RESEARCH & ANALYSIS

Economic Well-Being of U.S. Households in 2024

May 2025

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

The Federal Reserve System is the central bank of the United States. It performs five key functions to promote the effective operation of the U.S. economy and, more generally, the public interest.

The Federal Reserve

- **conducts the nation's monetary policy** to promote maximum employment and stable prices in the U.S. economy;
- **promotes the stability of the financial system** and seeks to minimize and contain systemic risks through active monitoring and engagement in the U.S. and abroad;
- **promotes the safety and soundness of individual financial institutions** and monitors their impact on the financial system as a whole;
- **fosters payment and settlement system safety and efficiency** through services to the banking industry and U.S. government that facilitate U.S.-dollar transactions and payments; and
- **promotes consumer protection and community development** through consumer-focused supervision and examination, research and analysis of emerging consumer issues and trends, community economic development activities, and administration of consumer laws and regulations.

To learn more about us, visit www.federalreserve.gov/aboutthefed.htm.

Contents

Executive Summary

Results from the 2024 Survey of Household Economics and Decisionmaking (SHED), which was fielded in October, indicate that people's financial well-being was similar to the previous two years but below the high reached in 2021.[1] Concerns about prices persisted, and labor market conditions remained solid.

Inflation and prices continued to be the top financial concern. A majority of adults also said that changes in the prices they paid over the prior year had made their finances worse, but the share saying so declined from 2023. In response to higher prices, most people reported taking actions such as adjusting their spending over the prior year. The share who took actions in response to inflation was similar to 2023, but down slightly from 2022.

The labor market remained solid. Similar shares of people both started and voluntarily left jobs in 2024 compared with 2023. However, these measures were below their peaks in 2022. Additionally, a smaller share of people who changed jobs said that their new job was better in 2024 compared with 2023.

People also continued to earn money doing gigs, including 13 percent who sold things and 9 percent who did short-term tasks such as giving rides or doing odd jobs. A meaningful share of those performing these types of gig activities said that without them they would have trouble making ends meet, though many said they wished the pay was more consistent.

Emergency savings measures were similar to the previous two years, while retirement preparedness improved slightly. The share of adults who would pay for an unexpected $400 expense with cash or the equivalent was unchanged from 2022 and 2023, and the share who said they had rainy day funds to cover three months of expenses edged up. Additionally, non-retired adults were slightly more likely to say that their retirement savings plan was on track than in 2023, extending the upward trend from 2022. That said, each of these measures was down from 2021.

Survey results also highlighted financial risks facing consumers. Twenty-one percent of adults experienced financial fraud or scams in 2024. While credit card fraud was the most common type of financial fraud, consumers are not typically required to cover these losses directly. In contrast, the 8 percent of adults who experienced fraud not related to their credit card lost an estimated

[1] The Federal Reserve has fielded the SHED annually in the fourth quarter of each year since 2013. The latest survey was fielded from October 18 until October 31, 2024. The anonymized data, as well as appendixes containing the SHED questionnaire and responses to questions in the order asked, are also available at https://www.federalreserve.gov/consumerscommunities/shed.htm.

$63 billion in total. Other financial risks involved being unprepared for unexpected events, including by lacking homeowners insurance. Overall, 7 percent of homeowners went without homeowners insurance, frequently because they could not afford it.

The survey continues to track other financial topics, such as care work; retirement; cryptocurrency; buy now, pay later (BNPL); rental affordability; and student loans. Key findings across each of the sections in the report include the following:

Overall Financial Well-Being

- The 73 percent of adults doing okay or living comfortably financially was similar to the 72 percent seen in 2023 yet was down from the recent high of 78 percent in 2021.
- Inflation and prices continued to be the top financial concern, particularly the prices of food and groceries.
- People's perceptions of their local economy and the national economy continued to improve, though overall they remained pessimistic. For example, 29 percent of adults rated the national economy as "good" or "excellent" in 2024, up from 22 percent in 2023, yet down from 50 percent in 2019.

Employment and Gig Work

- People continued to earn money in ways that went beyond traditional employment. Thirteen percent of adults made money by selling things in the gig or resale sectors, and 9 percent made money by doing short-term tasks such as giving rides, delivering takeout, or doing odd jobs.
- Fifty-five percent of people who did gig work agreed that it gave them flexibility, but a lower 35 percent said it gave them work-life balance.
- Health problems, caring for family, or a lack of work contributed to the timing of retirement for 42 percent of retirees. Half of retirees with a high school degree or less cited at least one of these reasons.

Job Quality

- Fourteen percent of adults started a new job and 9 percent quit a job in 2024. Both were similar to 2023 but down from peaks of 15 percent and 11 percent in 2022.
- Among workers who changed jobs in 2024, 62 percent said that the new job was better than their previous one, down from 67 percent of job changers who said their new job was better in 2023 and 72 percent in 2022.
- Workers with more education continued to have more autonomy regarding the work they did and where they did it. Sixty percent of those with a bachelor's degree worked from home at least some of the time, compared with 18 percent of those with a high school degree or less.

- Seventeen percent of employees worked a schedule that varied based on their employer's needs.

Care Work and Living Arrangements

- Parents were almost twice as likely to use unpaid childcare as they were to pay for childcare. Forty-six percent of parents of children under age 13 used some form of unpaid childcare from someone other than the child's parent, while 24 percent used paid childcare.
- Childcare costs remained significant. Just over half of parents who used paid childcare spent at least 50 percent as much on childcare as on housing, most people's single largest monthly expense.

Income and Expenses

- Sixty percent of adults said that changes in the prices they paid compared with the prior year had made their financial situation worse, down from 65 percent in 2023.
- In response to higher prices, 79 percent of adults reported adjusting their behavior in the prior year, and the most common responses were spending changes. The share who took action in response to higher prices was unchanged from 2023, but down slightly from 2022.
- The share of adults who reported spending less than their income in the month before the survey rose to 51 percent from 48 percent in 2023, suggesting that more adults have margin in their budgets. Nonetheless, this share was down from a high of 55 percent in 2020 and 2021.

Savings and Investments

- Sixty-three percent of adults said they would cover a hypothetical $400 emergency expense exclusively using cash or its equivalent, unchanged from 2022 and 2023 but down from a high of 68 percent in 2021.
- Progress toward retirement savings goals improved slightly in 2024. Thirty-five percent of non-retirees thought their retirement savings plan was on track, up from 2022 and 2023, but down from 40 percent in 2021.

Banking and Credit

- Use of buy now, pay later (BNPL) edged up 1 percentage point to 15 percent, while the share of BNPL users paying late increased sharply. Nearly one-fourth were late making a payment, compared with 18 percent in the prior year.
- Twenty-one percent of adults reported experiencing financial fraud or scams involving their money, with 17 percent reporting fraud related to their credit card and 8 percent reporting another type of financial fraud.

- In total, consumers lost $84 billion from non-credit-card fraud before any funds were recovered and $63 billion after recovery.

Housing

- Rents continued to rise. The median reported rent was $1,200 in 2024, up about 10 percent each year since 2022.
- About 2 in 10 adults said they were affected financially by a natural disaster in the prior year, including 8 percent who were moderately or severely affected. Property damage was the most common way people were affected.
- Seven percent of homeowners did not have homeowners insurance, most often because of cost. When asked the main reason they didn't have homeowners insurance, 43 percent said they "couldn't afford it," while another 19 percent said "it is not worth the cost."

Higher Education and Student Loans

- As new borrowing for higher education has declined in the past decade, fewer young adults under age 30 have borrowed for their education than those ages 30 to 44.
- Three in ten borrowers with loans outstanding who completed some college, a technical degree, or an associate degree reported being behind on student loan payments, compared with 11 percent of borrowers with a bachelor's degree.

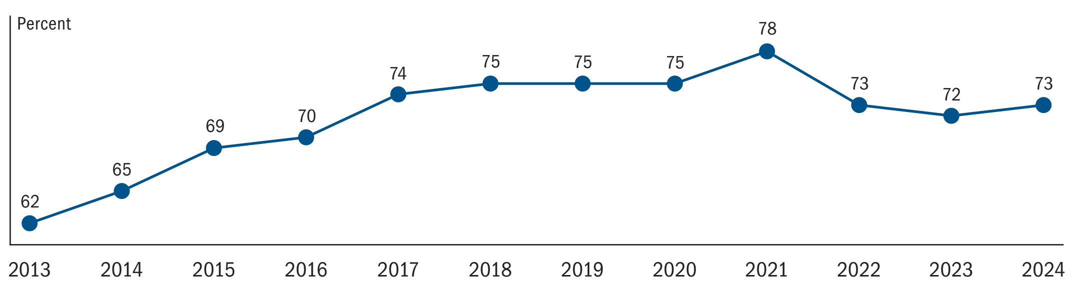
Overall Financial Well-Being

The share of adults doing okay financially or living comfortably was similar to 2023 yet remained below the recent high in 2021.[2] Inflation continued to be a top financial concern, particularly the price of food and groceries. People's perceptions of their local economy and the national economy improved, yet remained much less favorable than in 2019, before the pandemic.

Current Financial Situation

Near the end of 2024, 73 percent of adults reported "doing okay" financially (39 percent) or "living comfortably" (34 percent). The rest reported either "just getting by" (19 percent) or "finding it difficult to get by" (8 percent). The 73 percent of adults doing okay financially or living comfortably was similar to 2023 yet was down 5 percentage points from the recent high of 78 percent in 2021 (figure 1).

Figure 1. Doing okay or living comfortably financially (by year)



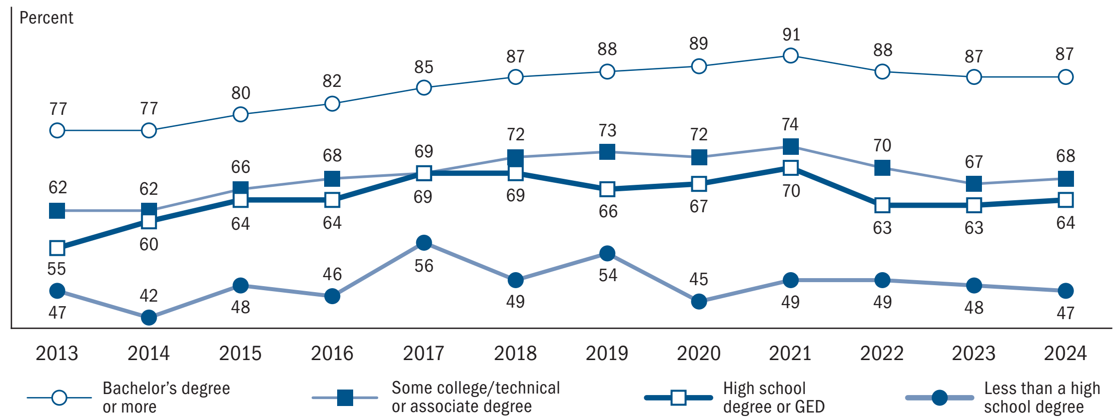
Note: Among all adults.

As in previous years, adults with at least a bachelor's degree continued to report higher financial well-being than did adults with lower levels of education. Eighty-seven percent of adults with at least a bachelor's degree reported doing okay or living comfortably, compared with 47 percent of those with less than a high school degree (figure 2).

The current gap in well-being by education was similar to that in recent years. That said, taking a longer view reveals a widened gap in financial well-being by education. Since 2013, the share

[2] Unless otherwise specified, results in this report are from the Federal Reserve's Survey of Household Economics and Decisionmaking. The survey was fielded in October 2024, and results reflect financial situations at that time. Results typically capture financial experiences at the time of the survey or in the 12-month period before the survey rather than the precise calendar year.

Figure 2. Doing okay or living comfortably financially (by year and education)



Note: Among all adults. Results differ slightly from reports prior to 2021 because of adjustments in the education coding for consistency.

doing okay or living comfortably has increased by 10 percentage points among adults with at least a bachelor's degree. In contrast, those with less than a high school degree have not experienced any lasting gains (figure 2).

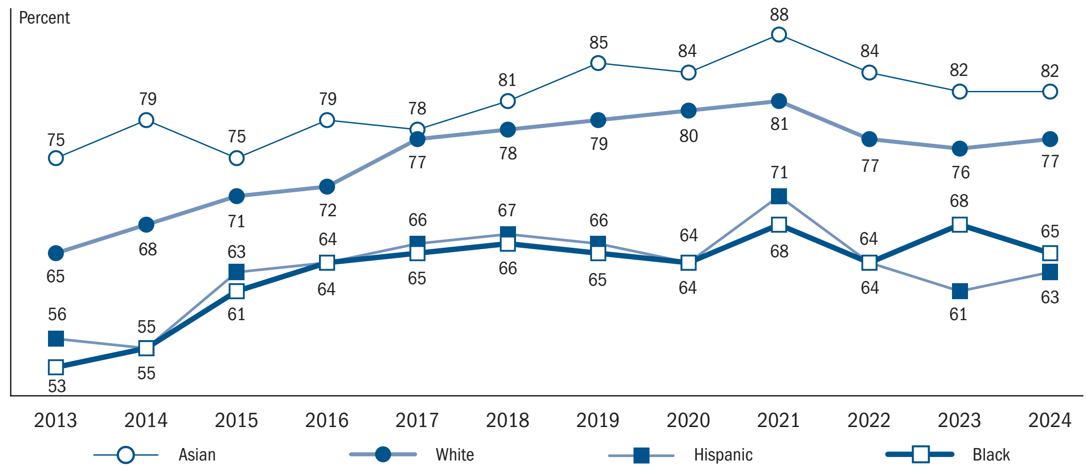
Differences in financial well-being across racial and ethnic groups also persisted in 2024. Eighty-two percent of Asian adults were doing okay or living comfortably, followed by 77 percent of White adults, 65 percent of Black adults, and 63 percent of Hispanic adults (figure 3).[3]

As with the overall population, financial well-being among Asian, Hispanic, and White adults was similar to the prior year, yet was below its peak in 2021. In contrast, the share doing okay or living comfortably among Black adults has fluctuated in recent years, settling at a level in 2024 that was statistically indistinguishable from 2021.

Parents living with their children under age 18 ("parents") are one group that has seen large changes in well-being since the onset of the pandemic. After rising sharply in 2021, the share of parents doing okay financially or living comfortably has fallen 10 percentage points since that time and the gap in financial well-being between parents and all other adults has notably widened. That said, in 2024 financial wellbeing among parents was essentially unchanged from the prior year (figure 4).

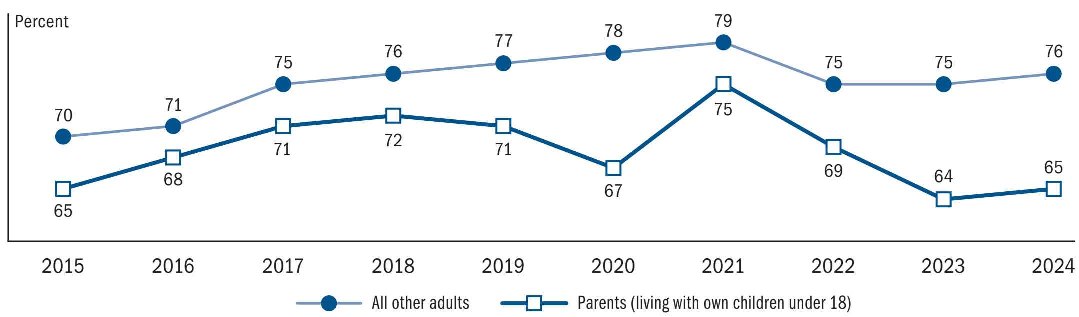
[3] The reported categorizations reflect the largest statistical groupings but are neither exhaustive nor the only distinctions important to understand. Sample sizes for other racial and ethnic groups and subpopulations are not large enough to produce reliable estimates. Additionally, results for Asian adults are sometimes excluded when the sample size is insufficient to provide a reliable estimate.

Figure 3. Doing okay or living comfortably financially (by year and race/ethnicity)



Note: Among all adults.

Figure 4. Doing okay or living comfortably financially (by year and parental status)



Note: Among all adults.

Financial well-being continued to differ by a range of other dimensions, including age, disability status, metropolitan status, and neighborhood income designation (table 1).[4] For instance, 66 percent of adults age 18 to 29 reported doing okay or living comfortably, markedly lower than the 84 percent of adults age 60 or over who did so.

[4] Disability status is defined based on a five-question functional limitation sequence that asks about hearing, vision, ambulatory, self-care, and independent living difficulties. This approach for determining disability status is similar to the six-question sequence used for the American Community Survey (see U.S. Census Bureau, "How Disability Data Are Collected from the American Community Survey," https://www.census.gov/topics/health/disability/guidance/data-collection-acs.html). Neighborhood income is defined using the Community Reinvestment Act definition. Under this definition, low- and moderate-income refers to communities that have a median family income of less than 80 percent of the area median income. For details on the definition, see Board of Governors of the Federal Reserve System, "Community Reinvestment Act (CRA) Resources," https://www.federalreserve.gov/consumerscommunities/cra_resources.htm.

Table 1. Doing okay or living comfortably financially (by demographic characteristics)
Percent

Characteristic	2024	1-year change (since 2023)	Change since pre-pandemic (2019)
Age			
18-29	66	1	−1
30-44	67	1	−5
45-59	70	−1	−4
60+	84	2	0
Disability status			
Disability	58	3	n/a
No disability	77	1	n/a
Metropolitan status			
Metro area	74	1	−2
Non-metro area	66	−2	−6
Neighborhood income			
Low or moderate income	61	1	−2
Middle or upper income	77	1	−2
Overall	**73**	**1**	**−3**

Note: Among all adults. Low- or moderate-income neighborhoods are defined here using the definition from the Community Reinvestment Act. Disability status was first identifiable in the 2021 survey. Here and in subsequent tables and figures, percentages may not sum to 100 because of rounding.

n/a Not applicable.

