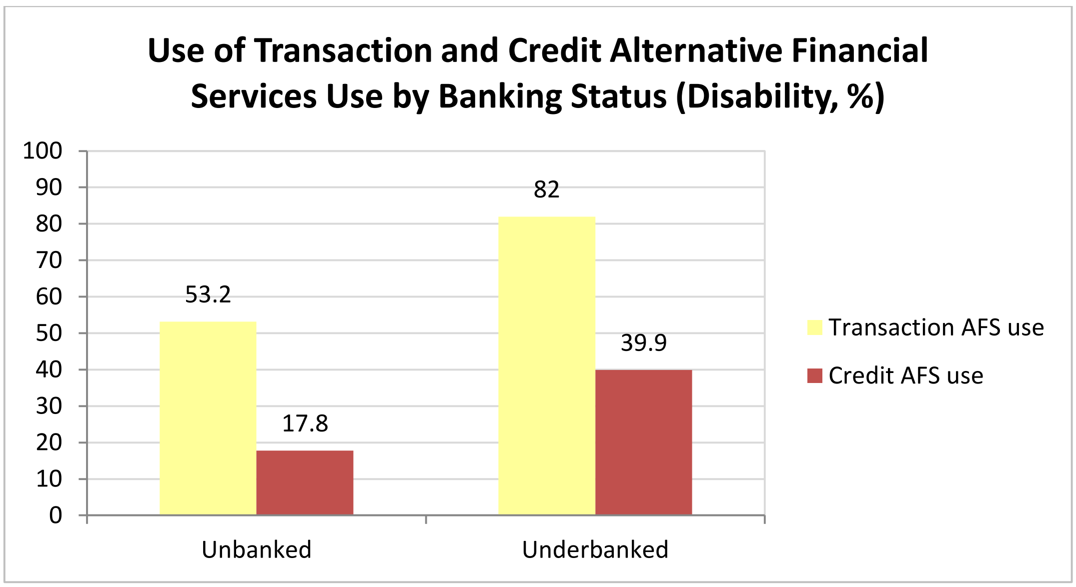
Respondents were asked about the non-bank locations of their transaction alternative financial services.[33] Households headed by working-age adults with and without disability did not significantly differ on the location of their alternative financial services. Households headed by working-age adults with and without disability cashed checks at large retail or department stores (29.2% vs. 32%); grocery, liquor, convenience and drug stores (37% vs. 36.9%); and standalone non-bank financial services providers (28.3% vs. 24.1%) at comparable rates. Households headed by working-age adults with and without disability obtained money orders at post offices (28.7% vs. 29.4%); large retail or department stores (18.8% vs. 20.2%); grocery, liquor, convenience or drug stores (39.5% vs. 37.2%); and standalone non-bank financial services providers (11.2% vs. 10.9%) at comparable rates. Households headed by working-age adults with and without disability also sent remittances at large retail or department stores (17.8% vs. 19.3%); grocery, liquor, convenience or drug stores (34.6% vs. 33%); standalone non-bank financial services providers (18.1% vs. 26.1%); via mobile phone (0% vs. 1.1%); and online through computer (7.8% vs. 7.2%) at similar rates.

[33] Transaction alternative financial services include non-bank check cashing, money orders, and remittances.

Use of Alternative Financial Services among Unbanked and Underbanked Households Headed by Working-Age Adults with Disability˄

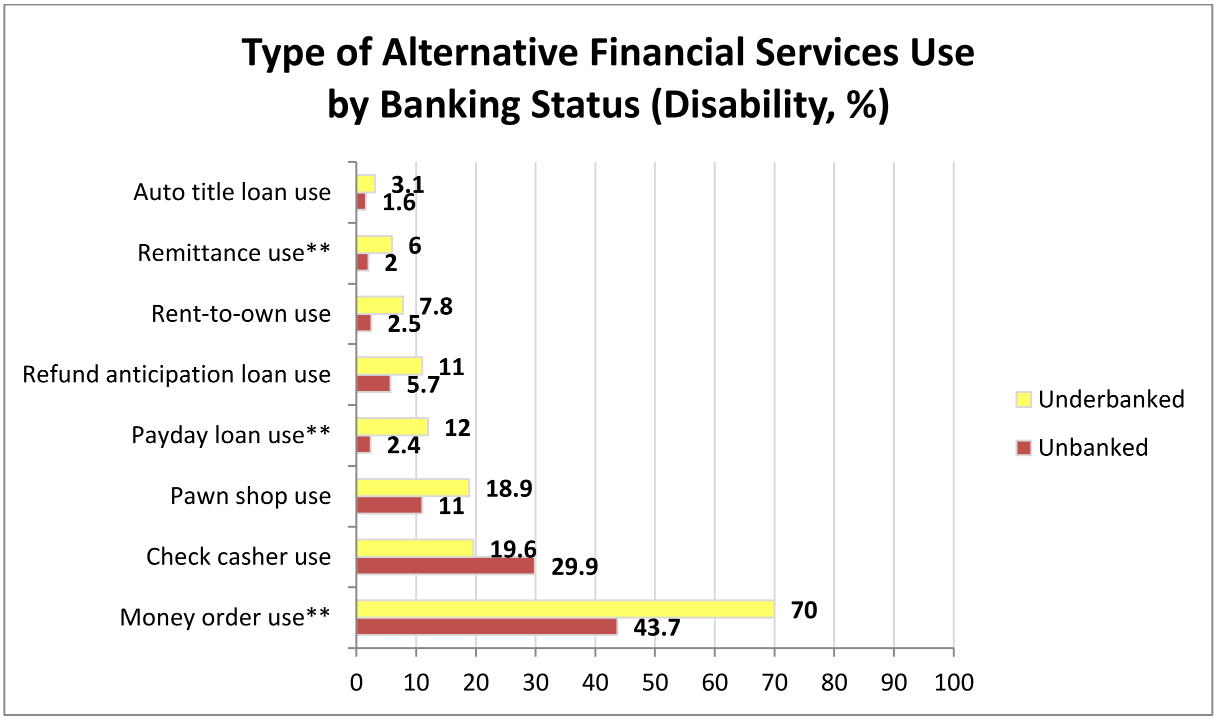
Among households headed by working-age adults with disability, underbanked households were significantly more likely to report using at least one alternative financial service in the last 12 months compared to unbanked households (99.7% vs. 57.4%).˄ More specifically, use of transaction and use of credit alternative financial services in the last 12 months were both significantly more likely for those that were underbanked compared to those that were unbanked. However, both households used credit alternative financial services at lower rates than transaction financial services. See Figure 22.

Figure 22: Use of Transaction and Credit Alternative Financial Services Use by Banking Status (Disability)˄*



Unbanked and underbanked households headed by working-age adults with disability also significantly differed by the type of alternative financial services used in the last 12 months: underbanked households were significantly more likely to report using payday loans, remittances, and money orders in the last 12 months compared to unbanked households.