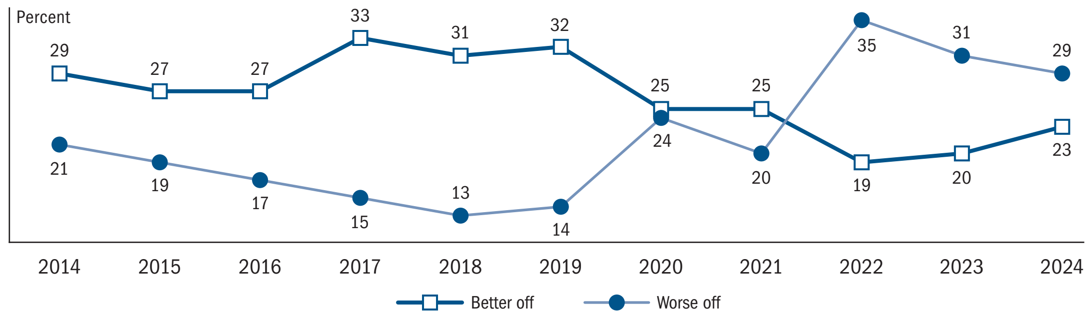
Financial well-being also varied according to where people lived. People living in non-metro areas had lower levels of financial well-being than those living in metro areas.[5] Additionally, those living in low- or moderate-income communities continued to fare worse than those in middle- or upper-income communities.

As a complement to the question asking how people are managing financially these days, the survey also asks respondents whether they are better or worse off financially than they were 12 months earlier. This question provides more insight into whether people's financial situation improved or worsened over the prior year, as some individuals may have felt worse off financially than they were a year earlier, for instance, even if they felt they were still doing okay overall (or that their financial well-being was improving even if they were still struggling overall).

Twenty-nine percent of adults said they were worse off financially than a year earlier, continuing to fall from the series high of 35 percent in 2022, yet still well above the levels seen in prior years (figure 5). The share doing about the same as a year earlier remained at 48 percent, while the share who said they were better off rose 3 percentage points to 23 percent.

[5] According to the U.S. Census Bureau, "The general concept of a metropolitan statistical area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core." See U.S. Census Bureau website at https://www.census.gov/programs-surveys/metro-micro/about.html.

Figure 5. Financial situation compared with 12 months prior (by year)



Note: Among all adults.

Financial Challenges

The survey further explored financial well-being by posing an open-ended question asking people about their financial challenges or concerns.[6] The responses were classified into broad categories based on keywords or phrases.[7] Challenges related to inflation and prices remained the most common, with 37 percent classified into that category, followed by basic living expenses (22 percent) and housing (13 percent). Twenty-nine percent said they did not have any financial challenges or concerns (figure 6).

People's main financial challenges and concerns were similar to those in recent years, though the share of people citing inflation and prices and the share citing housing as their main financial challenge have ticked up.[8] Retirement continued to trend down as a main concern, consistent with the increase in the share of people who thought their retirement savings were on track (see the "Savings and Investments" section of this report).

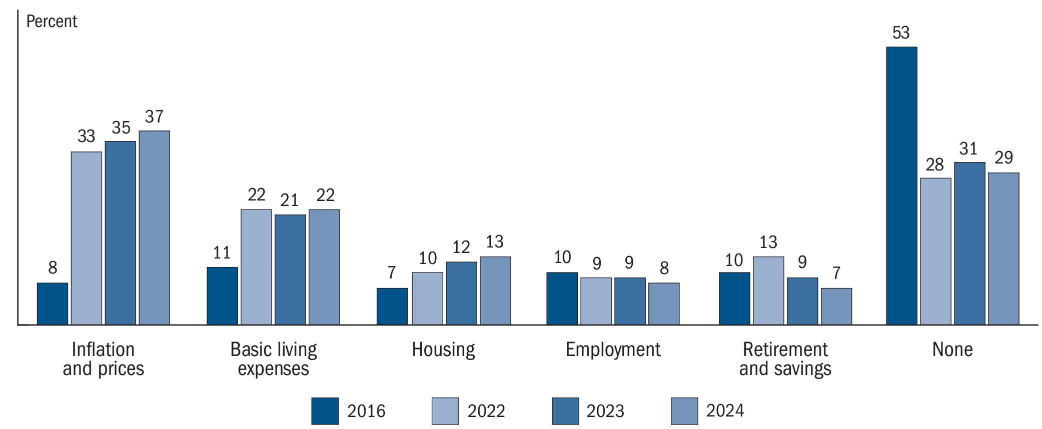
---

[6] The question text is as follows: "In a couple of words, please describe the main financial challenges or concerns facing you or your family. If none please click the "None" box." Two percent of respondents did not provide a text response and did not check the "None" box. These respondents were excluded from the analysis.

[7] Text entries were categorized based on words or word stems included in the response. "Inflation and prices" includes responses with inflat, cost, pay more, paying more, increas, expensive, price, pricing, higher, rising, skyrocket, sky rocket, going up, gone up. Those with bill, util, electric, heat, everything, necessities, basic needs, essential, can't afford, not enough, get by, getting by, surviv, struggl, no money, challenge, living expense, or food were categorized as "basic living expenses;" those with retire, 401k, stock, market, portfolio, pension, old age, Medicare, SSI, IRA, 401(k), Social Security, save, saving, or fund were categorized as "retirement and savings;" those with house, rent, home, or mortgage were categorized as "housing;" those that mentioned work, job, wage, employ, raise, paycheck, pay check, salary, laid off, part time, hours, full time, overtime, skills, or unemp were categorized as "employment;" those with medical, medicine, health, Medicaid, Medicare, dental, dentist, cancer, sick, ill, doctor, hospital, or prescription were categorized as "medical;" those with credit, loan, debt, or owe were categorized as "debt;" those that mentioned college, school, education, tuition, degree, university, or student were categorized as "education." Responses may be included in multiple categories or no categories, as the categories are neither exhaustive nor mutually exclusive. Nine percent provided a write-in response but were not classified into any of the above categories.

[8] For reference, the inflation rate was 2.6 percent in October 2024 (when the 2024 SHED was conducted), down from 3.2 percent in October 2023, and 7.8 percent in October 2022. These inflation rates are based on the non-seasonally adjusted Consumer Price Index for All Urban Consumers (CPI-U).

Figure 6. Categories of self-reported main financial challenges in 2016, 2022, 2023, and 2024



Note: Among respondents who provided a text response or selected the none box. In 2024, this question was only asked of a randomized half of the sample. Response categories for medical expenses, debt, and education not shown. Key identifies bars in order from left to right.

When describing challenges related to inflation, people continued to mention the cost of food and groceries and did so at higher rates than in prior years. For example, one respondent stated that the "cost of basic goods especially groceries is way too high." Those with income under $100,000 were more likely to specifically mention the cost of food and groceries as a concern.

People also expressed concerns about housing affordability, particularly renters. For example, one respondent's main financial challenge was "having enough money to pay increasing rent." Other renters mentioned difficulty buying, such as the respondent who said "I am living comfortably, but still concerned I can't afford to buy a house." Indeed, when renters were later asked why they rent instead of own, most said they did so because of financial constraints (see the "Housing" section of this report).

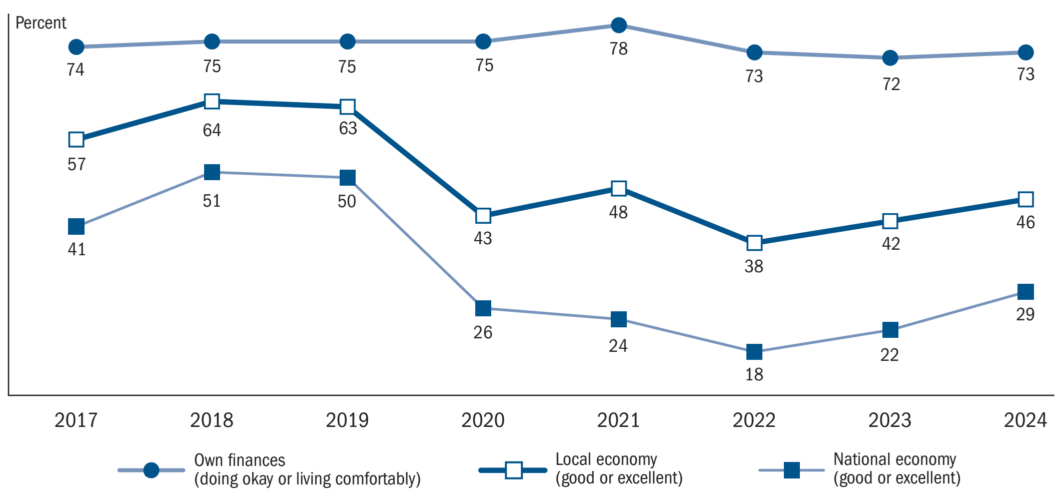
Local and National Economic Conditions

Along with questions about their own financial circumstances, people were asked to rate their local economy and the national economy as "excellent," "good," "only fair," or "poor." Forty-six percent of adults rated their local economy "good" or "excellent" in 2024, up 4 percentage points over the prior year and up 8 percentage points from the series low in 2022. Despite the increase in favorable ratings in recent years, the share rating their local economy as "good" or "excellent" in 2024 remained well below the 63 percent seen in 2019, before the pandemic.

Looking across census region and metropolitan status shows that the improvement in people's perception of their local economy was widespread. That said, those living in a non-metro area continued to rate their local economy much less favorably than those living in a metro area. Thirty-one percent of adults living in a non-metro area rated their local economy as "good" or "excellent," compared with 48 percent among those living in a metro area.

People's perception of the national economy has also improved in recent years. The share rating the national economy as "good" or "excellent" rose to 29 percent in 2024, up 7 percentage points over the prior year and up 11 percentage points from the series low in 2022. That said, perceptions of the national economy remained far more pessimistic than before the pandemic in 2019, when one-half of adults rated the national economy as "good" or "excellent" (figure 7).

Figure 7. Assessment of own financial well-being, local economy, and national economy (by year)



Note: Among all adults. For each series, the responses presented represent the most favorable two outcomes on a four-point scale.

Employment and Gig Work

Health limitations, family obligations, and not being able to find work were the most common reasons that people ages 25 to 54 gave for why they were not working. Women reported that family and personal obligations contributed to them not working more frequently than did men.

People also earned money in ways that went beyond traditional employment. In 2024, 13 percent of people made money by selling things and 9 percent made money by doing short-term tasks such as giving rides, delivering takeout, or doing odd jobs. Most people who performed these gigs agreed that they gave them flexibility, but smaller shares said that gigs gave them work-life balance. People who performed short-term tasks tended to have lower levels of financial well-being, and many said that they wished the pay was more consistent.

Reasons for Not Working for Pay

Around a quarter of prime-age adults (ages 25 to 54) were not working for pay in the month before the survey, similar to the share who were not working for pay in 2023. Health limitations or disability, family and personal obligations, not being able to find work, and childcare were the most cited reasons for not working for pay (table 2).

Table 2. Reasons for not working among prime-age adults (by demographic characteristics)

Percent

Reason	Male	Female	Overall
Health limitations or disability	8	9	8
Family and personal obligations besides caregiving	4	9	7
Could not find work	7	7	7
Childcare	1	6	4
Caregiving for an elderly, disabled, or sick adult	2	4	3
Would lose access to government benefits	3	3	3
School or training	1	2	2
Retired	1	1	1

Note: Among adults ages 25 to 54. Respondents could select multiple answers.

Notable differences in prime-age employment rates remained between men and women. Thirty-one percent of prime-age women were not working for pay, compared with 21 percent of prime-age men. This, in part, reflects the greater family and childcare responsibilities held by women. (See the "Care Work and Living Arrangements" section of this report.)

Being unable to find a job is also an important factor for some of the prime-age adults not working. Twenty-eight percent of those not working for pay (7 percent of all prime-age adults) said that it was because they could not find work—similar to that seen in 2023. Some people who were not working at the time of the survey had recently left a job—10 percent who were not working said that they were laid off in the previous year and 9 percent said that they had left a job voluntarily. However, most (68 percent) prime-age adults who had been laid off in the prior 12 months were working when they responded to the survey.

Retirement

Retirees represent a sizeable portion of the adult population. Twenty-seven percent of adults in 2024 considered themselves to be retired, even though some were still working in some capacity.[9]

Frequently, multiple factors contributed to when people retired, though many said their decision was based on a preference to retire as opposed to an event that forced them to stop working. Fifty-three percent of retirees said a desire to do other things or to spend time with family was important for their decision to retire when they did, and 49 percent said they retired because they reached a normal retirement age.

Various challenges also affected when people retired. Health problems were a factor for 26 percent of retirees, and 15 percent said they retired in part to care for family members. Just under 1 in 10 said they were forced to retire or that they retired because work was not available. Collectively, health problems, caring for family, and lack of work contributed to the timing of retirement for 42 percent of retirees.

Retiring due to health problems, lack of work, or caring for family was far more common among those with less education. Half of retirees with a high school degree or less cited at least one of these reasons for the timing of their retirement, compared with 31 percent of those with at least a bachelor's degree.

Fifteen percent of retirees also said that they had done some work for pay or profit in the previous month.[10] Part-time work was more common among retirees than full-time work (11 percent and 4 percent of retirees, respectively).

Those working in retirement were more likely to say that this was for non-financial reasons than for financial ones. One in ten retirees said they worked, at least in part, for non-financial reasons such

[9] Retirees are defined here based on a question asking all respondents whether they are retired or not, regardless of their employment status.

[10] Four percent of all adults considered themselves retired but were still working.

as having a sense of purpose and enjoying social connections (table 3), whereas 7 percent gave financial reasons. Four percent said they were working for both financial and nonfinancial reasons.

Table 3. Reasons for working in retirement (by employment status)
Percent

Reason	Working retirees	All retirees
Wanted extra spending money	36	6
Needed money to make ends meet	25	4
To save more money, make retirement savings last, or delay claiming Social Security	22	3
Enabled me to give financial support to family or friends	19	3
To keep health insurance	10	2
Any financial reason	**45**	**7**
Any nonfinancial reason	**68**	**10**

Note: Among retirees. Respondents could select multiple answers.

The most common financial reasons also were consistent with working being more of a choice than a financial imperative. Six percent of retirees said they worked to have extra spending money, and 3 percent said they worked to save more money or make their savings last longer.

Some people, however, cited stronger financial imperatives. Four percent of retirees said that they worked because they needed money to make ends meet. Another 2 percent of retirees said that they worked to keep their health insurance. Retirees who said they worked to keep their health insurance were younger than retirees overall. Eighty-three percent of retirees who said they were working to keep their health insurance were under age 65 and likely ineligible for Medicare.

Gig Activities

The SHED asks about activities that people did to earn money but that many people may think of differently than a traditional job ("gig activities").[11] There is no single definition of what constitutes a gig. The SHED includes activities such as selling items such as clothing or handmade crafts; renting property or a vehicle; and doing self-contained short-term tasks such as hanging pictures for someone, delivering takeout, or giving rides to people using an app.[12] Many, though not all, of these activities can help people to make ends meet, since someone can start doing them rela-

---

[11] For brevity the report uses the shorthand of "gig activities" to refer to the buying, renting, and short-term tasks that are specified in the questions. However, this definition is broader than just people who use online platforms to do short-term tasks, as gig activities are sometimes described. Gig work through online platforms represents a minority of people who did gig activities according to the SHED's definition.

[12] This formulation, including the more detailed questions using previous years of the survey, are based on previous explorations by researchers at the Federal Reserve Bank of Boston. See Anat Bracha and Mary A. Burke, "Informal Work Activity in the United States: Evidence from Survey Responses," *Current Policy Perspectives* 14-13 (2014), https://www.bostonfed.org/-/media/Documents/Workingpapers/PDF/economic/cpp1413.pdf. In 2023, GAO recommended additional coordination between agencies in their definitions of gig and nonstandard work arrangements. See Government Accountability Office, "Work Arrangements: Improved Collaboration Could Enhance Labor Force Data" (2023), https://www.gao.gov/assets/gao-24-105651.pdf. The 2024 SHED revised the short-term task-based questions to better align with those from the Census Bureau's Contingent Worker Survey (CWS), while maintaining additional questions on sales and rental activity.

Table 4. Types of gig activities

Activity	Percent
Selling or renting items	
Selling items made or repurposed	3
Selling items purchased to resell	4
Selling items previously owned	10
Any selling	**13**
Offering short-term rentals	2
Any selling or renting	**14**
Performing short-term tasks	
Short term tasks using an app or website	4
Any short term tasks	**9**
Any activity	**20**

Note: Among all adults performing gig activities. Results for short-term tasks only include the half of respondents asked the new question sequence based on the Contingent Worker Supplement (CWS). Results for selling, renting, and performing any gig activity include all respondents. Respondents could select multiple categories of gig work.

tively quickly and easily. Some of these activities can also give people more control over their work hours than they would have with a traditional job.

Overall, 20 percent of adults performed gig activities over the prior month (table 4). Selling items was the most common activity, at 13 percent, but most people who sold things said this included selling items such as used clothing that they had previous owned for personal use. Three percent, however, sold things that they made, and 4 percent sold things that they purchased to resell (including some who did both). Additionally, 9 percent did short-term tasks, such as working as a handyman or driver.[13] Four percent did platform tasks, or short-tasks that they arranged using an app or website, such as a ride-sharing or delivery app.

Gig activities were not typically full-time jobs. Ninety-six percent of people who did gig activities said they usually spent less than 35 hours per week doing them and 70 percent spent less than 5 hours per week on them.

Additionally, relatively few people who did gig activities considered them to be their main job. In the survey people answer questions about traditional employment that they did for “pay or profit” before they are asked about gig activities. Only 21 percent of people who did these activities reported gig activities as their main job.

Since some people tend to think of gig activities differently than traditional employment, some adults doing gig activities also said they did not work for pay or profit in the prior month.[14] Specifically, 28 percent of people who did gig activities (6 percent of adults) said they were not working for pay or profit while also saying that they were earning money through gigs. The problem is some-

[13] Half of respondents were asked the new short-term task questions based on the CWS, and half were asked the previous SHED questions on freelance or gig work from the 2022 survey. Results were similar, with 9 percent of adults reporting doing short-term gig work using each question sequence. Results for short-term work and platform work are based on the half-sample who received the new questions based on the CWS approach. However, results for those doing any gig work use the entire sample, including those who were asked the old sequence.

[14] Anat Bracha and Mary A. Burke, “How Big Is the Gig? The Extensive Margin, the Intensive Margin, and the Hidden Margin,” *Labour Economics* 69 (April 2021), https://doi.org/10.1016/j.labeco.2021.101974.

what less apparent, however, if one only includes people who spend a large amount of time doing gig activities. A smaller 20 percent of people who usually spend more than five hours per week on gig activities reported not working. Including these people who spent five or more hours on gig work but who said they were not working would increase the employment rate by 1 percentage point.[15]

Table 5. Share doing gig activities (by demographic characteristics)

Characteristic	Percent
Age	
18–29	26
30–44	24
45–59	21
60+	12
Race/ethnicity	
White	19
Black	19
Hispanic	24
Asian	17
Male/female	
Male	21
Female	19
Parental status	
Parents of younger children	26
Not parents of younger children	19
Student/non-student	
Student	30
Non-student	19
Overall	**20**

Note: Among all adults. Parents of younger children are those with children under age 13 living with them.

Characteristics of Gig Workers

Overall, younger adults and Hispanic adults were more likely to contribute to the gig economy than the overall population. Twenty-six percent of people ages 18 to 29 said they had done any gig, whereas the percentage was a smaller 12 percent for people age 60 and older (table 5). Additionally, 24 percent of Hispanic adults said they did gigs, which was higher than the rate overall.

Higher rates of gig work among parents and students suggest that gig work sometimes offers flexibility for people with other obligations in their life. Twenty-six percent of parents of young children and 30 percent of students report that they did gig work, compared with 20 percent for the population overall.

Perceptions of Gig Work

To better understand how people who did these gig activities think about them, the survey asked people whether they agreed or disagreed with several statements. The statements present a series of perspectives on gig work. The most supported statement was that gig work allowed people to be their own boss (table 6), suggesting that it provides a sense of agency to many people.

Some statements probed the extent that these gig activities facilitate people's non-work lives. A slight majority (55 percent) of people who did gig activities agreed that they let them work flexible

[15] Since relatively few people did gig work full-time, including people who did gigs full-time as employed would only increase the employment to population ratio by around one-tenth of 1 percentage point.

Table 6. Share agreeing to selected statements about gigs (by type of gig activities performed)
Percent

Statement	Selling or renting	Short-term tasks	Platform tasks	Performed any gig activity
I am my own boss doing it	59	62	61	61
It lets me work flexible hours	48	70	78	55
I wish the pay was more consistent	46	54	61	49
It gives me work-life balance	29	46	52	35
Without it, I would have trouble making ends meet	27	43	41	31
I wish I got benefits, like health insurance, from doing it	26	37	42	28

Note: Among adults performing gig activities. Results for short-term and platform tasks only include the randomized half of respondents asked the new question sequence based on the CWS. Results for selling, renting, and performing any gig activity include all respondents. Those doing multiple types of gigs are included in multiple columns.

hours. A smaller 35 percent of people said that gig activities gave them work-life balance. Together, these results suggest that there is an important distinction between flexibility and work-life balance.

There also were large differences in flexibility by the type of gig activity (table 6), suggesting important differences in how each activity affects people's schedules. Seventy-eight percent of those who did short-term tasks using an app or website said that gig work gave them flexibility, far exceeding the 48 percent of those who did sales or rental activities who agreed with this statement. There also were large differences by gig activity in the share of people who agreed that doing gigs gave them work-life balance.

Gig activities also helped some people to make ends meet. Overall, 31 percent of people who did gig activities said that without them, they would have trouble making ends meet. Nevertheless, there is evidence that gig workers were more likely to face financial struggles than other adults. Gig workers were less likely to say they are doing okay or living comfortably financially, with the lowest levels among people who did platform gigs, or short-term tasks that people found using an app or website (table 7). Gig workers were also less likely to have paid all of their bills in the month before the survey, to have three months of emergency savings, or to be doing better off financially than a year ago.

Perhaps reflecting this financial precarity for many people who did gig activities, nearly half of gig workers wished that the pay was more consistent (table 6). The shares were higher among people who did short-term tasks, at 54 percent, and particularly those who did short-term tasks using an app or website, at 61 percent.

While many traditional jobs provide benefits, such as health insurance and retirement programs, many gig activities do not. Overall, 28 percent of gig workers said that they wished they had health insurance. However, the share who agreed with the statement was higher, at 42 percent, among people who did short-term tasks using an app or online.

One reason why a relatively small share of gig workers said that they would have preferred to receive benefits from doing gig work is that most already had health insurance. However, rates of health insurance coverage were lower among gig workers than among other adults. Eighty-eight percent of gig workers said they had health insurance, and 53 percent have it through an employer—either from another job or from their spouse's job (table 7). Indeed, 51 percent of gig workers have a non-gig main job.

Table 7. Economic outcomes (by type of gig activities performed)
Percent

Outcome	Selling or renting	Short-term tasks	Platform tasks	Performed any gig activity	None
Health insurance					
Medicaid or Medicare	30	35	35	30	37
Employer provided health insurance	54	47	45	53	56
Any health insurance	88	86	86	88	92
Financial well-being measures					
Doing okay or living comfortably	67	59	55	65	75
Paid all prior month's bills in full	79	74	71	79	85
Has savings to cover three months of expenses	52	42	42	50	56
Worse off financially than a year earlier	35	36	32	35	27
Other characteristics					
Lives with own child under age 13	26	25	27	25	17
Has a non-gig main job	51	41	41	51	57

Note: Among all adults. Results for short-term and platform tasks only include the randomized half of respondents asked the new question sequence based on the CWS. Results for selling, renting, and performing any gig activity include all respondents. Adults who did not pay all their bills in full are those who (1) did not pay a credit card bill or made less than the minimum payment last month or (2) did not pay another type of bill in full last month. Respondents could select multiple categories of gig work.

Job Quality

Jobs can differ in terms of demands and corresponding rewards, beyond just a paycheck. This includes qualities such as workplace autonomy, interest in the job, opportunities for advancement, when and where people work, and work-life balance. Workers with more education continued to have more autonomy in their work and to be much more likely to work from home at least some of the time.

Job changes often lead to better pay and greater job satisfaction. Fourteen percent of adults started a new job in 2024, and 9 percent voluntarily left a job. However, fewer job-changers said that their new job was an improvement over their previous one in 2024 as compared with 2023 and 2022.

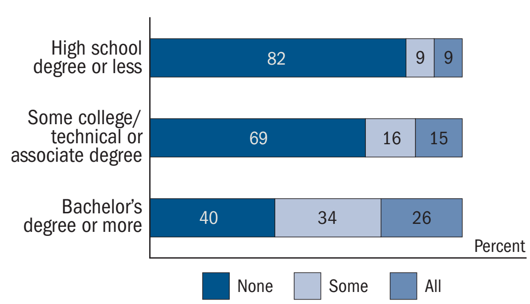
Working from Home

Working from home (or teleworking) continued to be common in 2024. In the week before the survey, 41 percent of workers said they worked from home at least some of the time.[16] Eighteen percent of workers did so entirely from home and 22 percent did so some of the time. Levels of fully remote and hybrid work were both similar to levels in 2023, though the share working entirely from home was down 5 percentage points from 23 percent in 2021.

People who completed more education continued to be more likely to work from home. Twenty-six percent of workers with at least a bachelor's degree worked entirely from home compared with 9 percent of those with a high school degree or less (figure 8). Rates of hybrid work also varied markedly by how much education workers had completed.

Self-employed workers were another group more likely to work from home. Thirty-five percent of people who were self-employed worked entirely from home, including 28 percent of self-employed business owners with paid

Figure 8. Amount of work done from home (by education)



Note: Among all workers. Key identifies bars in order from left to right.

[16] Statistics on work from home in this year's report differ from those in earlier years. This year's report includes all people who had a job (workers) where previous reports included only people who worked for someone else (employees).

employees. By comparison, a smaller 16 percent of people who worked for someone else (“employees”) work entirely from home.

Employees saw bigger declines in remote work in recent years than people who were self-employed. In 2020, during the pandemic, 29 percent of people working for someone else did so entirely from home, but a smaller 16 percent did so in 2024. This 13 percentage point decrease in the share working from home among people who worked for someone else contrasts with a 1 percentage point increase over the same period among people who were self-employed.[17]

Irregular Schedules and Worker Decisionmaking

Many workers value scheduling that aligns with their lives outside of work and some control over how best to do their jobs.[18] Although many people have regular work schedules, this is not the case for all workers. Twenty-seven percent of employees had irregular work schedules in 2024. Seventeen percent had a work schedule that varied based on their employer’s needs, and 10 percent had a variable schedule at their own request.

Table 8. Share of workers who often or always choose what tasks to work on and how to complete tasks (by education)
Percent

Education	What tasks to work on	How to complete tasks
High school degree or less	26	46
Some college or technical degree	29	49
Associate degree	34	52
Bachelor’s degree or more	38	63
Overall	**33**	**55**

Note: Among adults who worked for someone else.

To better understand workplace autonomy, we asked employees how much choice they had to decide what tasks to work on and how to do those tasks. Fifty-five percent of employees said they often or always chose how to complete tasks, and 33 percent said they often or always chose which tasks to work on. Employees with a bachelor’s degree or more were more likely to choose what tasks they work on as well as how to complete those tasks than were workers with less education (table 8).

[17] Rates during and after the pandemic are much higher than in 2019 when 7 percent of adults worked mostly from home. However, the question asked in 2019 was different in that it asked where people worked in their main jobs most of the time.

[18] Surveys and experiments in some workplaces have shown that workers value schedule flexibility and autonomy, among other job characteristics. These include Alexandre Mas and Amanda Pallais, “Valuing Alternative Work Arrangements,” *American Economic Review*, 107 (12): 3722–59, https://doi.org/10.1257/aer.20161500; Matthew Wiswall and Basit Zafar, “Preference for the Workplace, Investment in Human Capital, and Gender,” *The Quarterly Journal of Economics*, 133(1): 457–507, https://doi.org/10.1093/qje/qjx035; and Nicole Maestas, Kathleen J. Mullen, David Powell, Till von Wachter, and Jeffrey B. Wenger, “The Value of Working Conditions in the United States and the Implications for the Structure of Wages,” *American Economic Review*, 113(7): 2007–47, https://doi.org/10.1257/aer.20190846.

Promotions and Moving to New Jobs

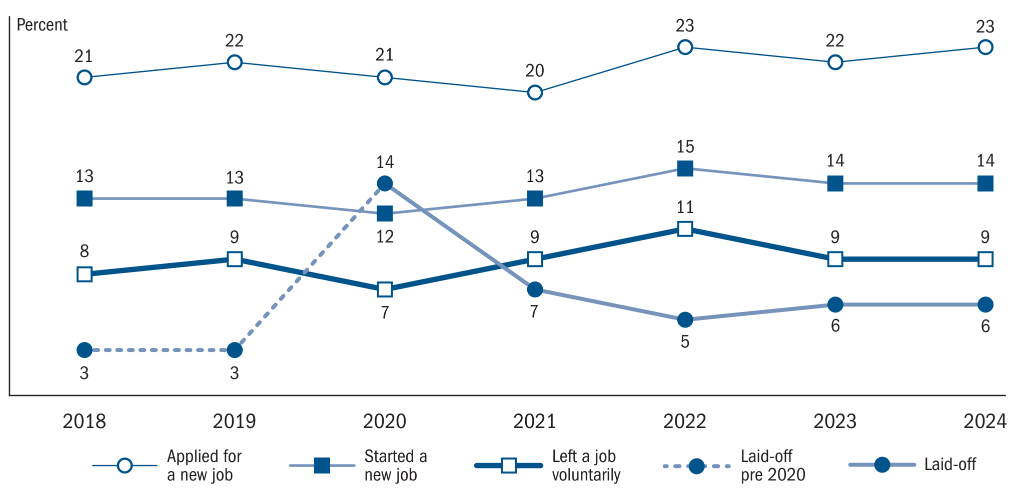
Overall 31 percent of adults (58 percent of employees) said that they received a raise or a promotion, which is similar to 2023. A smaller 12 percent of adults (21 percent of employees) said that they asked for a raise or a promotion.

Among all adults, including those not working, 23 percent applied for at least one new job in the past 12 months. A smaller 14 percent said that they started a new job and 9 percent said that they voluntarily left a job, either for a new job or not. Six percent said they were laid off.

Looking at trends over time in these measures of job mobility (figure 9) generally shows that hiring peaked in 2022, but remained solid in 2024. One example of this is the share of people who started a new job, which peaked at 15 percent in 2022. Another measure is the share of people who voluntarily quit their jobs, which can signal workers' ability to find new jobs. The share of people who left a job voluntarily peaked at 11 percent in 2022. These declines, however, are less apparent in terms of people looking for a job. Similar shares of adults applied for jobs in 2022, 2023, and 2024.

Most people who start a new job are moving on from another one. Of people who started a new job in 2024 and were still working at the time of the survey, 54 percent were starting a main job at a new employer, and 15 percent had a new job with the same employer. Another 12 percent said

Figure 9. New jobs and separations (by year)



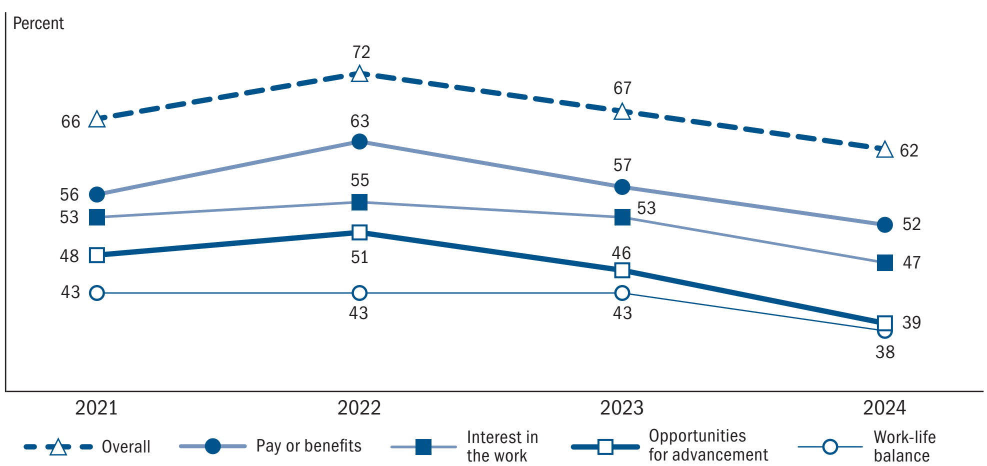
Note: Among all adults. Layoffs from 2019 and earlier are not directly comparable with those from 2020 and after due to a change in the question format in 2020.

that they started a second job. Only 15 percent of people who started a new job said that they were not working a year earlier.[19]

Job Quality when People Change Jobs

A related way of understanding how well the labor market is working for people is to measure how many people move into a job that they say is better than the last one they had. Among those who changed main jobs, fewer said that their new job was better than was the case in recent years. Overall, 62 percent of people who changed jobs said that their new job was better in 2024 (figure 10).[20] This is down from its peak of 72 percent in 2022.

Figure 10. Share of job changes with improved characteristics (by year)



Note: Among adults who started a new job and had a different main job than a year ago.

The pattern of increases from 2021 to 2022 and declines afterwards is reflected across many different measures of job quality (figure 10). For example, 52 percent of people who changed jobs said that the pay and benefits were better in their new job in 2024, down from a peak of 63 percent in 2022. Similarly, fewer job changers said that their opportunities for advancement, interest in the job, and work-life balance improved with their new job in 2024 relative to that seen two years earlier.

[19] The remaining 4 percent said that something else had happened. Note that some people who started a new job in 2024 were not working at the time of the survey. The 15 percent of people starting a new job who were not working a year ago was similar to the 13 percent seen in 2023.

[20] Twenty-nine percent said that their new job was about the same overall, while a lower 9 percent said that the new job was worse. Both the share who say their jobs is the same and who say their job is worse have grown since 2022.

Care Work and Living Arrangements

Caring for children and aging or disabled relatives affects the financial resources and time availability for many families. Among adults with children under age 13, just less than one-fourth used paid childcare, although 46 percent used some form of unpaid childcare from someone other than the child's parent.

Women frequently bear additional responsibilities for providing care work. Indeed, women were significantly more likely than men to be the primary caregiver for their own children and provide unpaid care for sick or aging adults—which contributed to their lower rates of work for pay.

Living Arrangements

Households and living arrangements come in various forms. Most frequently, people lived with a spouse, partner, or children under age 18 (table 9). Thirteen percent of people lived alone, and 48 percent of adults lived in households with a spouse or partner and/or children under the age of 18 and no one else. Yet, 18 percent of adults lived with their adult children (aged 18 or older), and 15 percent lived with their parents.

Table 9. Other people living in the household

Relationship	Percent
Spouse or partner	64
Children under age 18	25
Adult children	18
Parents	15
Brothers or sisters	7
Other relatives	5
Other non-relatives	5
Lives with someone else	**87**

Note: Among all adults. Respondents could select multiple answers.

Thirty-two percent of adults lived in households with multiple adult generations, meaning they either lived with their parents or their adult children (age 18 or older). One percent of adults simultaneously lived with their parent and an adult child, and an additional 2 percent simultaneously lived with a parent and a child under age 18.[21]

Living arrangements varied by the age of adults in the households. Among all age groups, adults age 60 and older were the most likely to live alone. Adults ages 30 to 44 were the most likely to live with only their spouse or partner and/or children under age 18. Finally, young adults under age 45 were more likely to simultaneously live with their parents and their own children under the age

[21] The actual share of adults living in three-generation households is higher than this percentage. This is because respondents were not asked the ages of everyone they live with, so individuals in the youngest and oldest generation in three-generation households were unable to be identified.

of 18 than were adults age 45 or older. These living arrangements may be due to financial reasons, ease of providing child or elder care, or other reasons.