Figure 23: Type of Alternative Financial Services Use by Banking Status (Disability)^*

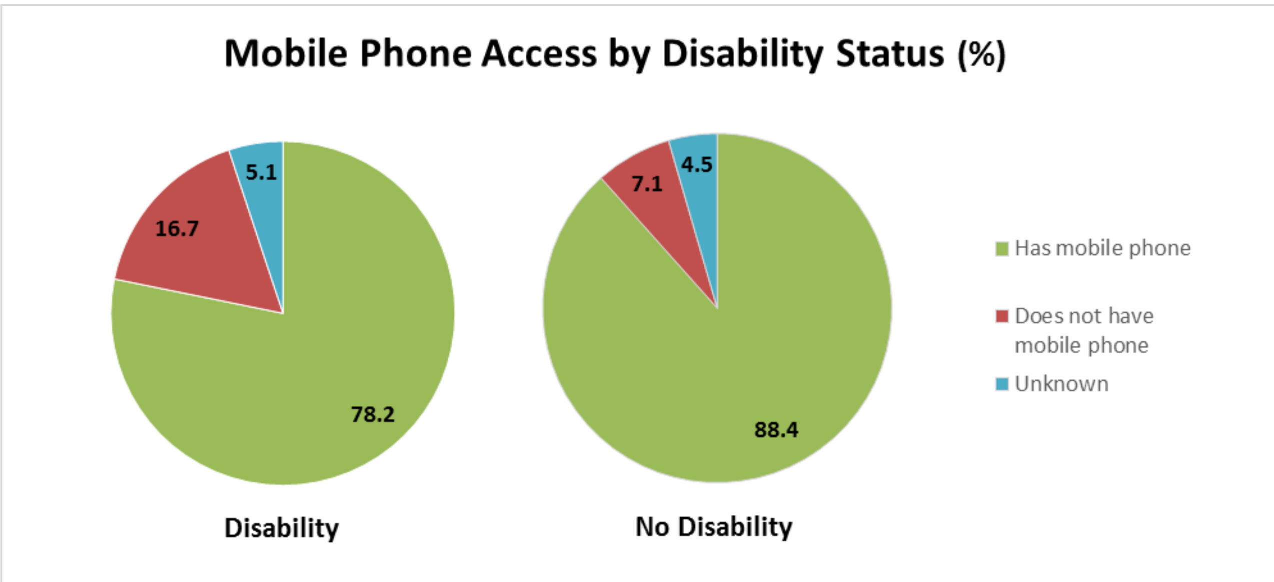


Access to Mobile Phones and the Internet

Access to Mobile Phones and Smartphones

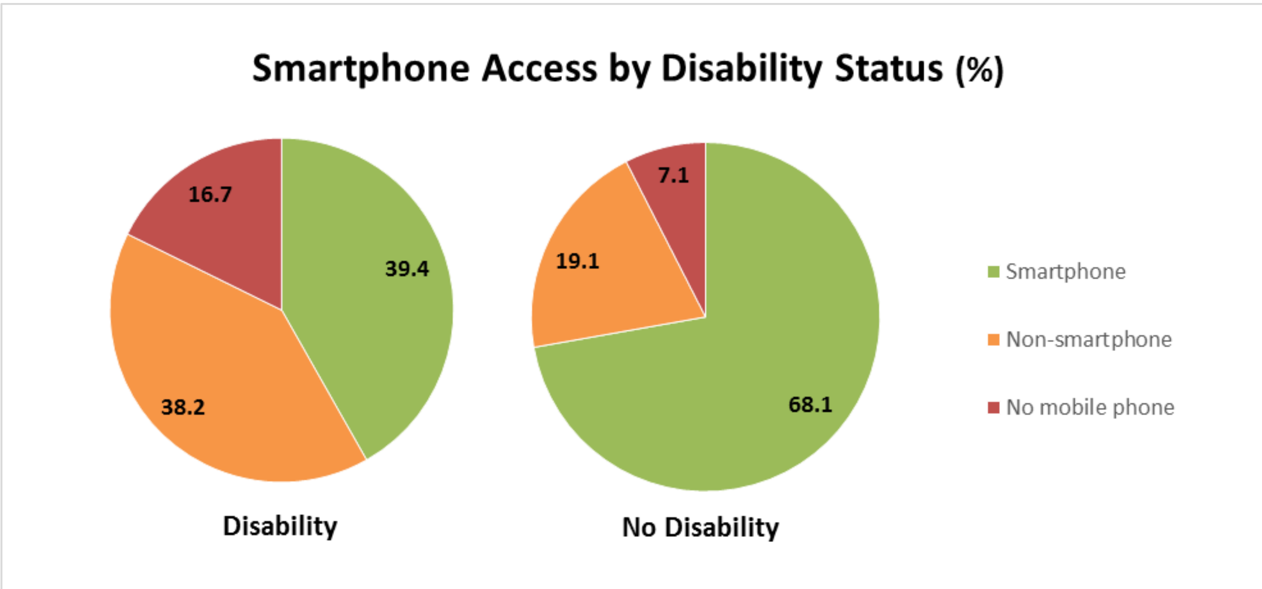
Respondents were asked about access to mobile phones, smartphones, and Internet and the use of these technologies for financial transactions. Households headed by working-age adults with disability were significantly less likely to have access to a mobile phone than households headed by those without (16.7% vs. 7.1%). See Figure 24.

Figure 24: Mobile Phone Access by Disability Status*



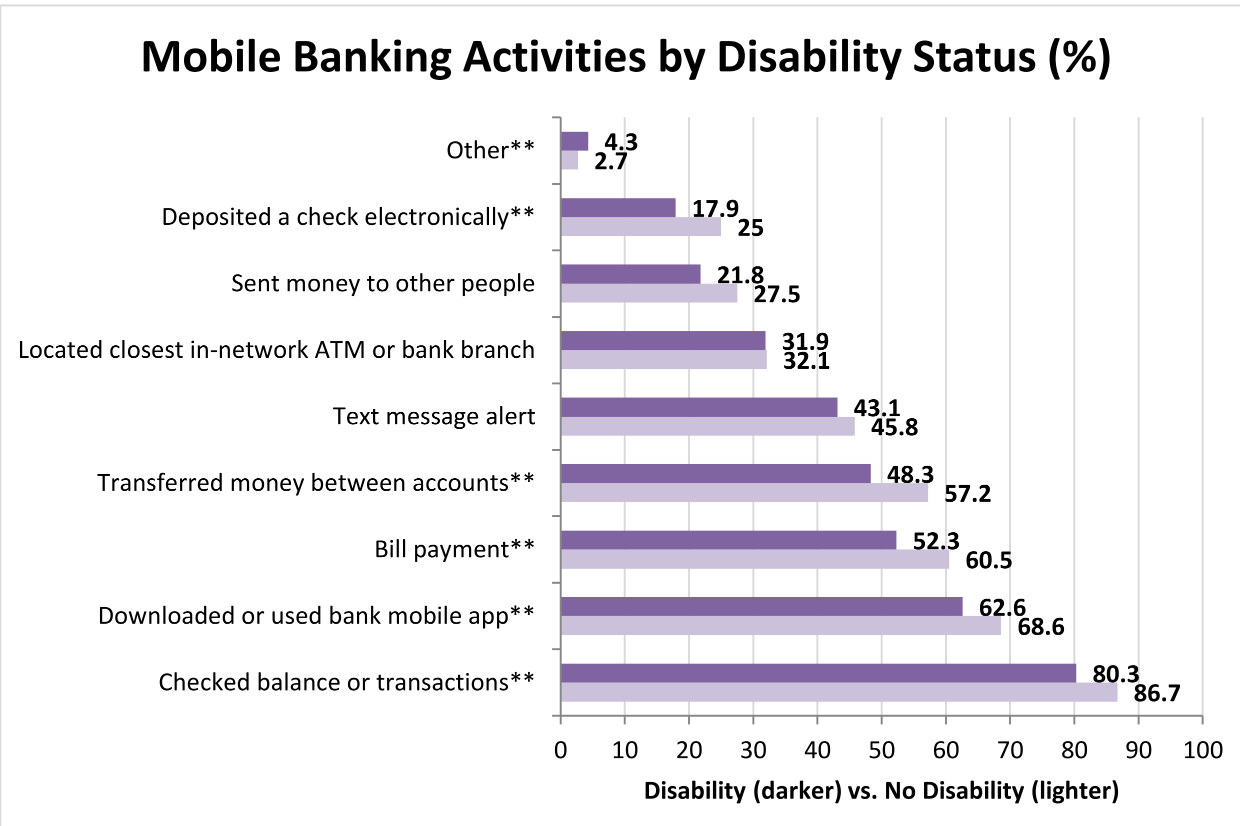
Disability status was also associated with the type of mobile phone owned by a household. More specifically, households headed by working-age adults with disability were significantly less likely to have a smartphone and more likely to have a non-smartphone mobile device. See Figure 25.