Childcare

Most parents in the U.S. did not use paid childcare in 2024. At the time of the survey, 24 percent of parents living with children under age 13 ("parents of younger children") reported using paid childcare in the past week. Reflecting the greater need for childcare among parents with non-school-age children, a higher 33 percent of parents living with their children under age six used paid childcare in the past week. Use of paid childcare varied by family income, with higher-income parents being more likely to use paid childcare, and to use it more intensively. For example, among parents of younger children, those with a higher income were over five times as likely as those with a lower income to use 20 or more hours of paid childcare per week (table 10).

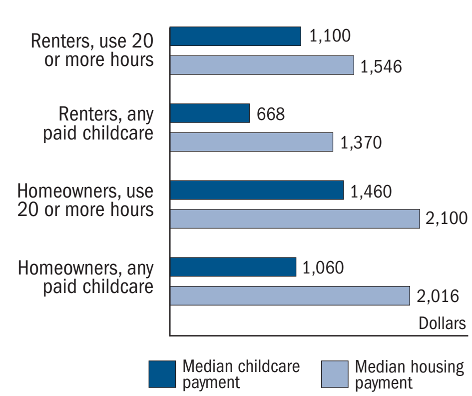
Table 10. Hours of paid childcare used in the past week (by family income)
Percent

Family Income	1-19 hours	20 or more hours	Any paid childcare
Less than $50,000	7	4	12
$50,000–$99,999	8	8	16
$100,000 or more	12	23	35

Note: Among adults living with their own children under age 13.

Childcare costs made up a substantial share of the family budget for parents using paid childcare (figure 11). The median weekly amount that parents paid for childcare was $240, or approximately $960 per month. Among those who used paid childcare for 20 or more hours each week, the median monthly cost was $1,400. For perspective, just over half of parents who used paid childcare spent at least 50 percent as much on childcare as on housing, most people's single largest monthly expense.

Figure 11. Median monthly childcare and housing payment (by homeownership status and hours of childcare used)



Note: Among adults living with their own children under age 13 who report a monthly childcare and housing cost. Key identifies bars in order from top to bottom.

Parents were more likely to use unpaid childcare than they were to pay for childcare. Among those with children under age 13, 46 percent used some form of unpaid childcare. Among those with children under age six, 53 percent did so. Most parents who used unpaid childcare did not use it very often. Fifty-eight percent of those who used unpaid childcare relied on it for less than 10 hours per week.

Unpaid childcare was typically provided by a relative of the child—generally a grandparent (table 11). Among those who said that a grandparent provided unpaid childcare, 17 percent said the grandparent lives in their house with them.

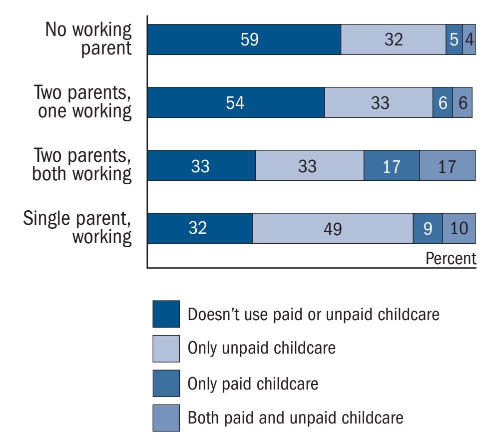
Table 11. Providers of unpaid childcare

Provider	Percent
Child's grandparents	30
Child's sibling	9
Another relative other than the parents	11
A nonrelative such as a friend or neighbor	6
Headstart or another preschool that you don't pay for	3
Other unpaid childcare	3
Any unpaid childcare	**46**

Note: Among adults living with their own children under the age of 13. Respondents could select multiple answers.

Managing care for children often involves tradeoffs between time and cost that can affect people's work decisions. Single parents need childcare when they are working just as much as dual-career couples, but they are less likely to pay for it, likely reflecting their more limited financial resources.[22] Among both single-parent families and two-working-parent families, approximately two in three used some form of childcare. As seen in figure 12, 35 percent of families with two working parents of younger children used paid childcare. This is significantly more than any other group. This group could turn to paid childcare more than other groups because their time availability is low, but their income is typically higher than other groups. On the other hand, income and time may both be limited for single parents who work full time. Forty-nine percent of single working parents used unpaid childcare as their only form of childcare—the highest amount of any group.

Figure 12. Forms of childcare used (by employment status)



Note: Among adults living with their own children under age 13. Key identifies bars in order from left to right.

Two-parent families may have one spouse stay home to take care of children and avoid the expense of paid childcare. In these two-parent families where one parent is not working, over half were not using any form of paid or unpaid childcare. Additionally, mothers made up 78 percent of stay-at-home parents in these two-parent families where one parent was not working.

[22] The median income of single parents of younger children who worked was between $35,000 and $39,999 per year. In comparison, dual-earning parents of younger children who both worked had a median income of between $100,000 and $149,999 per year.

Parental childcare responsibilities frequently fall disproportionately to mothers. Among adults living with their spouse or partner and their younger children, 56 percent of mothers said they are usually the primary caretaker when their children are home, compared with 13 percent of fathers.[23] Even when both parents worked full time, 37 percent of mothers said they are usually the primary caregiver, compared with 11 percent of fathers.[24]

These greater care work responsibilities contribute to women's lower employment rates relative to men. Among parents living with their children under age 13, 36 percent of women were not working for pay, compared with 17 percent of men. Additionally, among these non-working parents of younger children, women were more likely to say that childcare responsibilities contributed to that choice. Forty-two percent of mothers of younger children who were not working said that this was at least in part due to childcare, more than double the 18 percent of non-working fathers who attributed the choice to childcare.

Some adults worked part time because of childcare responsibilities but did not leave the labor market completely. Among parents who live with their children under age 13, 18 percent of women worked part time, compared with 5 percent of men. Among parents of younger children who worked part time, 45 percent say childcare responsibilities contributed to that choice.

Caring for Other Adults

Another type of unpaid care work is caring for an aging parent, spouse, partner, or adult child (age 18 or older) who requires assistance. Seventeen percent of adults regularly provided unpaid care for an adult relative or friend needing assistance because of aging, disability, or illness. Most frequently this care was provided to a parent or a spouse's or partner's parent (figure 13).

Unpaid caregiving responsibilities varied by demographic characteristics. Women were more likely to provide unpaid care to other adults than men (table 12). Black, Hispanic, and Asian adults were more likely to provide unpaid care than White adults. Additionally, adults ages 45 to 59 were the most likely age group to provide unpaid care, with 23 percent of adults in this age range doing so.

Most caregivers provided care at least weekly, including the vast majority of those caring for their spouse or partner. Thirty-four percent of all individuals who provided care to another adult provided care daily, and 61 percent provided care at least weekly. Providing care for a disabled adult child frequently has daily care responsibilities, as 43 percent of those who provided care for an adult

---

[23] Respondents were asked about family caregiving responsibility distributions, and whether they are the primary caretaker, their spouse is the primary caretaker, or if caregiving responsibilities are equally distributed.

[24] This double burden of working for pay outside of the home and disproportionately caring for children once home is also known as the second shift. See Arlie Hochschild and Anne Machung, *The Second Shift: Working Parents and the Revolution at Home* (New York: Penguin Random House, 2012).

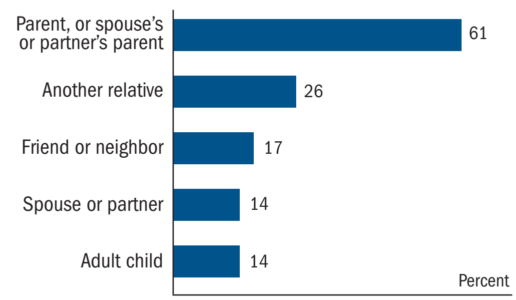
child did so daily. Among those providing care to a spouse or partner, 64 percent did so daily (figure 14).

Like childcare, providing regular care for other adults can affect one's ability to do other work for pay. Among prime-age adults, one-third who were caring for another adult did not have a paid job, compared with one-fourth of those who did not have these caretaking responsibilities. Disruptions to one's ability to do other work was even greater among those with daily caretaking responsibilities—44 percent did not work for pay.

Living arrangements were related to caregiving needs. Among those who provided unpaid care for an adult because of aging, disability, or illness, 47 percent lived in a multigenerational household (living with either parents or adult children). This compares with 29 percent of individuals not providing unpaid care who lived in a multigenerational household.

Care burdens were amplified for those who both have younger children and provide unpaid care for an adult. These responsibilities necessitated managing different issues and tasks simultaneously. One in three adults either had children under the age of 13, provided unpaid care for an adult, or both.[25] Two percent of adults simultaneously had children under the age of 13 and provided care for an adult because of aging, disability, or illness.

Figure 13. Relationship to those you provide unpaid care for because of aging, disability, or illness



Note: Among adults who provided unpaid care for an adult because of aging, disability, or illness.

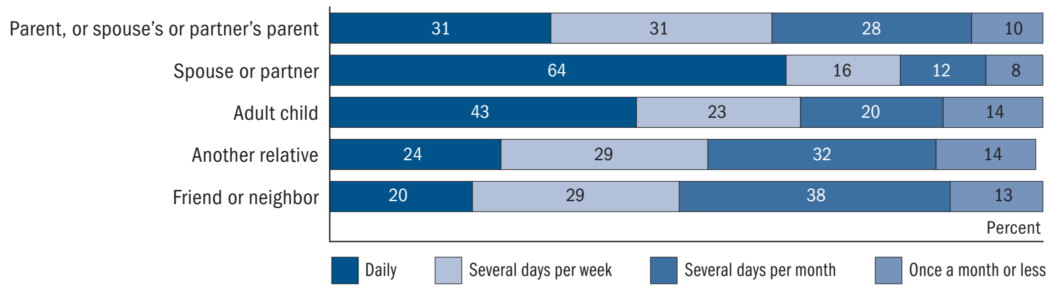
Table 12. Provides unpaid care to adults because of aging, disability, or illness (by demographic characteristics)

Characteristic	Percent
Age	
18–29	14
30–44	15
45–59	23
60+	17
Race/ethnicity	
White	15
Black	19
Hispanic	20
Asian	19
Male/female	
Male	16
Female	18
Overall	**17**

Note: Among all adults.

[25] Individuals who provide care for their older parents and have young children or support their adult children are known as those in the Sandwich Generation. See Kim Parker and Eileen Patten, *The Sandwich Generation: Rising Financial Burdens for Middle-Aged Americans* (Washington: Pew Research Center, January 2013), https://www.pewresearch.org/social-trends/2013/01/30/the-sandwich-generation/.

Figure 14. Frequency of unpaid care (by recipient)



Note: Among adults who provided unpaid care for an adult because of aging, disability, or illness. Key identifies bars in order from left to right.

Income and Expenses

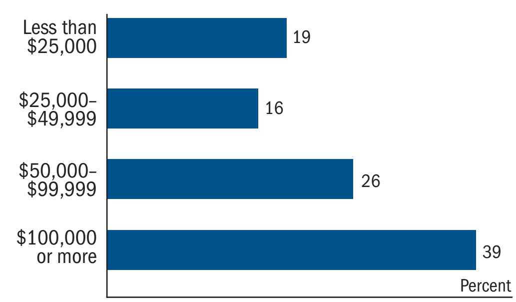
A sizeable share of adults said their family's monthly income increased in 2024 compared with a year earlier. However, the share of adults who said their spending increased from the prior year was even greater. Although most adults said that changes in prices they paid compared with the prior year had made their finances worse, the share saying so declined compared with 2023.

The share of adults who said they spent less than their income in the prior month edged up from 2023, suggesting that more adults have margin in their family budgets. Measures of difficulties covering expenses—including not paying all bills in full, sometimes or often not having enough to eat, and skipping medical care because of cost—were similar to 2023.

Level and Source of Income

In this report, income is defined as the cash income from all sources that respondents and their spouse or partner received during the previous year ("family income"). Nineteen percent of adults had a family income below $25,000, and 39 percent had a family income of $100,000 or more (figure 15).[26]

Figure 15. Family Income



Note: Among all adults.

Although labor earnings were the most common source of income, many people had other sources of income as well. Two-thirds of adults and their spouse or partner received wages, salaries, or self-employment income (collectively referred to here as "labor income") during the previous year. Fifty-five percent of all adults received non-labor income in 2024. (See table 13 for the full list of non-labor income sources considered).[27] Among those with labor income, half had some form of non-labor income as well.

[26] In the 2024 SHED, income is reported in dollar ranges rather than exact amounts. The income distribution in the 2024 SHED is broadly similar to that from the 2024 March Current Population Survey. However, the SHED has a lower share with income less than $50,000 and a higher share with income of $50,000 or more. These deviations in the estimates may result from differences between the surveys in how income questions are asked.

[27] Non-labor income does not include tax credits such as the Earned Income Tax Credit or in-kind benefits. Details on these sources are available in appendix B of this report. It also does not include the small number of respondents who reported receiving income but did not specify the source.

Table 13. Sources of income

Source	Percent
Labor income	
Wages, salaries, or self-employment	66
Non-labor income	
Interest, dividends, or rental income	35
Social Security	27
Pension	18
SSI, TANF, or cash assistance from a welfare program	6
Unemployment income	3
Any non-labor income	**55**

Note: Among all adults. Respondents could select multiple answers. Sources of income include the income of a spouse or partner. Social Security includes old age and disability insurance. SSI is Supplemental Security Income; and TANF is Temporary Assistance for Needy Families.

Income Variability

The total level of yearly income may mask changes in income from month to month, and mismatches between the timing of income and expenses can lead to financial challenges.[28] In 2024, most adults had income that was roughly the same each month, but 29 percent had income that varied at least occasionally from month to month, similar to previous years.

Income variability was related to the ways people generated income. Adults who performed gig work were more likely to report their income varied from month to month. Forty-one percent of adults who did any gig activities in the prior month said their income varied at least occasionally from month to month, compared with 26 percent of adults who had not done any gig activities.[29] (See the "Employment" section of this report for additional discussion of gig activities.)

Those who were self-employed were also particularly likely to report income variability. Fifty-nine percent of self-employed adults said their income varied from month to month. Among those who worked for someone else in the month before the survey, a far lower 28 percent reported income variability.[30]

Income variability was far less common among current retirees. Seventeen percent of retirees said their income varied from month to month, whereas 34 percent of non-retirees said their income varied. A large share of retirees received income from Social Security, and many also had income from pensions and from interest, dividends, or rental income. All of these income sources are associated with less income variability. (For more on retiree income sources and financial well-being, see the "Savings and Investments" section of this report.)

---

[28] For additional information on monthly income variability, see Jonathan Morduch and Julie Siwicki, "In and Out of Poverty: Episodic Poverty and Income Volatility in the U.S. Financial Diaries," *Social Service Review* 91(3) (2017): 390–421, https://www.jstor.org/stable/26463105.

[29] Income variability for gig workers can be related to the gig activities themselves and to other aspects of these workers' financial situations. For example, 49 percent of gig workers said they wish the pay was more consistent, and 31 percent said that without gigs they would have trouble making ends meet (table 6).

[30] Forty-seven percent of those who were self-employed reported some gig activities in the prior month, as did 21 percent of those who worked for someone else. Excluding those who did gig activities, adults who were self-employed still were more likely to report their income varied from month to month (56 percent) compared with those who worked for someone else (26 percent).

Monthly variations in income caused financial hardship for some families. In 2024, 11 percent of adults reported they struggled to pay their bills in the prior 12 months because their income varied, up slightly from 10 percent in 2023.

The likelihood of experiencing income variability and related hardships differed by income, race, and ethnicity. Adults with lower family income were more likely to experience hardships caused by varying income. Nineteen percent of adults with income of less than $25,000 said they had difficulty paying bills in the past year because their income varied, compared with 3 percent of adults with income of $100,000 or more (table 14). Black and Hispanic adults were more likely to experience income variability and related hardships, compared with White and Asian adults.

Table 14. Varying income and related hardship (by family income and race/ethnicity)
Percent

Characteristic	Varying income, causes hardship	Varying income, no hardship	Varying income
Family income			
Less than $25,000	19	23	42
$25,000–$49,999	18	15	32
$50,000–$99,999	12	17	28
$100,000 or more	3	19	22
Race/ethnicity			
White	8	18	26
Black	15	19	34
Hispanic	17	19	36
Asian	8	19	26
Overall	**11**	**19**	**29**

Note: Among all adults.

Changes in Income, Spending, and Prices

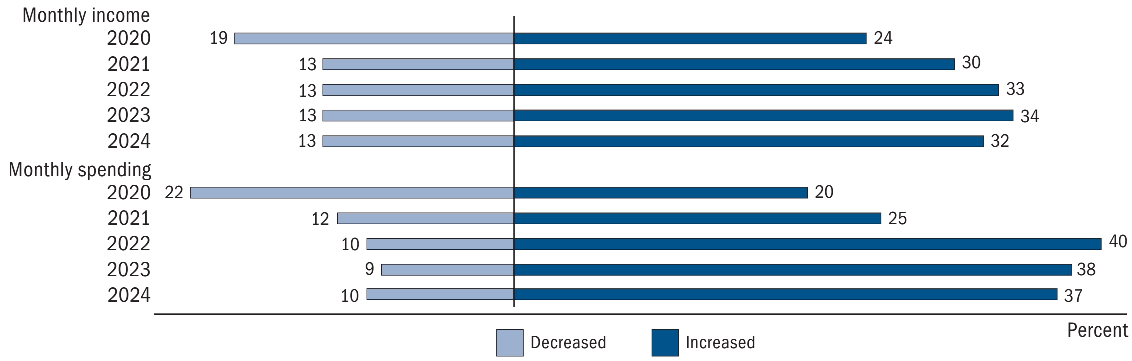
While short-term fluctuations in income can cause hardships, changes in overall income and spending over time have implications for family finances as well. In 2024, 32 percent of adults said their family's monthly income increased from a year earlier, while a higher 37 percent increased their monthly spending (figure 16).

This is the third consecutive year that the share who said their monthly spending increased was higher than the share who said their monthly income increased. The share who said their monthly expenses had increased was essentially unchanged from 2023, but down from a high in 2022. A slightly lower share of adults said their monthly income increased in 2024 than in the prior year.[31]

Rising prices contribute to increases in spending, and most adults said that price increases in the past year made their financial situation at least somewhat worse. Sixty percent said that changes in the prices they paid compared with the prior year had made their financial situation worse,

[31] The large share of adults who experienced increases in their income from year to year is consistent with findings based on Internal Revenue Service tax records data from Jeff Larrimore, Jacob Mortenson, and David Splinter, "Earnings Business Cycles: The Covid Recession, Recovery, and Policy Response," *Journal of Public Economics* 225 (September 2023): 104983, who also note that this is not unique to recent years.

Figure 16. Share with increases and decreases in monthly income and spending from 12 months earlier (by year)



Note: Among all adults. Respondents could also say that their monthly income and spending were about the same as 12 months earlier (not shown). Key identifies bars in order from left to right.

including 17 percent who said price changes had made their financial situation much worse. This compares with 5 percent who said that price changes compared with the prior year had made their financial situation better. Thirty-six percent of adults said overall changes in the prices they paid had little to no effect on their financial situation in the last year.

The share who said that price changes made their financial situation worse was somewhat higher among adults with income of under $100,000 (table 15). White and Hispanic adults, adults with a disability, middle-aged adults, and parents living with their children under age 18 were also more likely to say that changes in prices they paid compared with a year ago had made their financial situation worse. Yet, since 2023 the share of adults who said that price changes made them worse off financially decreased across a broad range of demographic groups.

Most people adjusted behaviors in response to higher prices. The most common actions were spending changes, including switching to a cheaper product (63 percent of adults), using less of or stopping using a product (61 percent), or delaying a major purchase (46 percent) (table 16). Forty-three percent of adults reported they reduced savings. Increasing borrowing was less common, as were activities to generate additional income, such as working more or asking for a raise.

Overall, 79 percent of adults took some action in response to higher prices—unchanged from 2023, but down from 83 percent who reported taking action in 2022. Compared with that seen in 2022, people were less likely to report that they had reduced savings or taken spending-related actions such as using less of a product or delaying a major purchase.

Table 15. Changes in prices paid compared with last year made financial situation worse (by demographic characteristics)
Percent

Characteristic	2024	1-year change (since 2023)
Family income		
Less than $25,000	60	−7
$25,000-$49,999	68	−2
$50,000-$99,999	63	−5
$100,000 or more	53	−5
Age		
18-29	56	−6
30-44	62	−4
45-59	66	−2
60+	55	−7
Race/ethnicity		
White	62	−5
Black	50	−4
Hispanic	60	−6
Asian	52	−1
Disability status		
Disability	65	−6
No disability	58	−5
Parental status		
Parents (living with own children under age 18)	65	−4
All other adults	58	−5
Overall	**60**	**−5**

Note: Among all adults. Share worse off includes those who were somewhat or much worse off.

Table 16. Actions taken in response to higher prices in the prior 12 months (by year)
Percent

Action	2022	2023	2024
Spending			
Switched to cheaper products	64	62	63
Used less or stopped using products	66	61	61
Delayed a major purchase	49	48	46
Saving/borrowing			
Reduced savings	51	45	43
Increased borrowing	15	15	16
Income			
Worked more or got another job	18	18	18
Asked for a raise	8	9	8
Took any action	**83**	**79**	**79**

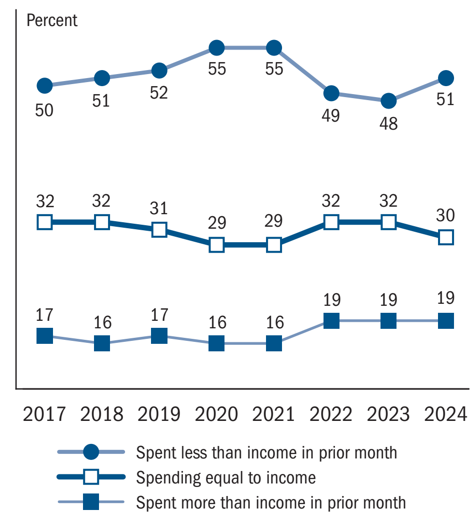
Note: Among all adults. Respondents could select multiple answers.

Spending Relative to Income

A slight majority of adults spent less than their income in the month before the survey, suggesting they had some margin in their family budgets. Fifty-one percent of adults reported spending less than their income in the past month, up from 2022 and 2023, but below the levels in 2020 and 2021 (figure 17). Nineteen percent of adults said their spending exceeded their income, while the remainder (30 percent) said their spending and income were about the same.

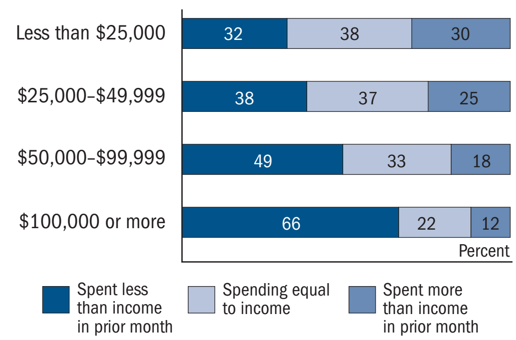
Lower-income adults were less likely to say they spent less than their income in the past month, likely reflecting their more limited budgets. Thirty-two percent of adults with family income less

Figure 17. Monthly spending relative to income (by year)



Note: Among all adults.

Figure 18. Monthly spending relative to income (by family income)



Note: Among all adults. Key identifies bars in order from left to right.

than $25,000 said their spending was less than their income, compared with 66 percent of adults with income of $100,000 or more (figure 18).

In general, people who experienced economic hardships had more difficulty fully covering their expenses with their income. While 51 percent of all adults said their monthly spending was less than their income, those who experienced hardships were less likely to say so. Forty-three percent of those who had a major unexpected medical expense and 33 percent of those who experienced a layoff in the prior 12 months said they spent less than their income in the month before the survey. While economic hardships like these can make it more difficult for any family to cover their expenses, previous research also found that financial shocks were more common among those who already had a relatively small financial cushion.[32]

Adults who lacked a margin between their spending and their income were more likely to take action in response to higher prices. Among adults who said their spending exceeded their income in the month before the survey, 92 percent took at least one action in response to higher prices.

[32] Analysis of a subset of respondents in the 2019 and 2020 surveys showed that adults who were laid off during the pandemic entered the year with more limited financial resources to weather an economic downturn compared with adults overall. In addition, those who were laid off during the pandemic and were not working at the time of the 2020 survey saw a deterioration in their finances compared with the prior year. See box 1 in Board of Governors of the Federal Reserve System, *Economic Well-Being of U.S. Households in 2020* (Washington: Board of Governors, May 2021), https://www.federalreserve.gov/publications/files/2020-report-economic-well-being-us-households-202105.pdf.

Among those whose spending was less than their income, a lower 71 percent took at least one action.

Bills and Regular Expenses

A key measure of a person's financial situation is whether they can afford to pay their regular bills. Seventeen percent of adults said they did not pay all their bills in full in the month prior to the survey, unchanged from 2023.[33]

Lower-income adults reported more struggles with monthly bills. In the month prior to the survey, 34 percent of adults with a family income less than $25,000 did not pay all their bills in full, compared with 7 percent of adults with a family income of $100,000 or more (table 17). Younger adults, Black and Hispanic adults, adults with a disability, and parents living with their children under age 18 were also less likely to have paid all their bills in full in the prior month.

Table 17. Did not pay all bills in prior month (by demographic characteristics)

Characteristic	Percent
Family income	
Less than $25,000	34
$25,000–$49,999	23
$50,000–$99,999	14
$100,000 or more	7
Age	
18–29	24
30–44	21
45–59	16
60+	9
Race/ethnicity	
White	11
Black	32
Hispanic	26
Asian	13
Disability status	
Disability	25
No disability	15
Parental status	
Parents (living with own children under 18)	22
All other adults	15
Overall	**17**

Note: Among all adults. For credit cards "did not pay in full" is defined as paying less than the minimum payment amount.

Renters were more likely than homeowners to say they did not pay all their bills in the prior month (table 18). In part, this reflects that renters have lower incomes than homeowners, although even for those with similar incomes, the share of renters who did not pay at least one bill exceeded that for homeowners.[34]

Those who did not pay at least one bill in full were asked about several specific bill types.

[33] The bill payments question was revised in 2023, and results are not directly comparable to prior years. In this report, adults who did not pay all their bills in full are those who (1) did not pay a credit card bill or made less than the minimum payment *last month* or (2) did not pay another type of bill in full *last month*. In earlier surveys, respondents were asked about their expected ability to pay all their bills in full *this month,* and the question did not specify what paying in full meant for credit card bills.

[34] For details on the different income levels of owners and renters, see Phil Thompson, "From Size of Homes to Rental Costs, Census Data Provide Economic and Lifestyle Profile of U.S. Housing," America Counts Stories (Washington: United States Census Bureau, June 29, 2023), https://www.census.gov/library/stories/2023/06/owning-or-renting-the-american-dream.html.

Table 18. Types of bills not paid in full last month (by homeownership status)
Percent

Bills	Home-owner	Renter	All adults
Water, gas, and electric bills	3	11	5
Phone, internet, and cable bills	2	9	5
Rent or mortgage	2	6	3
Car payment	2	5	3
Credit card (less than minimum payment)	2	3	2
Any bills not paid in full	**11**	**25**	**17**

Note: Among all adults. Respondents could select multiple answers. Respondents could also select that they did not pay all bills in full but that the unpaid bill was not one of these options.

Of these, the most common types of bills not paid in full were a water, gas, or electric bill (5 percent) or a phone, internet, or cable bill (5 percent). Across each of these bill types, renters also had higher rates of nonpayment.

Food Sufficiency

Inability to afford food is a particularly severe hardship. Seven percent of adults said that members of their household sometimes or often did not have enough to eat in the prior month, referred to here as "food insufficiency." An additional 27 percent of adults said that members of their household had enough to eat in the prior month but not always the kinds of food they wanted to eat.[35] The share of adults experiencing food insufficiency was unchanged from 2023.

Nineteen percent of adults with a family income less than $25,000 said members of their household sometimes or often did not have enough to eat in the past month, as did 11 percent of those with a family income between $25,000 and $50,000 (table 19). Younger adults, Black and Hispanic adults, adults with a disability, and parents living with their children under age 18 were also more likely to report food insufficiency in their household in the prior month than other adults.

Health-Care Expenses

Forgoing medical treatment can be another reflection of financial hardship. Twenty-eight percent of adults went without some form of medical care in 2024 because they could not afford it, similar to the share in 2023 but up from 24 percent in 2021 (figure 19). Dental care was the most frequently skipped, followed by visiting a doctor (table 20). Some people also reported skipping prescription medicine, follow-up care, or mental health visits.

[35] The U.S. Department of Agriculture (USDA) defines food insufficiency as sometimes or often not having enough to eat, and marginal food insufficiency as having enough to eat but not always the kinds of foods they wanted to eat. See the USDA Economic Research Service at https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-u-s/measurement/. The SHED food insufficiency question is similar to questions fielded on the Census Household Pulse survey and the annual Current Population Survey Food Security Supplement (CPS-FSS), although the reference periods are different.

The likelihood of skipping medical care because of cost was strongly related to family income. Among those with family income less than $25,000, 41 percent went without some medical care because they could not afford it, compared with 14 percent of adults making $100,000 or more.

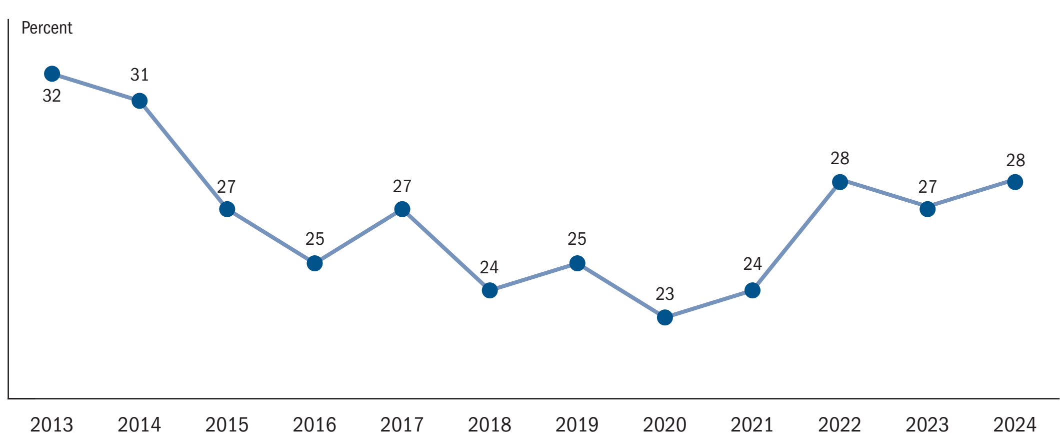
Unexpected or large medical expenses can be a particular financial hardship for families. Twenty-three percent of adults had major, unexpected medical expenses in the prior 12 months, with the median amount between $1,000 and $1,999. Seventeen percent of adults had debt from their own medical care or that of a family member (not necessarily from the past year). The share with outstanding medical debt has ranged from 15 to 18 percent each year since the question was first asked in 2019.

Table 19. Sometimes or often did not have enough to eat in the prior month (by demographic characteristics)

Characteristic	Percent
Family income	
Less than $25,000	19
$25,000-$49,999	11
$50,000-$99,999	5
$100,000 or more	2
Age	
18-29	11
30-44	10
45-59	8
60+	2
Race/ethnicity	
White	5
Black	11
Hispanic	12
Asian	5
Disability status	
Disability	15
No disability	6
Parental status	
Parents (living with own children under age 18)	9
All other adults	7
Overall	**7**

Note: Among all adults.

Figure 19. Skipped medical treatment because of cost (by year)



Note: Among all adults.

Table 20. Forms of medical treatment skipped because of cost in the prior 12 months

Type	Percent
Dental care	19
Seeing a doctor or specialist	16
Prescription medicine	11
Follow-up care	11
Mental health care or counseling	9
Any treatment	**28**

Note: Among all adults. Respondents could select multiple answers.

Health insurance is one way that people can pay for routine medical expenses and protect against the financial burden of large, unexpected expenses. In 2024, 92 percent of adults had health insurance, similar to that seen each year since 2016, but up from the 85 percent who reported having health insurance in 2013 when the survey began.

Those without health insurance were more likely to forgo medical treatment because they could not afford it. Among the uninsured, 45 percent went without medical treatment because they could not afford it, compared with 26 percent among the insured.

Savings and Investments

Having a buffer of savings for emergencies can help families cope with fluctuations in income and with unexpected expenses. The share of adults who would pay for an unexpected $400 expense with cash or the equivalent was unchanged from 2023, while the share who said they had rainy day funds to cover three months of expenses edged up from 2023.

Saving and investing are also important for longer-run financial security, including in retirement. Among adults who were not retired, the share who felt that their retirement savings plan was on track also rose slightly from 2023. That said, each of these three measures of preparedness was down from 2021.

Emergency Savings and Unexpected Expenses

Relatively small, unexpected expenses, such as a car repair or a modest medical bill, can be a hardship for many families, especially those without a financial cushion. When faced with a hypothetical expense of $400, 63 percent of all adults said they would have covered it exclusively using cash, savings, or a credit card paid off at the next statement (referred to, altogether, as "cash or its equivalent").[36] The remainder said they would have paid by borrowing or selling something or said they would not have been able to cover the expense. The share who would pay using cash or its equivalent was unchanged from 2022 and 2023 (figure 20).[37]

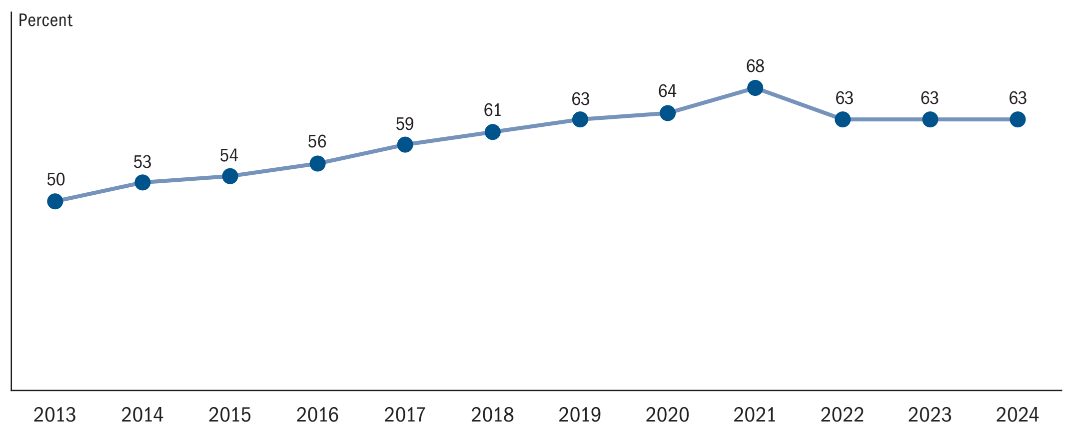
Among the 37 percent of adults who would not have covered a $400 expense completely with cash or its equivalent, most would pay some other way, although some said that they would be unable to pay the expense at all. For those who could cover the expenses another way, the most common approach was to use a credit card and then carry a balance, and many indicated they would use multiple approaches. However, 13 percent of all adults said they would be unable to pay the expense by any means (table 21), unchanged from 2022 and 2023 but up from 11 percent in 2021.

---

[36] Since 2013, when this question was first asked, median household income increased as did consumer prices. To check how changes in price levels affect responses to this question, the 2022 survey asked one-fifth of respondents how they would handle a $500 expense instead. Changing the threshold only altered the share who would pay in cash by 0.5 percentage points, suggesting that shifts in the price level have not materially affected the trend in this series.