Figure 25: Smartphone Access by Disability Status*



With regard to mobile banking, households headed by working-age adults with disability were significantly less likely to use mobile banking compared to households headed by those without disability (13.8% vs. 29.5%, respectively). Among those who used mobile banking, disability status was also significantly associated with mobile banking activities: households headed by working-age adults with disability were less likely to have downloaded or used a mobile banking app, checked balances or transactions, made a bill payment, transferred money between accounts, and to have deposited a check electronically. However, they were more likely to report using “other” mobile banking functions than households headed by those without disability. See Figure 26.

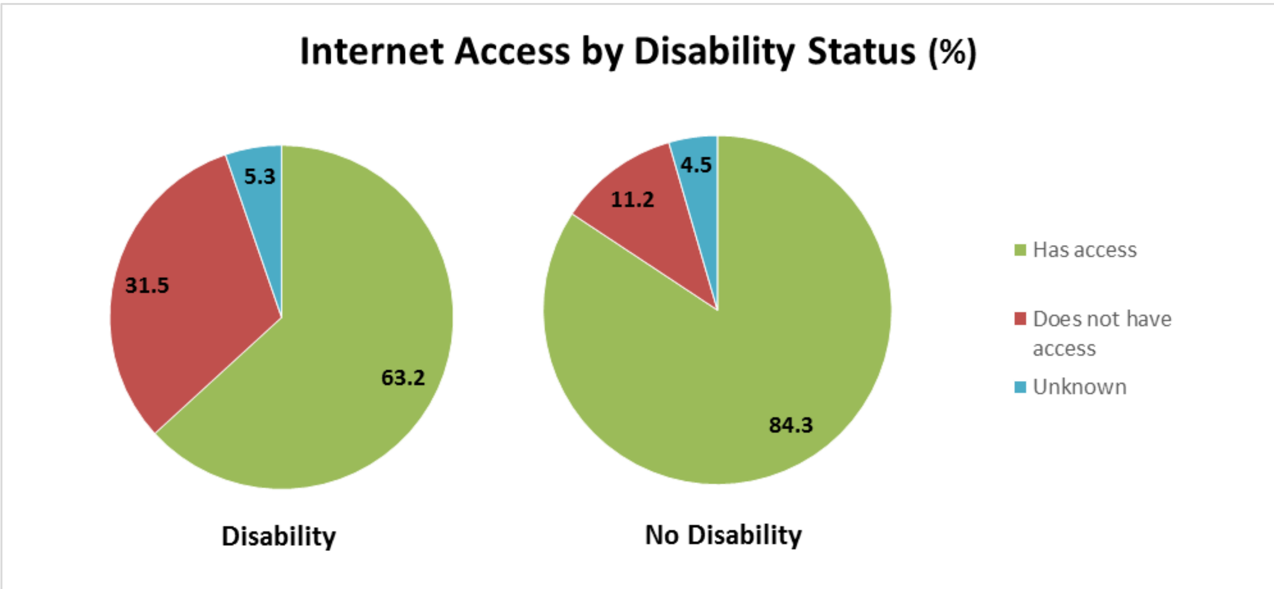
Figure 26: Mobile Banking Activities by Disability Status^*



Internet Access

Access to Internet was also associated with disability status: households headed by working-age adults with disability were significantly less likely to have Internet access. See Figure 27.

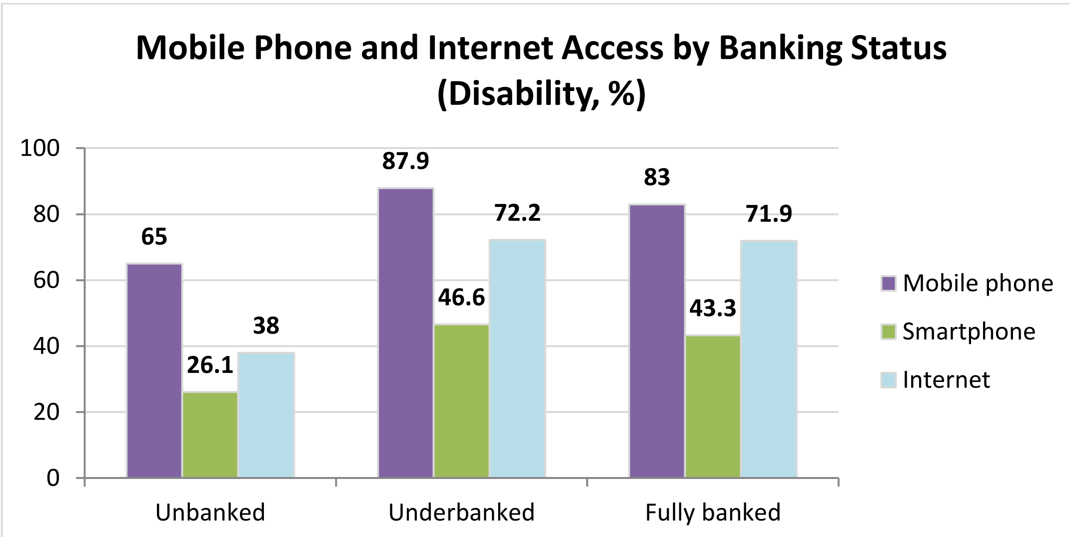
Figure 27: Internet Access by Disability Status*



***Access to Mobile Phones and the Internet among Households Headed by Adults with Disability*^**

Households headed by adults with disability also significantly differed by banking status regarding access to mobiles phones and the Internet. More specifically, unbanked households headed by working-age adults with disability were the least likely to own a mobile phone, including smartphones and non-smartphones, and to have access to the Internet. See Figure 28.

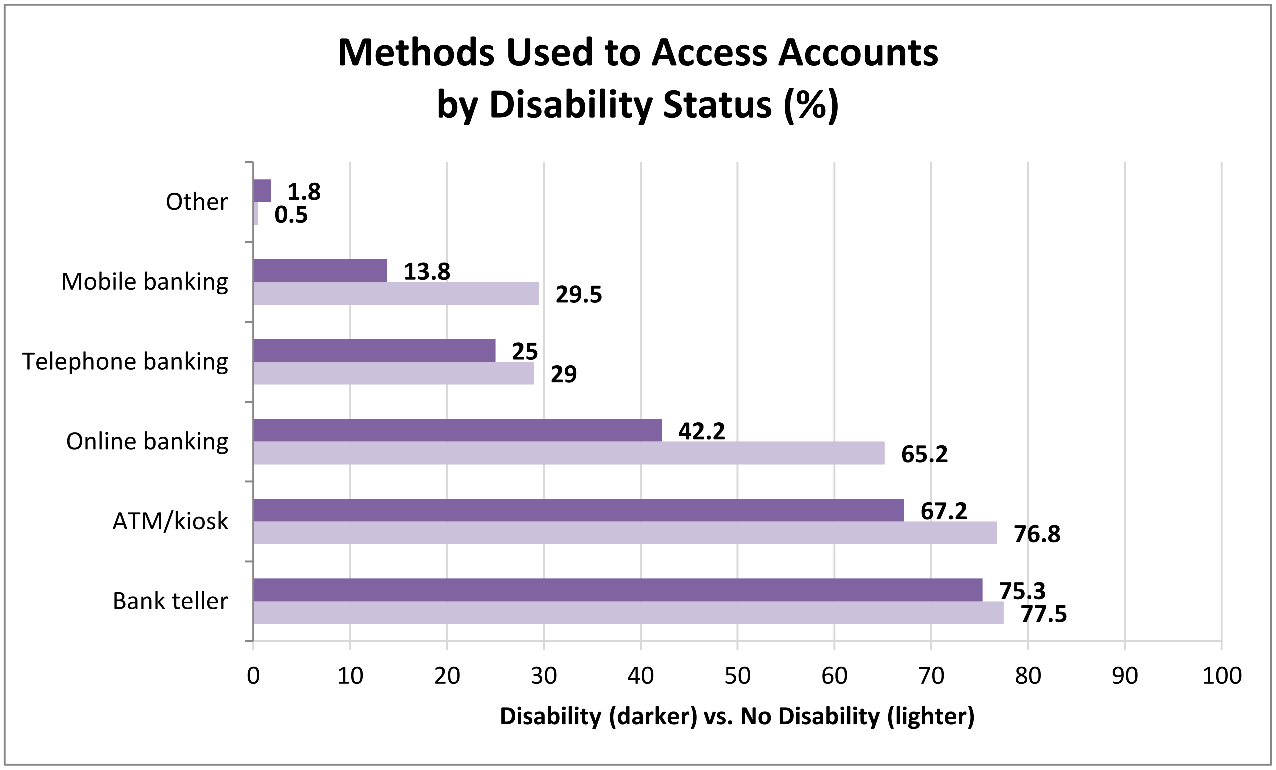
Figure 28: Mobile Phone and Internet Access by Banking Status (Disability)^ *