[37] The higher shares who said they would pay with cash or its equivalent in 2021 is consistent with other research showing that fiscal relief measures and a pullback in consumer spending boosted saving in the early part of the COVID-19 pandemic. For details on the increase in savings during the pandemic, see Aditya Alandangady, David Cho, Laura Feiveson, and Eugenio Pinto, "Excess Savings during the COVID-19 Pandemic," Finance and Economics Discussion Series Notes (Washington: Board of Governors of the Federal Reserve System, October 21, 2022), https://doi.org/10.17016/2380-7172.3223; and for details on the effects of relief measures on incomes through the pandemic, see Jeff Larrimore, Jacob Mortenson, and David Splinter, "Earnings Business Cycles: The Covid Recession, Recovery, and Policy Response," *Journal of Public Economics* 225 (2023): 104983.

Figure 20. Would cover a $400 emergency expense completely using cash or its equivalent (by year)



Note: Among all adults.

Some of those who would not have paid an unexpected $400 expense completely with cash or its equivalent likely still had access to $400 in cash. Instead of using that cash to pay for the expense, they may have chosen to preserve their cash as a buffer for other expenses.

To explore this potential difference between how people *would* pay for a small, unexpected expense and whether they *could* pay for it with cash or the equivalent, the survey included a question asking people what the largest emergency expense was that they could handle using only savings. Eighteen percent of adults said the largest emergency expense they could handle right now using only savings was under $100, and 13 percent said they could handle an expense of $100 to $499 (table 22).

Table 21. Other ways individuals would cover a $400 emergency expense

Approach	Percent
Put it on a credit card and pay it off over time	15
Borrow from a friend or family member	10
Sell something	7
Use money from a bank loan or line of credit	3
Use a payday loan, deposit advance, or overdraft	2
Would not be able to pay for the expense right now	13

Note: Among all adults. Respondents could select multiple answers.

Table 22. Largest emergency expense individuals could handle right now using only savings

Amount	Percent
Less then $100	18
$100–$499	13
$500–$999	10
$1,000–$1,999	10
$2,000 or more	48

Note: Among all adults.

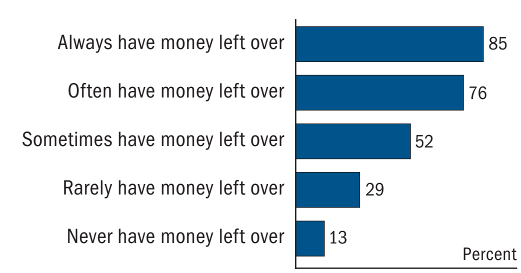
Sixty-nine percent of adults said they could pay an expense of at least $500 using only their current savings (table 22), similar to 2023. This is a somewhat larger share than the 63 percent of adults who said they would pay an unexpected $400 expense with cash or the equivalent, suggesting that some people choose to pay with other methods, even if they have cash savings available to them.[38]

Some financial challenges, such as a job loss, require more financial resources than would an unexpected $400 expense. One common measure of financial resiliency is whether people have savings sufficient to cover three months of expenses if they lost their primary source of income. In 2024, 55 percent of adults said they had set aside money for three months of expenses in an emergency savings or "rainy day" fund—up slightly from 54 percent in 2023 but down from a high of 59 percent in 2021.[39]

For those who did not set aside money for this purpose, some would have dealt with a loss of their main source of income by borrowing, selling assets, or drawing on other savings. Fifteen percent of all adults said that they could have covered three months of expenses in this way. Thirty percent of adults indicated they could not cover three months of expenses by any means.

Spending less than income on a regular basis is one way to build an emergency fund, and people who did so more frequently were more likely to report they had a rainy-day fund. Eighty-five percent of adults who said they always had money left over at the end of the month said they had savings to cover three months of expenses, while 13 percent of those who never had money left over at the end of the month had such savings (figure 21).[40]

Figure 21. Have savings to cover three months of expenses (by how often have money left over at end of the month)



Note: Among all adults.

[38] The distinction between how people *would* or *could* pay small emergency expenses is discussed further in box 3 from Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2019, Featuring Supplemental Data from April 2020* (Washington: Board of Governors, May 2020), https://www.federalreserve.gov/publications/files/2019-report-economic-well-being-us-households-202005.pdf.

[39] Only 48 percent of adults said they could cover an expense of $2,000 using savings. A higher 55 percent said they had rainy-day savings to cover three months of expenses, which likely would require more than $2,000 for many families. One possible explanation for this difference in the responses is that the framing of the question about the largest emergency expense people could handle with savings was "right now." There may be assets, such as retirement funds, that some people would consider tapping in the event they went three months without a job that they would not consider tapping right now for an emergency.

[40] A separate question on the SHED discussed in the "Income and Expenses" section of this report asks about whether respondents spent more or less than their income in the past month. A similar relationship between emergency savings and spending relative to income is seen using that measure rather than the frequency of having money left over at the end of the month.

Table 23. Have savings to cover three months of expenses (by demographic characteristics)

Characteristic	Percent
Family income	
Less than $25,000	24
$25,000–$49,999	40
$50,000–$99,999	56
$100,000 or more	75
Age	
18–29	36
30–44	50
45–59	54
60+	72
Race/ethnicity	
White	60
Black	41
Hispanic	44
Asian	69
Disability status	
Disability	41
No disability	59
Male/female	
Male	57
Female	53
Overall	**55**

Note: Among all adults.

The share of adults who had emergency savings to cover three months of expenses varied across demographic groups. Older adults and those with a higher family income were more likely to say they had this level of emergency savings (table 23). Asian adults were more likely to have emergency savings, compared with adults from other racial or ethnic groups. Men were more likely than women to report having set aside this amount of savings.

Retirement Savings and Investments

Saving for retirement is important in preparing for expenses later in life when many people are no longer working. Most adults had at least some savings in a tax-preferred retirement account, defined benefit pension, or other asset that they may be able to tap to meet expenses in retirement.[41] Sixty-seven percent of adults had assets that are specifically designated for producing income in retirement. This included the 61 percent of adults who had a tax-preferred retirement account, including employer-sponsored defined contribution plans such as 401(k)s, individual retirement accounts (IRA), or Roth IRAs. It also included 29 percent who had a defined benefit pension through an employer (table 24).[42]

[41] While the assets listed here include many sources that people could tap to generate income for retirement, they do not reflect all types of assets people may hold. In particular, many adults have an automobile, and as discussed in the "Banking and Credit" section of this report, most adults have a checking or other transaction account. The Survey of Consumer Finances (SCF) provides detailed estimates of the types of assets and liabilities held by U.S. households and the value of their holdings. For the most recent estimates from the SCF, see Aditya Aladangady, Jesse Bricker, Andrew C. Chang, Sarena Goodman, Jacob Krimmel, Kevin B. Moore, Sarah Reber, Alice Henriques Volz, and Richard A. Windle, *Changes in U.S. Family Finances from 2019 to 2022: Evidence from the Survey of Consumer Finances* (Washington: Board of Governors of the Federal Reserve System, October 2023), https://doi.org/10.17016/8799.

[42] Accounts such as 401(k) plans, IRAs, and Roth accounts are tax preferred in that they receive favorable tax treatment to incentivize retirement savings.

Table 24. Types of assets (by age)
Percent

Assets	18–24	25–54	55–64	65+	Overall
Tax-preferred retirement accounts and pensions					
Tax-preferred retirement account, such as a 401(k) or IRA	25	63	70	63	61
Defined benefit pension through an employer	4	20	36	54	29
Have tax-preferred retirement account or pension	**26**	**66**	**77**	**80**	**67**
Other assets					
Own home	20	57	79	84	63
Savings or money market account, or certificate of deposit (CD)	42	53	65	75	59
Stocks, bonds, ETFs, or mutual funds held outside a retirement account	17	31	41	48	35
Cash value in a life insurance policy	7	23	30	32	25
Business or real estate	2	9	17	16	11
Have tax-preferred retirement account, pension, or other assets listed above	**63**	**83**	**92**	**95**	**85**

Note: Among all adults. Respondent could select multiple answers. ETFs are exchange-traded funds.

Consistent with the declining prevalence of employer-sponsored defined benefit plans in recent decades, younger adults were much less likely to have defined benefit pensions.[43] Among prime-age adults (ages 25 to 54), 20 percent had a defined benefit pension, compared with 36 percent of those ages 55 to 64 and 54 percent of those age 65 and over (table 24).

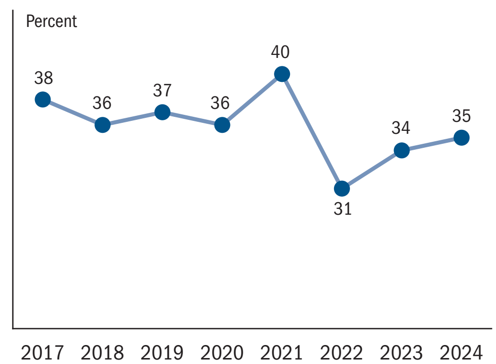
On the other hand, the growing prevalence of employer-sponsored defined contribution plans such as 401(k)s in recent decades is also reflected in the substantial share of adults who had tax-preferred retirement accounts. Among those ages 55 to 64 who were nearing common retirement ages, 70 percent had tax-preferred retirement savings accounts—higher than shares of prime-age adults and those age 65 and over who had these accounts (63 percent for both).

While most non-retired adults had some type of tax-preferred retirement account (such as a 401(k), IRA, or Roth IRA) or a defined benefit pension, a lower 35 percent of non-retirees thought their retirement saving was on track.[44] The share of non-retirees who thought their retirement

[43] For history on IRAs, see Congressional Research Service (CRA), *Individual Retirement Account (IRA) Ownership: Data and Policy Issues* (Washington: CRA, December 9, 2020), https://crsreports.congress.gov/product/pdf/R/R46635/3. For recent context on employer-sponsored retirement plans, see Congressional Research Service, *A Visual Depiction of the Shift from Defined Benefit (DB) to Defined Contribution (DC) Pension Plans in the Private Sector*, (Washington: CRA, December 27, 2021), https://crsreports.congress.gov/product/pdf/IF/IF12007.

[44] As noted in the "Employment" chapter, retirement status is based on a question asking all respondents whether they are retired or not, regardless of their employment status. The question asking non-retirees about whether their retirement savings plans was on track did not prompt respondents to consider any particular type of assets or level of income in their answer, and so survey respondents could determine for themselves what they considered on track.

Figure 22. View retirement savings plan as on track (by year)



Note: Among non-retirees.

Table 25. Retirement preparedness among non-retirees (by demographic characteristics)
Percent

Characteristic	Tax-preferred retirement account	Defined benefit pension	Retirement savings on track
Age			
18–29	38	8	23
30–44	65	18	35
45–59	73	31	42
60+	74	35	50
Race/ethnicity			
White	68	22	41
Black	52	22	26
Hispanic	46	16	23
Asian	75	20	45
Disability status			
Disability	31	12	14
No disability	66	22	39
Male/female			
Male	62	21	39
Female	60	20	32
Overall	**61**	**21**	**35**

Note: Among non-retirees.

saving was on track was up relative to 2022 and 2023 but below the shares who thought their saving was on track in 2021 (figure 22).

Retirement savings and perceived preparedness differed across demographic groups. Younger adults, as well as Black and Hispanic adults, were less likely than others to have tax-preferred retirement accounts or defined benefit pensions (table 25). They also were less likely to view their retirement savings plan as on track. Men and women were similarly likely to have designated retirement assets, but men were more likely to say their retirement savings plan was on track.

Non-retirees with a disability were also less likely to have designated retirement assets and to view their savings as on track (table 25). Adults with a disability were less likely to be employed, and some means tested benefits received by those with disabilities have asset limits that deter the accumulation of savings.[45] These factors may contribute to the lower share of adults with a disability who have designated retirement assets.

[45] Among prime age adults, 46 percent of adults with a disability worked for pay in the prior month, compared with 78 percent of adults without a disability. As an example of means testing, SSI recipients must have limited income and resources to qualify for benefits. See Social Security Administration, *Red Book: A Guide to Work Incentives and Employment Supports for Persons Who Have a Disability under the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) Programs*, SSA Publication No. 64-030, August 2023, https://www.ssa.gov/redbook/.

Although money in retirement accounts is intended to be preserved for retirement, occasionally these savings can also act as a source of emergency funds for non-retirees who face economic hardships. Overall, 8 percent of non-retired adults tapped their retirement savings by borrowing from or cashing out funds from their retirement accounts in the prior 12 months.[46]

Reducing regular contributions to retirement accounts is another way that non-retirees can increase their disposable income when facing economic challenges. Eight percent of non-retirees said that they reduced their regular contributions to their retirement accounts in the prior 12 months.[47] Overall, 14 percent of non-retirees borrowed from, cashed out, or reduced contributions to their retirement accounts in the prior 12 months.

Non-retirees who had a major unexpected medical expense or who experienced a layoff were more likely to have tapped the funds in their retirement accounts, compared with other adults (table 26). They also were more likely to have reduced their regular contributions to retirement accounts.[48]

Table 26. Non-retirees who borrowed or cashed out money from a retirement account or reduced regular retirement account contributions in the prior 12 months (by economic hardship)
Percent

Hardship	Borrowed or cashed out money	Reduced regular contributions
Had unexpected, out-of-pocket major medical expenses		
Yes	12	13
No	7	6
Laid off from a job		
Yes	15	17
No	8	7
Overall	**8**	**8**

Note: Among non-retirees.

Tapping retirement accounts and reducing regular contributions can help people handle economic hardships or other changes to income or expenses, but this may come at a cost to their longer-term financial security. While 35 percent of non-retirees overall said their retirement savings plan was on track, 33 percent of non-retirees who had reduced their regular contributions to retirement accounts in the prior 12 months thought their retirement savings plan was on track. Among non-retirees who had borrowed from or cashed out funds from their retirement accounts in the prior year, the share who said they were on track was lower, at 28 percent.

[46] The question on borrowing from or cashing out retirement savings was changed on the 2024 survey, so is not directly comparable with earlier years.

[47] In some cases, these reductions in contributions may be due to job changes or job loss that prevent the individual from continuing to contribute at the same amount.

[48] For more on early withdrawals and the relationship with economic shocks and income, see Robert Argento, Victoria L. Bryant, and John Sabelhaus, "Early Withdrawals from Retirement Accounts during the Great Recession," *Contemporary Economic Policy* 33, (1) (2015), 1–16.

Given the importance of retirement savings accounts and other self-directed investments, individuals ideally need to have the skills and knowledge required to manage their own investments or to select a paid professional to do so. People varied in their comfort with choosing and managing their investments.[49] Forty-six percent of adults said they were mostly or very comfortable choosing and managing their investments, while 54 percent of adults said they were not comfortable or only slightly comfortable.

A higher share of men expressed comfort about managing their investments than women. Fifty-five percent of men said they were mostly or very comfortable choosing and managing their investments, while 38 percent of women gave these responses. Confidence also is related to having experience with investments. Among people with tax-preferred retirement accounts, 54 percent expressed confidence, compared with 35 percent of those who did not have these accounts.

Retiree Income Sources and Well-being

Table 27. Sources of income among retirees (by age)
Percent

Source	Age 65+	All retirees
Social Security	91	78
Pension	64	56
Interest, dividends, or rental income	54	50
Wages, salaries, or self-employment	25	32
Cash transfers, other than Social Security	5	8

Note: Among retirees. Respondents could select multiple answers. Sources of income include the income of a spouse or partner. Social Security includes old age and disability insurance. Cash transfers other than Social Security include SSI, TANF, cash assistance from a welfare program, and unemployment income.

Retirement savings and pension rights acquired during working years have implications for income sources and financial well-being later in life when most people reduce their work hours or stop working entirely.[50] Savings and investments can play an important role in bridging the gap between living expenses and public sources of income, such as Social Security.

In 2024, Social Security remained the most common source of retirement income, but 81 percent of retirees had one or more sources of private income. This included 56 percent of retirees with income from a pension; 50 percent with interest, dividends, or rental income; and 32 percent with labor income (table 27).[51] Seventy-eight percent of

[49] The question asked about choosing and managing investments but did not specify a type of investment, so people could answer according to the assets they considered to be investments. This question wording was changed in the 2023 survey and asked of all respondents rather than just non-retirees with self-directed accounts.

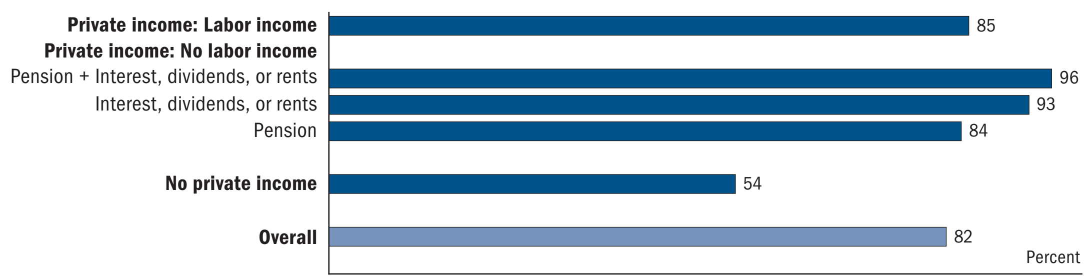
[50] Participants in employer-sponsored pension plans must be vested in order to have a right to benefits. To be fully vested and have the right to receive benefits from employer contributions typically requires that the employee have a minimum number of years of service. For a summary of legal requirements around vesting for pension plans covered by the Employee Retirement Income Security Act of 1974 (ERISA), see Department of Labor, Employee Benefits Security Administration, FAQs about Retirement Plans and ERISA, https://www.dol.gov/sites/dolgov/files/ebsa/about-ebsa/our-activities/resource-center/faqs/retirement-plans-and-erisa-compliance.pdf.

[51] The type of pension was not specified, so pension income may include income from defined benefit plans, which pay a fixed monthly amount, and defined contribution plans, such as 401(k) and 403(b) plans. While 38 percent of retirees

retirees received income from Social Security in the prior 12 months, including 91 percent of retirees age 65 or older.

While retirees as a group had generally high levels of financial well-being, this varied depending on the individual's sources of income. In 2024, 82 percent of all retirees said they were doing okay or living comfortably financially. Among retirees whose family income included wages or other sources of labor income, a higher share (85 percent) reported they were doing okay or living comfortably (figure 23).

Figure 23. Retirees doing okay or living comfortably financially (by sources of private income in the prior 12 months)



Note: Among retirees. Sources of income include the income of a spouse or partner. Recipients of labor income may have income from other private sources, but other categories are mutually exclusive. So 'Pension,' for example, indicates the retiree had income from a pension but not interest, dividends, or rents. Retirees may have received income from public sources as well.

Among retirees who did not have labor income, those who had a source of private income, such as a pension or interest income, fared better financially than those lacking any private income.[52] Fifty-four percent of retirees who did not have private income said they were doing okay or living comfortably (figure 23). This was far below the share of retirees who had income from private sources, such as pensions and investments, who were doing okay or living comfortably.

whose family income included labor income said they worked for pay or profit in the month prior to the survey despite being retired, a larger 61 percent reported they had a spouse who worked for pay or profit in the prior month.

52 Those lacking any private income included those who were reliant solely on Social Security and cash transfers from other government programs or reported no income sources in 2024. For context on the income sources highlighted here, a "three-legged stool" has been used as a metaphor for a retirement savings strategy that includes Social Security, private pensions, and other savings and investments. For a history of this metaphor, see Larry DeWitt, *Origins of the Three-Legged Stool Metaphor for Social Security*, Research Notes & Special Studies by the Historian's Office (Washington: Social Security Administration, May 1996), https://www.ssa.gov/history/stool.html.

Banking and Credit

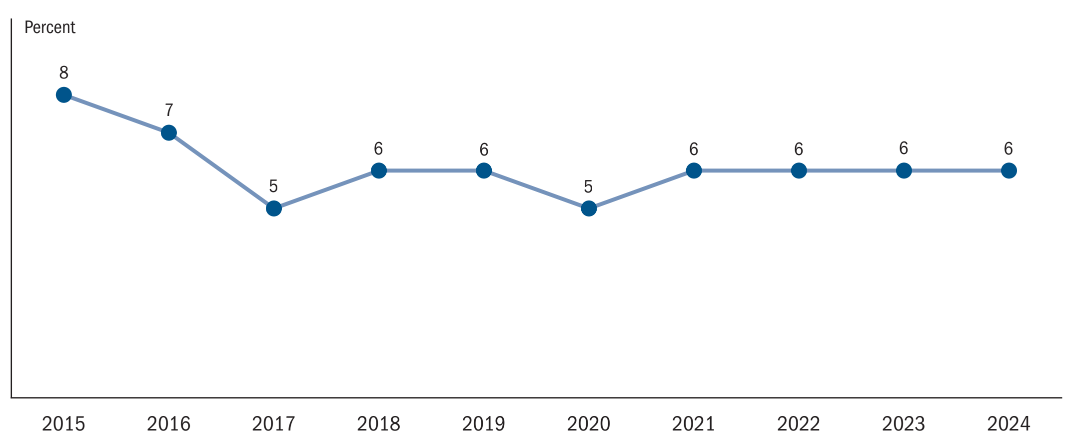
Access to financial services from banks and credit unions can be important for people's financial well-being. Most adults had a bank account and were able to obtain credit in 2024, but notable gaps in access to financial services still exist, particularly among those with low income, Black and Hispanic adults, and those with a disability.

Adults of all incomes reported experiencing financial fraud and scams, with many unable to recover all the funds that were lost. Older adults tended to lose more money than younger adults, perhaps because they also had more money to begin with.

Bank Account Ownership

Six percent of adults were "unbanked" in 2024, meaning neither they nor their spouse or partner had a checking, savings, or money market account (figure 24). The current unbanked rate was similar to recent years, though it has inched up from 5 percent in 2020.

Figure 24. Unbanked rate (by year)



Note: Among all adults.

Unbanked rates remained far higher among low-income adults. Twenty-two percent of adults with income below $25,000 were unbanked compared with 1 percent of adults with income of $100,000 or more. As with prior years, unbanked rates were also higher among younger adults, Black and Hispanic adults, and adults with a disability (table 28).

Table 28. Bank account ownership and overdraft (by demographic characteristics)
Percent

Characteristic	Unbanked rate	Paid overdraft fee in prior year (among adults with a bank account)
Family income		
Less than $25,000	22	16
$25,000–$49,999	8	19
$50,000–$99,999	2	13
$100,000 or more	1	6
Age		
18–29	13	16
30–44	8	14
45–59	5	13
60+	2	6
Race/ethnicity		
White	3	9
Black	13	21
Hispanic	12	16
Asian	6	6
Disability status		
Disability	12	16
No disability	5	10
Overall	**6**	**11**

Note: Among all adults.

Since 2021, the survey has asked respondents with a bank account whether they paid an overdraft fee on their bank account. In 2024, 11 percent of adults with a bank account said they paid an overdraft fee in the prior 12 months, similar to the shares seen in 2022 and 2023, but up 1 percentage point from 2021.

Differences in overdraft use by demographic characteristics also looked similar to prior years. Among banked adults, higher shares of low and middle income adults, Black and Hispanic adults, and adults with a disability paid an overdraft fee in the prior 12 months (table 28).

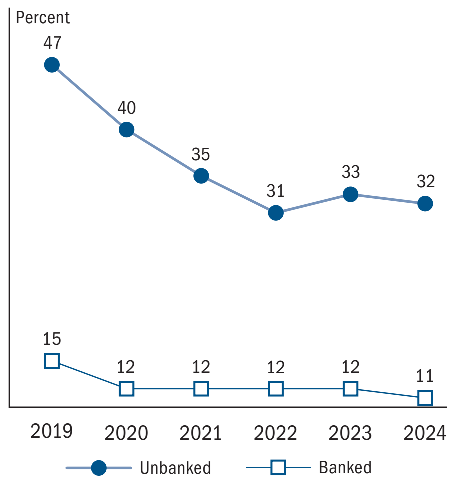
Nonbank Check Cashing and Money Orders

Some people go outside of traditional banks and credit unions for certain financial services. Thirteen percent of adults used nonbank check cashing or money orders in 2024, similar to the recent years, yet down 4 percentage points from 2019, before the pandemic.

Both banked and unbanked adults used nonbank providers to conduct financial transactions, but the unbanked were much more likely to have done so. Eleven percent of banked adults used a nonbank money order or check cashing service, compared with 32 percent of unbanked adults (figure 25).

Use of nonbank money orders and check cashing has fallen among both unbanked and banked adults since 2019. That said, use among banked adults has remained at similar levels since 2020, while use among unbanked adults has flattened out over the past couple of years (figure 25).

Figure 25. Use of nonbank check cashing or money orders (by bank account ownership)



Note: Among all adults.

Table 29. Use of nonbank check cashing or money orders (by demographic characteristics)

Characteristic	Percent
Family income	
Less than $25,000	23
$25,000–$49,999	21
$50,000–$99,999	11
$100,000 or more	5
Age	
18–29	17
30–44	15
45–59	12
60+	9
Race/ethnicity	
White	8
Black	30
Hispanic	18
Asian	9
Disability status	
Disability	20
No disability	11
Overall	**13**

Note: Among all adults.

Similar to demographic patterns in bank account ownership, use of nonbank check cashing and money orders was more common among those with lower income, Black and Hispanic adults, and adults with a disability (table 29). Use among Black adults was particularly high at 3 in 10.

Cryptocurrency

Cryptocurrencies are relatively new digital assets that may be held as an investment or used for making financial transactions.[53] The 8 percent of adults who used cryptocurrency for either purpose remained at similar levels to the prior year. However, this share was down from 12 percent in 2021, the first time the survey asked about cryptocurrency (table 30).[54]

Buying or holding cryptocurrency as an investment remained more common than using it for financial transactions. Seven percent of adults bought or held cryptocurrency as an investment in the

[53] Cryptocurrencies are decentralized digital assets that have a distributed ledger and can be used for peer-to-peer payments. For additional information on cryptocurrencies, see Board of Governors of the Federal Reserve System, *Money and Payments: The U.S. Dollar in the Age of Digital Transformation* (Washington: Board of Governors, January 2022), https://www.federalreserve.gov/publications/money-and-payments-discussion-paper.htm.

[54] Because the survey is conducted online, the sample population may be more technologically connected than the overall population, which could increase the share of adults reporting use of emerging technologies such as cryptocurrencies.

Table 30. Cryptocurrency use
Percent

Type of use	2021	2022	2023	2024
Bought cryptocurrency or held as an investment	11	8	7	7
Used cryptocurrency to buy something or make a payment	2	2	1	2
Used cryptocurrency to send money to friends or family	1	2	1	1
Any use of cryptocurrency	**12**	**10**	**7**	**8**

Note: Among all adults. Respondents could select multiple answers.

Table 31. Main reason people used cryptocurrency for financial transactions

Reason	Percent
Preferred by the recipient of the money	35
To send the money faster	18
Cheaper	13
Privacy	12
Safer	5
Don't trust banks	3
Other	13

Note: Among adults who used cryptocurrency for financial transactions.

prior 12 months. In contrast, 2 percent of adults said they used cryptocurrency to make a financial transaction: 2 percent used cryptocurrency to buy something or make a payment, and 1 percent used it to send money to friends or family (table 30).[55]

The survey asked those who used cryptocurrency to make financial transactions for the main reason they did so (table 31). At 35 percent, the most cited reason was that the person or business receiving the money preferred cryptocurrency, followed by the ability to send the money faster. Relatively few transactional cryptocurrency users indicated that either safety (5 percent) or a lack of trust in banks (3 percent) contributed to this choice.

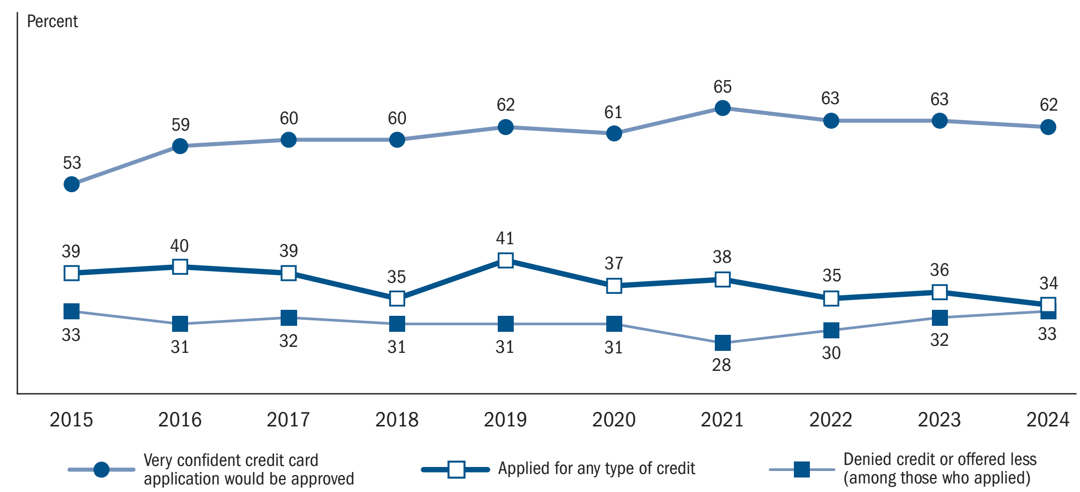
Use of cryptocurrency for financial transactions was more common among the unbanked as well as those who used nonbank check cashing and money orders. Five percent of unbanked adults used cryptocurrency for financial transactions, compared with 2 percent among banked adults. Regardless of bank account ownership, those who used nonbank check cashing or money orders had a greater propensity to use cryptocurrency for transactions—7 percent among those who used nonbank check cashing or money orders compared with 1 percent among those who did not. That said, use of cryptocurrency for financial transactions remained very low, even among groups who were more likely to use cryptocurrency in this way.

Credit Outcomes and Perceptions

Since 2021, when self-reported financial well-being was at the highest level since the survey began (see the "Overall Financial Well-Being" section of this report), consumer credit confidence

[55] While only a small share of adults used cryptocurrency to send money to friends or family, the survey asked those who did if the recipient was outside of the United States. In 2024, 28 percent of adults who used cryptocurrency to send money to friends or family indicated that at least one transfer was made internationally.

Figure 26. Credit outcomes and perceptions (by year)



Note: Among all adults.

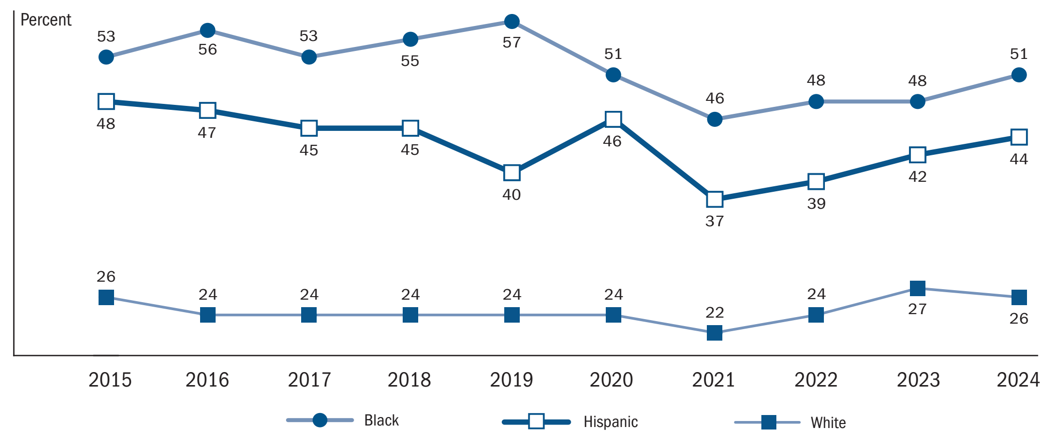
has fallen. Sixty-two percent of adults felt very confident their credit card application would be approved, if they were to apply, down from 65 percent in 2021. That said, credit confidence remains at the same level as 2019, before the pandemic (figure 26).

Over this same period, the share of adults applying for credit has gone down, while the share of applicants who were denied has increased. Thirty-four percent of adults applied for any type of credit in 2024, down 2 percentage points from the prior year and down 4 percentage points from 2021. Among those who applied, one-third were either denied credit or approved for less credit than they requested, up 5 percentage points from 2021 (figure 26).

Denial rates continued to differ widely by race and ethnicity, with Black and Hispanic applicants being particularly likely to report a denial or an approval for less credit than requested.[56] Moreover, the racial and ethnic gap in denial rates has remained about the same over the past decade (figure 27).

[56] Black and Hispanic adults saw higher denial rates even after controlling for other characteristics such as income and age.

Figure 27. Denied credit or approved for less than was requested (by race/ethnicity)

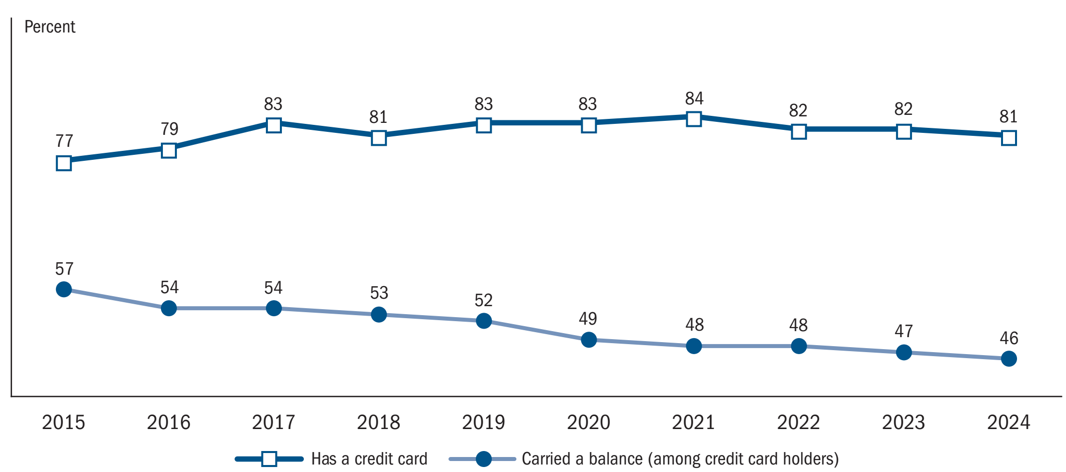


Note: Among adults who applied for credit.

Credit Cards

People use credit cards in different ways. Some use credit cards primarily to make payments, paying off their balances in full each month and avoiding interest charges. Others carry a balance and incur borrowing costs. Eighty-one percent of adults had a credit card in 2024, down from a high of 84 percent in 2021, yet up 5 percentage points over the past decade (figure 28).

Figure 28. Credit card ownership and usage (by year)



Note: Among adults all adults. Carried a balance reflects the share who carried a balance at least once in the past year.

While credit card ownership has increased over the past decade, carrying a credit card balance has become less prevalent. In 2024, 46 percent of credit card owners said they carried a balance at least once during the prior 12 months, down 11 percentage points since 2015 (figure 28).

Adults with income under $100,000 were more likely to carry credit card balances from month to month. That said, the lowest-income adults were the least likely to have a credit card in the first place. Consequently, middle-income adults were the most likely to have a credit card that they used to finance purchases by carrying balances from one month to the next (table 32).

Rates of credit card ownership were lower among Black and Hispanic adults, adults age 18 to 29, and adults with a disability. For Black adults who did have a credit card, carrying a balance was particularly common at 72 percent. Carrying a balance was also more prevalent among credit card owners who were Hispanic and those with a disability (table 32).