Banking Methods

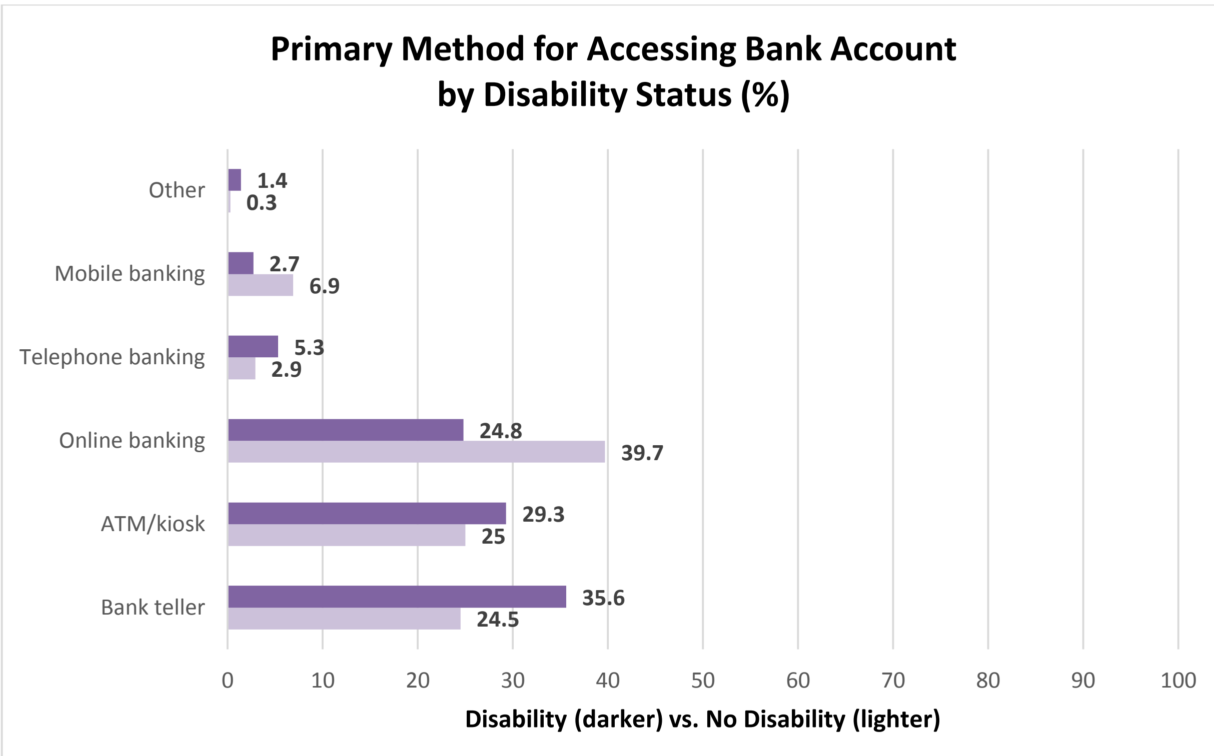
Households that had accessed their bank account in the past year also reported on methods used to access those accounts. Disability status was associated with methods of access: households headed by working-age adults with disability were significantly less likely to access their bank account using a bank teller, ATM/kiosk, telephone banking, online banking, and mobile banking. However, they were more likely to use "other" methods to access their bank account. See Figure 29.

Figure 29: Methods Used to Access Accounts by Disability Status *



Households that had accessed their bank account in the past year were also asked to report on the primary method used to access their bank account. The primary methods used to access bank accounts were significantly different for households headed by working-age adults with disability compared to households headed by those without disability. Households headed by working-age adults with disability were significantly more likely to access a bank account primarily using an ATM/kiosk, bank teller, telephone banking, or "other" method, and were significantly less likely to use mobile or online banking. See Figure 30.

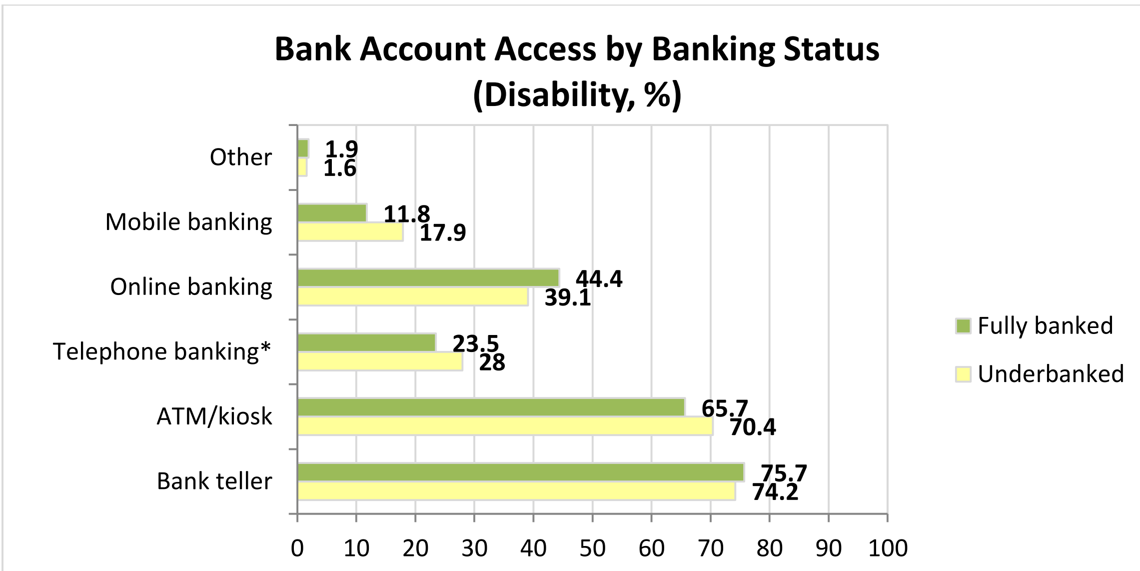
Figure 30: Primary Method for Accessing Bank Account by Disability Status *



***Bank Account Access for Households Headed by Working-Age Adults with Disability*^**

Banked and underbanked households did not significantly differ on their rates of using the following methods to access their accounts in the past 12 months: bank teller, ATM/kiosk, online banking, mobile banking, and "other" methods. They were also equally likely to have accessed their accounts in the last 12 months. However, underbanked households were significantly more likely to use telephone banking to access their accounts than fully banked households (28% vs. 23.5%). See Figure 31.

Figure 31: Bank Account Access by Banking Status (Disability)^*



Discussion and Implications

The findings presented in this report regarding households headed by working-age adults with disability complement NDI's 2014 report on the financial capability of American adults reporting a work-related disability. The findings of this report also confirm that households headed by working-age adults with disability represent a disproportionate share of unbanked and underbanked households.

Banking Status

Due to a broader measure of disability in the CPS than the work-related disability measure used by FINRA, this report provides more inclusive and representative information about the financial well-being of Americans with disabilities. Households headed by adults with disability represent an economically vulnerable population challenged by a lack of educational achievement, limited participation in the labor force and low income production and preservation. NDI's 2014 report identified that people with disabilities may have greater difficulty making ends meet, be less likely to plan ahead, have greater difficulty managing financial products and have less overall financial knowledge.[34] Similarly, with less ownership of checking and/or savings accounts, as was also identified in this report, and being less likely to join or rejoin the banking system, households with disability may be less prepared for successfully handling financial emergencies due to less access to liquid savings, and are thus more likely to accrue additional debt in an emergency by using formal and informal credit.[35] All households reported that not having enough money was a primary reason for being unbanked, and this may be a significant barrier to banking for households with disability given their substantially lower income levels and participation in the labor force.

Unbanked households headed by working-age adults with disability were more likely than households headed by those without disability to open an account to receive direct deposit of paycheck or other income, such as Social Security benefits. Similarly, NDI's 2014 report identified that federal or state benefits including unemployment, disability, SSI, and TANF were the highest reported sources of income.

Americans also report that life events which result in "economic shock" are primary reasons for their concerns about financial security, making it difficult to make ends meet – especially for those making less than $25,000 per year.[36] This may be particularly salient for householders with disability, reflected in higher rates of several major life events compared to householders without disability, particularly loss of income and significant increase in household expenses, as well as lower rates of acquiring new jobs. These unique experiences of people with disabilities directly and indirectly impact their financial security and banking status.

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[34] Ibid.
[35] Pew Charitable Trusts, "The Precarious State of Family Balance Sheets," http://www.pewtrusts.org/~/media/Assets/2015/01/FSM_Balance_Sheet_Report.pdf
[36] Pew Charitable Trusts, "Americans' Financial Security: Perception and Reality," http://www.pewtrusts.org/~/media/Assets/2015/02/FSM-Poll-Results-Issue-Brief_ARTFINAL_v3.pdf

Checking and Savings Account Ownership, and Automatic Transfers

Similar to NDI's 2014 report, we found that households headed by adults with working-age disability are significantly more likely to have only a checking account or only a savings account, as compared to households headed by those without disability who were more likely to have both checking and savings accounts.

The current findings also suggest that direct deposit was a popular method of receiving any income, as was the case in NDI's 2014 report. It is possible that this higher rate is due to the receipt of government benefits by heads of households with disability. Although the direct deposit of benefits may facilitate relationships with banks for people with disabilities, the current Social Security system has major disincentives to work and income generation both for SSI and SSDI beneficiaries. Being out of the labor force and heavily dependent on Social Security payments for income, public policy also severely limits savings and investment options, as Social Security and many other federally-funded public benefits determine continued eligibility based upon resource testing that requires assets to stay below $2,000.

Although receipt of state or federal benefits through direct deposit may be linked to joining and rejoining the banking system for households with disability, so long as these benefits remain a primary source of income, households with disability will continue to be at an economic disadvantage, earning substantially lower incomes than households without disability.

Prepaid Debit Cards

Households headed by working-age adults with disability were more likely to ever use a prepaid card and to have done so within the last 30 days. Households headed by working-age adults with disability were also less likely to obtain their prepaid cards from bank branches. The higher use of non-bank issued prepaid cards puts into question concerns about transaction fees with banks and the lack of trust with the traditional banking system by people with disabilities. To broaden economic inclusion efforts, a growing number of banks have designed low-cost basic savings and checking accounts, including low-cost card-based transaction deposit accounts with no overdraft fees. The development of community partnerships with disability-focused service agencies could help outreach efforts to this target audience with basic products that expand access to mainstream financial services.

Similar to the findings of NDI's 2014 report, households headed by working-age adults with disability were also more likely to use prepaid cards to receive direct deposit of paychecks or other income, such as Social Security benefits. For unbanked households headed by working-age adults with disability that had used prepaid debit cards, nearly half had never had a bank account, and nearly all other households had an account more than one year ago. Similarly, nearly half of these households were not at all likely to join or rejoin the banking system; over half reported that they were unbanked because they did not have enough money. These findings suggest that use of prepaid debit cards is likely to be used in lieu of the banking system due to lack of financial resources.

Alternative Financial Services

The findings in this report regarding the use of alternative financial services by households headed by working-age adults with disability, mirror those found in NDI's 2014 report on households with at least one person with a work-related disability, specifically that households with disability are more likely to use alternative financial services. Moreover, households headed by working-age adults with disability were more likely to use both transaction and credit alternative financial services, and to use more than one type of alternative financial service.

Because financial resources remain less secure for people with disabilities, particularly with regard to banking status, they may rely on alternative financial services providers. Furthermore, with less financial education and lower levels of financial literacy, people with disabilities (and their families) may be more vulnerable to predatory lending strategies that accelerate debt and devastating financial instability.

Improved focus on financial literacy among people with disabilities would bring better understanding about the adverse impact and costs associated with varied types of alternative financial services, including loans. Immediate access to cash from diverse types of predatory lenders masks the real costs associated with accessing cash via alternative financial services. Community agencies that are known and trusted by people with disabilities would be welcome hosts for basic financial education classes led by bank personnel.

The use of alternative financial service providers could also be reduced through community outreach in collaboration with community groups. Many banks offer unsecured personal loans with loan amounts of $2,500 or less. Such small dollar loan product will have rates significantly better than alternative financial providers. However, the marketing of this type of product is a challenge with unbanked and underbanked consumers with poor or no credit history. Earlier this month, FICO announced the acceptance of additional nontraditional financial information, such as a consistent record of paying rent or utility or cell phone bills, to help establish or recalculate credit scores.[37] The new FICO score is expected to lift some 5 million individuals to credit scores above 620, which will likely lead to approved car and home loans, as well as the issuing of credit cards. This approach could significantly benefit people with disabilities and their families.

Access to Mobile Phones and the Internet

Households headed by working-age adults with disability were significantly less likely to have access to a mobile phone, including smartphones, and Internet than households headed by those without disability. Limited access to mobile phones and Internet was particularly salient for unbanked households headed by working-age adults with disability. Similarly, households headed by working-age adults with disability were significantly less likely to use mobile banking. Although there are clear disparities in access to

[37] Wall Street Journal, "FICO Recalibrates Its Credit Scores," http://www.wsj.com/articles/fico-recalibrates-its-credit-scores-1407443549

technology and its use for banking transitions, we do not know to what extent these disparities may be related to accessibility barriers and/or economic disparities.

Other FDIC research highlights the importance of mobile financial services in increasing the financial inclusion of underbanked consumers and maintaining banking relationships with consumers.[38] The "anytime, anyplace, and actionable nature" of mobile financial services affords underserved consumers the ability to access accounts with greater convenience.[39] This potential ease of accessibility may be especially important for people with disabilities that do not have adequate transportation or the ability to easily access banking institutions. However, to be most effective, the accessibility and usability of the mobile technologies themselves must be carefully considered in order to meet the varying needs of people with disabilities.

Banking Methods

Households headed by working-age adults with disability were less likely to use online banking, whereas online banking was the number one primary method for accessing bank accounts in households headed by those without disability. Compared to fully banked households, underbanked households headed by working-age adults with disability were more likely to access bank accounts using the telephone.

Because many people with disabilities experience transportation challenges, mobile and online banking pose significant opportunities for households headed by an individual with a disability. From a policy perspective, the Federal Communications Commission (FCC) continues to implement multiple strategies to improve broadband access in rural areas and for low-income households. The cost of implementation of access to underserved populations is being covered from different types of licensing fees from communication carriers. The intersection of mobile and online banking design, and implementation strategies suggests opportunities for expanded dialogue between the telecommunication carriers and banking institutions to address access to equipment and broadband at more affordable rates.

[38] FDIC, "Assessing the Economic Inclusion Potential of Mobile Financial Services," https://www.fdic.gov/consumers/community/mobile/
[39] Ibid., p.1.

Recommendations

Since 2006, the FDIC has convened an Advisory Committee on Economic Inclusion to explore the current state of knowledge and potential solutions to improve participation in the financial mainstream. At a meeting of the Advisory Committee on Economic Inclusion in April 2014, a three-part framework was offered by the FDIC for evaluating economic inclusion in mobile financial services.[40] However, the framework is useful for increasing inclusion in a variety of ways beyond mobile financial services alone and suggests a focus on **access:** drawing consumers into the banking system**; sustainability:** keeping consumers in the banking system; and **growth:** deepening banking relationships. National Disability Institute adopts this framework to propose recommendations to policymakers, financial institutions, and community organizations that builds on the new knowledge created by the analysis of data from the *2013 FDIC National Survey of Unbanked and Underbanked Households*.

1. Access: Drawing Consumers with Disabilities into Mainstream Financial Services

A. Create *The ADA@25 FDIC Financial Toolkit* to Help Financial Institutions Bring People with Disabilities into the Economic Mainstream

In July 2015, through multiple special events, people with disabilities, the government, the business community, and the general public will be invited to celebrate and reflect on 25 years of achievement since the signing into law of the landmark Americans with Disabilities Act (ADA). The Act states clearly that our nation's goals are not only to assure equality of opportunity, but also to advance economic self-sufficiency for persons with disabilities. Participation in mainstream financial services is a critical indicator of economic inclusion; yet the findings in this report indicate that significant challenges still remain as 46.5% of households headed by working-age adults with disabilities are unbanked or underbanked.

Taking a leadership role, the FDIC could dedicate an upcoming meeting of the Advisory Committee on Economic Inclusion to: "*Access: Drawing Consumers with Disabilities into Mainstream Financial Services.*" An agenda could be designed that features the inclusive efforts of insured depository institutions to bring individuals with disabilities into the financial mainstream with free or low-cost starter or second choice model accounts, small dollar loan programs to build credit worthiness, and financial education and coaching programs in partnership with community nonprofit groups and government. The agenda also could include a panel with leaders of national disability organizations to amplify on the findings in this report and provide further insights and perspectives on the financial service needs and preferences of the unbanked and underbanked households headed by adults with disabilities.

An outcome from this targeted agenda and dialogue would be to establish a time-limited workgroup of the Advisory Committee on Economic Inclusion to create the *ADA@25 FDIC Financial Toolkit,* to help financial institutions improve access and participation of people with disabilities in the financial mainstream. The Toolkit would offer examples of inclusive strategies from financial institutions in

[40] FDIC, "Assessing the Economic Inclusion Potential of Mobile Financial Services," https://www.fdic.gov/consumers/community/mobile/Mobile-Financial-Services.pdf

collaboration with community-based organizations and/or the government that improves the availability of:

a. basic and auxiliary financial products and services,
b. financial education and outreach activities,
c. customer engagement and support at a retail level (on-site and online),
d. disability inclusive marketing approaches, and
e. quality improvement processes that build on customer feedback.

The workgroup could invite national disability organizations to offer suggestions and comment on the proposed blueprint for activities, products, and services. The workgroup could also ask other relevant federal agencies (Social Security Administration; U.S. Departments of Education, Labor and Treasury; and the Consumer Financial Protection Bureau) to offer suggestions and comments for coordinated and collaborative action. National Disability Institute is committed to supporting the FDIC and the workgroup with subject matter expertise and outreach activities. NDI believes that the workgroup should not ignore two critically-related issues: the challenges of *accessibility* and *sustainability.* Ensuring that financial services and products are accessible, and that consumers are sustained within the banking system, would decrease this population's use of more costly alternative financial services. All proposed products, services, and activities should be designed for all potential consumers with a full commitment to equal access on-site and online.

The recommendations for specific actions could be disseminated to all insured depository institutions by July 2016. The priority audience would be all people with disabilities, and the recommended actions would focus on specific strategies to move these households into mainstream financial services, often with engagement of community partners. As a result of the Toolkit-driven activities, future meetings of the Advisory Committee on Economic Inclusion could provide updated status reports on effective inclusive strategies led by insured depository institutions in communities nationwide.

B. **Lead by Example: Financial Institutions As Model Employers**

On March 24, 2014 a new final rule of Section 503 of the Rehabilitation Act of 1973 went into effect. The final rule created new affirmative obligations for federal contractors to recruit, hire, promote and retain individuals with disabilities. The new regulations establish a nationwide 7% utilization goal for the hiring of qualified individuals with disabilities. Depository institutions meet the definition of federal contractors under this rule.[41] Contractors must document their marketing and outreach strategies and annually track and compare the number of individuals with disabilities who apply for jobs and the number of individuals then hired.

[41] Exec. Order No. 11246, 3 C.F.R. (2014). http://www.dol.gov/ofccp/regs/statutes/eo11246.htm.

The FDIC survey data indicated a lack of confidence by over one-third of all households, including those headed by working-age adults with and without disability, as a reason for being unbanked; 16.4% of households headed by working-age adults with disability indicated that this was the main reason for being unbanked. The most commonly cited primary reason for being unbanked among households headed by working-age adults with disability was a lack of income, something that is likely associated with a high unemployment rate and a lack of participation in the labor force among this population.

Financial institutions, as Section 503 contractors, could lead by example as model employers. As an industry, financial institutions could make a public commitment to increase recruitment, hiring, accommodation and advancement of qualified individuals with disabilities in diverse roles within an inclusive workforce. To help meet the Section 503 7% utilization goal, financial institutions could expand internship opportunities and increase recruitment efforts on college campuses that engage collaboratively with disability student service and career service offices. Financial institutions could adopt a central pool of funds to affirmatively meet accommodation needs as a best practice to improve hiring outcomes. In addition to meeting current Section 503 requirements, financial institutions, as model employers, would build trust with the target audience and their extended family and friends. Employees with disabilities would promote the ability of financial institutions to better meet the needs of the disability community.

2. Sustainability: Keeping Consumers in the Banking System

A. Integrate Financial Capability Skills Building within the Workforce Development Service Delivery System

Combining what we know from previous findings, individuals with a disability have more limited financial knowledge impacting the ability to make informed decisions which may result in inconsistent banking relationships.[42] Yet, there is a new generation of youth and young adults with disabilities who have higher expectations about participation in the economic mainstream. The next frontier for government, the business community, and people with disabilities is to meet these expectations by shifting focus to full economic inclusion, advancement and mobility.

President Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law on July 22, 2014. WIOA directs the public workforce development system to support job seekers, with and without disabilities, to succeed in the labor market, and assists employers by identifying the skilled workers they need to compete in a global economy. For the first time, Congress has included the provision of “financial literacy” as a component of allowable services to be provided to an individual “to obtain or retain employment.” This provision recognizes the need for financial decision-making and economic inclusion as key indicators of successful employment. For the FDIC and banks, there is an unprecedented opportunity to bring to American Job Centers (AJCs) in every community, coordinated resources that improve the

[42] National Disability Institute, “Financial Capability of American Adults Reporting a Work-Related Disability,” http://www.realeconomicimpact.org/data/files/reports/NDI_financial_capability_report_july_2014.pdf

ability of individuals served to make better informed financial decisions. Financial education and counseling/coaching provided to the job seeker could improve access to safe and secure financial products and services and positively influence financial behaviors.

The FDIC and the Employment and Training Administration at the U.S. Department of Labor (DOL) could work together to build effective collaborations with financial institutions, American Job Centers and local Workforce Development Boards (WDBs). Such an effort could also engage the Office of Disability Employment Policy (ODEP) to provide advice on program, communication, and physical accessibility of proposed activities to ensure the products and services offered provide effective and meaningful participation opportunities for job seekers with disabilities. National Disability Institute, in collaboration with ODEP, will publish and disseminate a report this spring on integrating financial capability activities into the public workforce development system. Promising practices to be included in the report are the delivery of Money Smart, the FDIC's Financial Education program, and the provision of free tax preparation services at American Job Centers, such as the IRS-sponsored Volunteer Income Tax Assistance (VITA) and NDI's MyFreeTaxes. Complementary activities and programs offered by the Consumer Financial Protection Bureau, the Federal Trade Commission, the IRS, and Treasury could also be considered. The inclusion of financial literacy activities to benefit job seekers, with and without disabilities, provides important new options for outreach to educate consumers and nurture and support banking relationships.

B. Foster ABLE Accounts for Down Payments on Financial Inclusion

After eight years of deliberation, the ABLE (Achieving a Better Life Experience) Act was signed into law on December 19, 2014. ABLE Accounts present a new opportunity to save money and remain eligible for federally-funded means-tested programs and benefits. For the millions of individuals with disabilities who will meet the eligibility requirements for ABLE accounts, there will no longer be the fear of losing critical benefits or working and producing more income that cannot be saved.

For example, individuals receiving SSI or Medicaid are held to asset limits (typically $2,000) that exclude recipients from savings and asset building opportunities. With the opportunity to open an ABLE account, the recipients, as well as their family and friends, can put funds into their ABLE account and set goals for the use of the funds that will improve an individual's quality of life.

ABLE accounts will become an option for eligible individuals in selected states in 2016, and it is expected that the option to open ABLE accounts for all eligible individuals will be possible within the next three years. For the FDIC at a federal level and financial institutions in states nationwide, the next 24 months is the optimum time to learn more about ABLE Account rules to be established by each state for savings and tax-free disbursements for qualified disability expenses. Financial institutions may be able to market existing products and services or may decide to modify products and services to be sensitive to the target market. The FDIC Survey data reported that the greatest reason respondents with disabilities did not have a bank account was a lack of financial resources. The opportunity for reevaluation of how to bring unbanked and underbanked customers into the financial mainstream may be significantly impacted by this new market opportunity. In addition, family and friends of an ABLE account beneficiary may look to their financial institution to create direct deposit opportunities from savings or checking accounts to an ABLE account. From these multiple perspectives, ABLE accounts become a new pathway to mainstream financial inclusion. Treasury and the IRS, which have joint responsibility for development of the proposed rules, could help define and support safe, secure savings and disbursement options with the advice of the FDIC.

3. Growth: Deepening Banking Relationships and Fostering Financial Empowerment

A. Target the Economic Inclusion Potential of Mobile Financial Services

FDIC survey data indicates the increasing use of smartphones and the Internet for accessing financial services. For households headed by those with and without disability, mobile banking activities include checking account balances, downloading or using mobile banking apps, paying bills and transferring money between accounts, and depositing checks electronically. However, households headed by a working-age adult with a disability were less likely to have Internet access or a smartphone, and households with disability that were using mobile banking were less likely to conduct the aforementioned banking activities on a mobile device.

Mobile financial services can provide actionable information at any time from any place. FDIC survey data indicates more than one-third of respondents with a disability have smartphone access, three of four have mobile phone access, and 63% have Internet access.

As smartphone penetration is growing and with the resulting access to the Internet, working age adults with disabilities are a likely target to build and deepen a banking relationship though mobile financial services. The multiple advantages of mobile financial services requires education and outreach activities to increase customer awareness and understanding of the value proposition. These may include cost savings from reduced fees, convenience overcoming transportation barriers, speed to make timely bill payments, and informed financial decision making with real-time account balance access and alerts. Challenges to be addressed include long-held concerns regarding security and fraud protection, as well as current banking use behaviors that favor personal interaction at retail outlets. The deepening of the banking relationship will require expanded strategies that integrate traditional financial service delivery with the cost-saving and convenience of mobile and online approaches.

To realize the economic inclusion potential of mobile financial services, financial institutions must proactively consider accessibility issues when they design and develop products and services for mobile and web-enabled platforms. From touchscreens to voice enabled instruction, mainstream equipment and device manufacturers, in collaboration with financial institutions, must also consider accessibility design issues, including integration with assistive technologies needed by people with disabilities. An often overlooked aspect of accessibility is universal design for people with limited literacy and varying cognitive ability. The recognition that mobile financial services could serve as a pathway to economic inclusion presents a unique opportunity for further conversation between the FCC and FDIC on the affordability and accessibility of broadband.

B. Generate New Financial Knowledge about People with Disabilities to Inform Pathways To Economic Inclusion

While this report provides valuable insight into the banking status and financial behaviors of households headed by working-age adults with disability, additional information is needed to accurately inform strategies to promote greater access to mainstream financial institutions for people with disabilities, and to monitor the success of new efforts.

Changes to the FDIC Supplement and Report*:* Changes to ongoing data collection efforts and reporting may yield critical information. For example, because family composition, including the presence of other people with disabilities of any age, may alter household financial resources and cost of living, we recommend that the FDIC report on not only households headed by working-age adults with disabilities, but households with disability as well. Currently, the CPS gathers information about the disability status of household members 15 years and older, so data is available to identify households with disability among members age 15 years or older. However, additional questions would need to be added to capture disability among younger household members. Second, because many people with disabilities receive government benefits, and the receipt of these benefits could potentially be a key mechanism to inclusion in mainstream financial services, future FDIC supplements should distinguish between the receipt of benefits and other income for questions related to banking, direct deposit, and prepaid credit cards. Also, in future years, the FDIC supplement could ask about whether respondents with disability in the household know about and have an ABLE account. For questions in which “other” was an option, we also recommend that the FDIC analyze this open-ended data to these responses by disability status, to determine if households with disability are providing information that may be particularly relevant or unique to households with disability. This information could be used to create additional survey items - and intervention strategies - so that important information is not overlooked.

New Research*:* Limited accessibility to mainstream financial services may impact the likelihood of households with disability opening and maintaining account ownership, as indicated by households headed by working-age adults with disability being unbanked and underbanked at significantly higher rates than other households. Future research should measure the accessibility of financial products and services, including but not limited to websites, product description materials, loan documents, mobile banking procedures, and other methods of accessing accounts. A more thorough understanding of the barriers to building relationships with federally insured institutions for households with disability will enable the development of policies and procedures to overcome those barriers and increase accessibility, thereby bringing more people with disabilities into the financial mainstream. Additionally, smaller-scale qualitative and collaborative research with people with disabilities would provide useful information for creating more inclusive measures of the financial behaviors and banking status of households with disability, and insight into disparities identified herein and successful means to achieve equity.

Conclusion

When federally insured depository institutions effectively serve the broadest possible set of consumers, public confidence is strengthened in the banking system, which ultimately benefits everyone. This includes the approximately 8.9 million adults and 2.4 million children living in unbanked or underbanked households headed by working-age adults with disability. Findings from the FDIC report present an opportunity for banks to forge new and expanded relationships with the disability community by creating and marketing products and services that are responsive to the needs of people with disabilities. The knowledge gained by these findings and the recommendations above represent new opportunities to define pathways to full economic inclusion for this financially vulnerable population.

The time to focus efforts toward the economic inclusion of persons with disabilities is now. Whether a working-age adult with disability securing new employment or opening an ABLE account, multiple new federal policies are paving the way for individuals with disabilities to establish a mainstream banking relationship. It's up to America's financial institutions to focus on **access:** drawing consumers into the banking system**; sustainability:** keeping consumers in the banking system; and **growth:** deepening banking relationships to positively impact the banking status and financial behaviors of adults with disabilities. With FDIC leadership, we are optimistic that our nation's youth and adults with disabilities can build their trust and confidence with a mainstream bank in their community that invests in a long-term customer relationship.

There is no quick reversal of trust or confidence from persons with disability or other economically challenged populations, and there is no single or simple solution that will change the status, behaviors, or attitudes among them. However, with public and private sector involvement, National Disability Institute will continue to shine a spotlight on the challenges and opportunities offered by engaging the disability community to expand the inclusiveness of the banking system. In cooperation with government, financial institutions, businesses and community groups, NDI will continue to design and implement strategies that improve informed financial decision-making, increase access to affordable and accessible financial products and services, build financial confidence, and increase the economic inclusion of individuals with disabilities.

With the celebration of the 25th Anniversary of the Americans with Disabilities Act (ADA@25) just a few months away, this report's findings and recommendations should serve as a call to action for government, financial institutions, and community organizations. Collectively, we can do more to advance the economic inclusion and financial well-being of individuals with disabilities.

About the Authors

Katherine (Katie) McDonald, PhD, is an Associate Professor of Public Health in the Falk College of Sport and Human Dynamics, and a Faculty Fellow at the Burton Blatt Institute at Syracuse University. Dr. McDonald received her B.S. with Distinction in Human Development and Family Studies, with a minor in French, from Cornell University, and her Ph.D. in Community and Prevention Research Psychology from the University of Illinois at Chicago. Dr. McDonald uses ecological theory and social action research to understand and promote the community integration of individuals with disabilities. Her current research spans two areas: (1) *Respectful, Inclusive Research with Adults with Intellectual Disability*. Dr. McDonald has several projects on the empirical study of human research ethics, with the goal of contributing a data-driven approach to identifying strategies to respectfully include adults with intellectual disabilities in research; her current work is funded by National Institutes of Health (NIH). (2) *Participatory Action Research Addressing Disparities*. Dr. McDonald conducts collaborative research with community-based organizations and community members on health, education, violence victimization, and community and employment disparities experienced by individuals with disabilities; her recent projects are funded by NIMH, CDC/AUCD, and NIDRR. Dr. McDonald received the Stevens-Shapiro Fellowship from the International Association for the Scientific Study of Intellectual Disabilities, the Early Career Award from the American Association on Intellectual and Developmental Disabilities, and was an International Visiting Fellow at the University of Western Sydney in Australia. She is also a Fellow with the American Association on Intellectual and Developmental Disabilities. Dr. McDonald has served on the Boards of Directors for L'Arche Nehalem, l'Arche Chicago, and the Arc of Multnomah-Clackamas County. She is currently an IRB member at Syracuse University.

Nicole Conroy, M.S., is a Ph.D. Candidate in the Department of Child and Family Studies in the Falk College of Sport and Human Dynamics at Syracuse University. Nicole received her B.S. with Great Distinction in Psychology and History from Clarkson University, and her M.S. in Child and Family Studies as a McNair Fellow and a Certificate of Advanced Study in Women's and Gender Studies at Syracuse University. Nicole serves as Project Manager for Dr. McDonald's Project ETHICS at Syracuse University. Project ETHICS is a National Institutes of Health-funded research project concerning the inclusion of people with disabilities in research from the perspective of several stakeholders, including adults with intellectual disabilities; family and friends of adults with intellectual disabilities; professionals who work with adults with intellectual disabilities; researchers who study adults with intellectual disabilities; and members of Institutional Review Boards. Nicole's research interests relate to how the intersectionality of multiple, complex identity categories shape people's experiences of violence and control.

Michael Morris, J.D. is the Founder and Executive Director of National Disability Institute where he is the senior subject matter expert on cross-system collaborations, integrating financial capability development services into disability-specific and generic publically-funded systems (Workforce Development, Medicaid, Education and Vocational Rehabilitation, Ticket to Work and Social Security). Mr. Morris is a recognized national leader on disability public policy and has managed more than a dozen national demonstration projects with an emphasis on capacity building through multi-method training and technical assistance

(TA) activities. As a former legal counsel to the U.S. Senate Subcommittee on Disability Policy, and Executive Director of United Cerebral Palsy Associations, Mr. Morris is adept at complex program design and model development with engagement of public and private sector agencies/organizations to transform thinking and behavior concerning financial empowerment for economically vulnerable populations. His proposal for policy development led to the passage by Congress of the Assistive Technology Act. Mr. Morris is also Director of the Burton Blatt Institute at Syracuse University, a multi-disciplinary research center focused on social and economic inclusion of people with disabilities in communities worldwide. He is the co-founder of the Real Economic Impact Tour and Network which, since 2005, has assisted more than 2 million low-income individuals with disabilities access the Earned Income Tax Credit and receive more than $1.8 billion dollars in tax refunds. Mr. Morris received his undergraduate degree in political science with honors from Case Western Reserve University in Cleveland, Ohio, and his law degree from Emory University School of Law in Atlanta, Georgia. Mr. Morris co-authored two publications for the National Council on Disability: *The State of 21st Century Long Term Services and Supports: Financing and Systems Reform for American with Disabilities* (2005), and *The State of 21st Century Financial Incentives for Americans with Disabilities* (2008). He is co-author of *Tax Credits and Asset Accumulation: Findings from the 2004 NOD Harris Survey of Americans with Disabilities published in Disabilities Studies Quarterly* (2005), which reported on research findings from the inaugural Disability and Rehabilitation Research Projects (DRRP) on Asset Accumulation. In 2014, he co-authored the *National Report on the Financial Capability of Adults with Disabilities,* based on data analyzed from the FINRA Financial Investment Education Foundation. Mr. Morris also founded the ABLE National Resource Center in January 2015, a collaborative of more than 24 national disability organizations working together to accelerate the design and availability of ABLE accounts to meet the needs of individuals with disabilities and their families in every state.

Elizabeth Jennings is the Deputy Director of National Disability Institute. Ms. Jennings has technical expertise in Social Security work incentives, employment for individuals with disabilities, financial capability strategies, asset development, and the provision of training and technical assistance. Her extensive experience includes serving as the Assistant Director of a Department of Labor-funded National Training and TA Center; Project Director of a Social Security Administration (SSA)-funded Benefits Planning Assistance and Outreach project serving seven counties within South Florida (including Miami and Ft. Lauderdale); Program Associate for the New York Medicaid Infrastructure Grant and the Florida Medicaid Infrastructure Grant; local Manager of a Florida Real Choice Grant; training and technical assistance provider for SSA's Ticket to Work program and for the U.S. Department of Health and Human Services' (HHS) Assets for Independence project; and Employment Consultant for clients of Vocational Rehabilitation. Ms. Jennings has provided training to thousands of service providers on SSA work incentives, return-to-work practices, the link between employment and financial stability, and asset development strategies. She has co-authored content for the U.S. Health and Human Services Assets for Independence website and U.S. Department of Labor Office of Disability Employment Policy (ODEP) website. Jennings received her B.A. in Sociology from Florida State University.

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