Table 32. Credit card ownership and usage (by demographic characteristics)
Percent

Characteristic	Has a credit card	Carried a balance (among credit card holders)	Carried a balance (among all adults)
Family income			
Less than $25,000	46	55	25
$25,000–$49,999	74	59	43
$50,000–$99,999	89	50	44
$100,000 or more	97	38	36
Age			
18–29	63	44	28
30–44	79	52	41
45–59	86	54	46
60+	92	37	34
Race/ethnicity			
White	86	40	35
Black	69	72	50
Hispanic	72	60	43
Asian	89	25	22
Disability status			
Disability	67	56	38
No disability	84	44	37
Overall	**81**	**46**	**37**

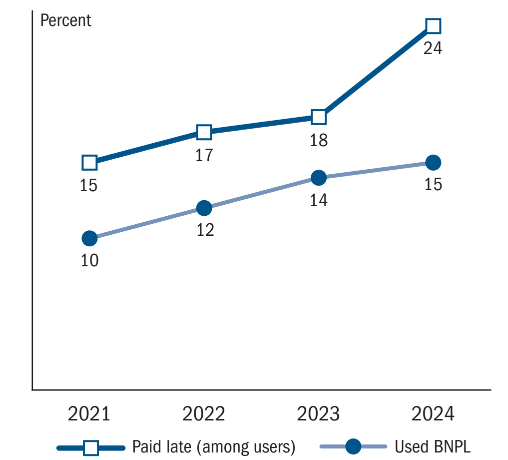
Note: Among all adults. Carried a balance reflects the share who carried a balance at least once in the past year.

Buy Now, Pay Later

Buy Now, Pay Later (BNPL) products provide consumers the option to pay for a purchase with a small number of equal payments (usually four), often without being charged interest. For example, someone purchasing a $100 item may be able to make one payment of $25 at the time of purchase, then make three additional monthly payments of $25. Fifteen percent of people used BNPL in the prior 12 months, up from 14 percent in 2023 and 10 percent in 2021, when the survey first asked about BNPL (figure 29).

The top two reasons for using BNPL were wanting to spread out payments (87 percent) and convenience (82 percent) (table 33). Over one-half (58 percent) of those who used BNPL—and an even

Figure 29. Use of Buy Now, Pay Later (BNPL)



Note: Among all adults.

Table 33. Reasons for using Buy Now, Pay Later (BNPL)

Reason	Percent
Wanted to spread out payments	87
Convenience	82
Avoid interest charges	58
Only way I could afford it	58
Did not want to use a credit card	53
Wanted a fixed number of payments	49
Only accepted payment method I had	22

Note: Among adults who have used BNPL in the past year. Respondents could select multiple answers.

higher 72 percent of those with income less than $50,000 who used BNPL—said they used BNPL because it was the only way they could afford the purchase.[57]

Use of BNPL was more common among low- and middle-income adults, Black and Hispanic adults, and women (table 34). Differences by race and ethnicity were large, with Black and Hispanic adults about twice as likely to use BNPL as White or Asian adults. Additionally, sizeable differences remain even after controlling for other factors, such as income and age.[58]

Nearly one-fourth of BNPL users were late making a payment, a sharp uptick from the prior year (figure 29). While BNPL users of all income groups saw an increase in the share paying late, the increase among those with income less than $25,000 was particularly large at 9 percentage points.

Policies around fees for late payments may differ depending on the specific BNPL product and provider. Fifty-seven percent of those late making a payment (13 percent of those who used BNPL) said they were charged extra for being late.

[57] Work using previous years of the SHED shows that consumers who appear liquidity or credit constrained were more likely to use BNPL, and most said they did so because it was the only way they could afford to make the purchase. Jeff Larrimore, Alicia Lloro, Zofsha Merchant, and Anna Tranfaglia, "The Only Way I Could Afford It: Who Uses BNPL and Why," FEDS Notes (Washington: Board of Governors of the Federal Reserve System, December 20, 2024), https://doi.org/10.17016/2380-7172.3675.

[58] In recent years, Black and Hispanic women have been particularly likely to use BNPL, perhaps due, at least in part, to a greater preference for the specific product features of BNPL such as a fixed number of payments. See Larrimore, Lloro, Merchant, and Tranfaglia, "The Only Way I Could Afford It: Who Uses BNPL and Why," https://doi.org/10.17016/2380-7172.3675.

Table 34. Use of Buy Now, Pay Later (BNPL) use (by demographic characteristics)
Percent

Characteristic	Used BNPL	Paid late (among users)
Family income		
Less than $25,000	16	40
$25,000–$49,999	19	26
$50,000–$99,999	16	21
$100,000 or more	11	13
Age		
18–29	19	32
30–44	19	25
45–59	16	21
60+	8	12
Race/ethnicity		
White	11	16
Black	25	29
Hispanic	21	32
Asian	12	27
Male/female		
Male	12	22
Female	17	25
Overall	**15**	**24**

Note: Among all adults.

Table 35. Use of payday, pawn, auto title, and refund anticipation loans (by demographic characteristics)

Characteristic	Percent
Family income	
Less than $25,000	11
$25,000–$49,999	11
$50,000–$99,999	5
$100,000 or more	2
Age	
18–29	8
30–44	10
45–59	6
60+	2
Race/ethnicity	
White	3
Black	13
Hispanic	10
Asian	6
Disability status	
Disability	10
No disability	5
Overall	**6**

Note: Among all adults.

Nonbank Small Dollar Credit

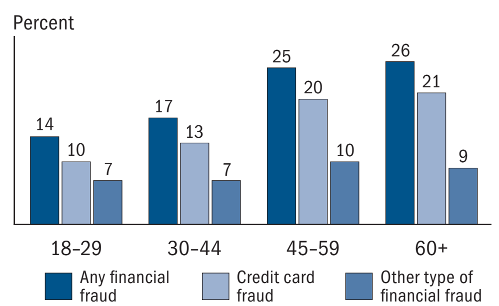
Consumers with negative credit history, or no credit history, sometimes use nonbank credit products such as payday or pawn loans when a small dollar credit need arises. These products frequently have relatively high borrowing costs.

In 2024, 6 percent of adults used a payday, pawn, auto title, or tax refund anticipation loan, unchanged from the prior year, yet up from a low of 4 percent in 2020. While overall use tends to be small, use is more likely among adults with lower income, Black and Hispanic adults, and adults with a disability (table 35). Notably, differences by race, ethnicity, and disability status were present even after controlling for other factors such as income and age.

Financial Fraud and Scams

According to data from the Consumer Sentinel Network, the number and severity of financial fraud incidents and scams has spiked in recent years.[59] Perpetuators of financial fraud or scams do so in a variety of ways, often involving consumers' credit cards, bank accounts, or investment accounts.[60] In 2024, the SHED asked about experiences with financial fraud for the first time. Twenty-one percent of adults reported that they experienced financial fraud or scams involving their money, with 17 percent reporting fraud related to their credit card, and 8 percent reporting another type of financial fraud.[61]

Figure 30. Type of financial fraud (by age)



Note: Among all adults. Key identifies bars in order from left to right.

Adults age 45 and over were more likely than younger adults to experience financial fraud or scams, largely driven by their higher rates of experiencing credit card-related fraud (figure 30). In contrast to differences by age, the incidence of financial fraud was similar by income, race and ethnicity, and gender.

While credit card fraud was the most common type of financial fraud, consumers are typically not required to cover those losses directly. Among adults experiencing non-credit card-related fraud, 63 percent lost money, and 32 percent said at least some of that money was not recovered.[62] The total amount of non-credit-card fraud was an estimated $84 billion in 2024. Consumers reported recovering $21 billion of that, resulting in an estimated net loss of $63 billion borne directly by consumers.[63]

---

[59] Consumer Sentinel Network Databook, Federal Trade Commission, 2024, https://www.ftc.gov/system/files/ftc_gov/pdf/csn-annual-data-book-2024.pdf.

[60] See the Federal Bureau of Investigation website at https://www.fbi.gov/how-we-can-help-you/scams-and-safety/common-frauds-and-scams.

[61] Estimates of fraud types do not sum to total because respondents could report both types of fraud, and four percent of adults did so. Among banked adults who experienced non-credit cared-related fraud, 57 percent said the fraud involved their checking, saving, or money market account.

[62] Estimates are among those who know whether they lost money.

[63] Respondents were asked about the most recent fraud they experienced, so those experiencing multiple incidents of fraud may have had additional losses. Consumers reported $12.5 billion in losses in 2024 according to the Consumer Sentinel Network, a database containing fraud reports filed by consumers, available at https://www.ftc.gov/system/files/ftc_gov/pdf/csn-annual-data-book-2024.pdf. In 2023, reported losses totaled $10 billion, and after accounting for underreporting, the estimated range of total losses was $24 billion to $158 billion. See Federal Trade Commission (FTC), *Protecting Older Consumers, 2023–2024* (Washington: FTC, October 2024), https://www.ftc.gov/system/files/ftc_gov/pdf/federal-trade-commission-protecting-older-adults-report_102024.pdf.

Table 36. Distribution of dollar losses per incident, before any funds were recovered (by age)
Dollars

Age	5th Percentile	25th Percentile	Median	75th Percentile	95th Percentile
18–44	36	181	423	1,200	15,000
45–59	30	150	500	2,500	10,000
60+	50	160	600	3,000	31,000
Overall	**36**	**160**	**500**	**2,000**	**18,000**

Note: Among adults who lost money, before any recovery, because of non-credit card-related fraud. Results exclude the seven respondents who reported recovering more money than they lost.

Before any funds were recovered, half of those experiencing non-credit card-related fraud lost at least $500 and one-fourth lost $2,000 or more.[64] Older adults tended to lose larger amounts of money, likely at least partially because older adults often have more assets to begin with (table 36).

Financial fraud and scams also have non-monetary costs for those experiencing them, such as time spent trying to recover funds. About 3 in 10 of those experiencing non-credit card related fraud spent 10 or more hours trying to recover funds or dealing with other consequences from the most recent fraud they experienced. Nearly 4 in 10 spent between one and nine hours, while 3 in 10 spent one hour or less.

[64] Among those adults who did not recover all their money, the median amount lost and not recovered was $500, and the 75th percentile was $2,500.

Housing

Housing represents the largest expense for most families, and consequently, housing decisions have the potential to substantially affect economic outcomes. The majority of adults owned their homes in 2024, though homeownership was less common among lower-income adults. Those who rent their homes, rather than own, most often said they did so because of financial constraints. That said, many renters noted that renting was more convenient than owning.

Some homeowners did not have homeowners insurance, and those with few financial resources were among the most likely to go without it. Consistent with this finding, a majority of those who went without homeowners insurance did so because of cost.

Homeownership

Sixty-three percent of adults owned their home, while 28 percent rented.[65] Homeownership rates varied substantially by income. Thirty-five percent of adults with less than $50,000 of income owned their home, compared with 85 percent of adults with a family income of $100,000 or more.

The income gap in homeownership was even greater among adults under age 60, where the homeownership rate among those with income over $100,000 was more than three times that of those with income less than $50,000. One reason for this pattern may be that older adults, having already purchased their home during their working years, are now less reliant on income for homeownership.[66] Another factor could be that increases in home prices have outpaced increases in income, making it more difficult for lower-income younger adults to afford homes than was the case for older generations.[67]

Gaps in homeownership rates were also apparent by other demographic characteristics. Black and Hispanic households were less likely to own, and more likely to rent, than White and Asian households. Adults with a disability were also less likely to own and more likely to rent their home (table 37).

---

[65] Nine percent of adults reported neither owning nor renting.

[66] Further, older adults, even those with lower income, are much more likely to own their homes free and clear. For example, among adults with income less than $50,000, nearly 41 percent of those age 60 or older own their home free and clear, compared with 10 percent of those under age 60.

[67] Alexander Hermann and Peyton Whitney, “Home Price-to-Income Ratio Reaches Record High,” Joint Center for Housing Studies (Cambridge: Harvard University, January 22, 2024), https://www.jchs.harvard.edu/blog/home-price-income-ratio-reaches-record-high-0.

Table 37. Homeownership and rental rates (by demographic characteristics)
Percent

Characteristic	Homeownership rate	Rental rate
Family income		
Less than $25,000	25	45
$25,000–$49,999	47	43
$50,000–$99,999	68	28
$100,000 or more	85	13
Age		
18–29	25	45
30–44	58	36
45–59	75	23
60+	84	14
Race/ethnicity		
White	71	21
Black	47	43
Hispanic	50	38
Asian	66	26
Disability status		
Disability	52	35
No disability	66	26
Overall	**63**	**28**

Note: Among all adults. The share who own plus the share who rent does not sum to 100 percent because some people live rent free in a house that neither they nor their spouse or partner own.

Cost of Housing

About two-thirds of adults who owned their home had a mortgage in 2024. The median monthly mortgage payment was $1,500.[68] Likely reflecting differences in home prices across the country, mortgage payments were higher in the Northeast and West, compared with the Midwest and South (table 38). Consistent with increases in home prices and mortgage rates in recent years, mortgage payments were also larger among those who moved in 2023 or 2024 relative to those who moved into their homes in earlier years.[69]

Among renters, the median reported rent was $1,200 in 2024, up about 10 percent each year since 2022. The median reported rent was $1,100 in 2023 and $1,000 in 2022.

Like homeowners with a mortgage, renters in the Northeast and West had higher monthly rent payments compared with the those in the Midwest and South, as measured by the median rental payment in the region (table 39). However, the median monthly rental payments were smaller than monthly mortgage payments made by homeowners. Renters who moved in 2024 or 2023 also had higher rent payments compared with those who did not move in the prior two years.[70]

Renter Experiences

Renters frequently cited multiple reasons for renting their homes. Similar to reasons reported in recent years, financial constraints led many adults to rent their home instead of owning in 2024. The most cited reason for renting was an inability to afford a down payment—just over two-thirds

[68] Owners with a mortgage were asked for the total mortgage payment that they send to their bank, which will typically include escrow payments for taxes and homeowners insurance but will not include utilities.

[69] For details on average mortgage rates over time, see Freddie Mac, “Current Mortgage Rate Data Since 1971,” https://www.freddiemac.com/pmms.

[70] In addition to reflecting changes in rent prices over time for new leases, the differences in rent prices for those who moved recently may reflect differences in who decides to move each year.

Table 38. Median monthly mortgage payment (by census region and most recent move)
Dollars

Census region	Moved in 2023 or 2024	Overall
Northeast	2,200	1,600
Midwest	1,743	1,300
South	1,900	1,500
West	3,220	1,811
Overall	**2,020**	**1,500**

Note: Among homeowners who reported a positive monthly mortgage payment. Owners with a mortgage were asked for the total mortgage payment that they send to their mortgage servicer.

Table 39. Median monthly rent payment (by census region and most recent move)
Dollars

Census region	Moved in 2023 or 2024	Overall
Northeast	1,500	1,300
Midwest	1,050	900
South	1,200	1,080
West	1,600	1,400
Overall	1,300	1,200

Note: Among renters who reported a positive monthly rental payment.

of renters cited this as a reason. Forty-two percent of renters said they rent because they cannot qualify for a home mortgage, and 49 percent said they rent because they cannot afford the monthly mortgage payment (table 40).

Although many renters noted financial constraints, these were not the only reasons for renting. More than one-third of renters preferred to rent than to own. The majority of renters (58 percent) said that renting is more convenient, and 47 percent rent their homes because they perceive owning as a larger financial risk. Forty-six percent of renters found it cheaper to rent than own.

Challenges paying rent continued at a similar rate to the prior year. Twenty-one percent of renters reported that they had been behind on their rent at some point in the past year, ticking up 1 percentage point from 2023.

Lower-income renters were more likely to fall behind on rent than higher-income renters. Nearly one-fourth of renters with less than $100,000 in income reported being behind on rent at some point in the prior year, compared with 6 percent among renters with income of at least $100,000. That said, the share of higher-income renters who were behind on rent in 2024 more than doubled over the prior year, while renters with income less than $100,000 saw no change.

Table 40. Reasons for renting (by year)
Percent

Reason	2022	2023	2024
Can't afford down payment	65	65	68
More convenient or flexible to rent	56	57	58
Can't afford mortgage monthly payment	44	48	49
Renting is less financially risky	42	44	47
Cheaper to rent	42	42	46
Can't qualify for home mortgage	40	40	42
Prefer to rent	36	36	39
Trying to buy	32	30	30

Note: Among renters. Respondents could select multiple answers.

Some renters face eviction for a variety of reasons, including nonpayment of rent, and ultimately move from their home. In 2024, 2 percent of renters moved in the prior year because of eviction or threat of eviction. This represents 14 percent of renters who moved during 2024.

Neighborhood Satisfaction

The quality of people's neighborhoods, in addition to their housing, can affect well-being and opportunities for the future. Neighborhood quality and characteristics also influence the decision of where to live.

Overall, 77 percent of adults were either somewhat or very satisfied with the overall quality of their neighborhood, similar to the prior year (table 41). Most adults were also satisfied with the level of crime risk, quality of local schools, and the risk from natural disasters. However, a lower 38 percent were satisfied with the cost of housing in their neighborhood.

People's satisfaction with their neighborhoods differed by homeownership status. Renters were less likely to be satisfied with their neighborhood overall, as well as less likely to be satisfied with the neighborhood characteristics (figure 31). For example, less than one in three renters were satisfied with the cost of housing in their neighborhood, compared with 43 percent of homeowners.

Natural Disaster Risks

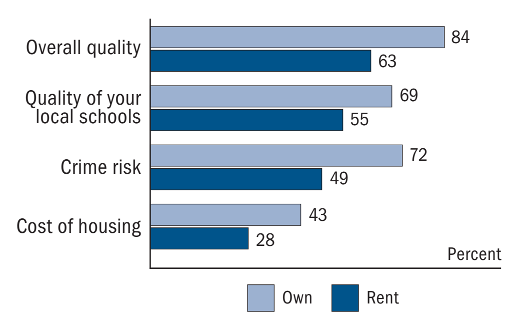
People may face a variety of financial challenges in the event of natural disasters or severe weather events. Property damage or loss is one of the largest financial risks, particularly for homeowners without homeowners insurance.

Table 41. Satisfied with local neighborhood characteristics (by year)
Percent

Characteristic	2023	2024
Overall quality	76	77
Quality of your local schools (among parents of children under age 18)	66	64
Crime risk	61	64
Natural disaster and severe weather risk	65	67
Cost of housing	37	38

Note: Among all adults. Share satisfied includes those who were somewhat or very satisfied with the characteristic.

Figure 31. Satisfied with local neighborhood characteristics (by homeownership status)



Note: Among adults who rent or own their homes. Quality of local schools is among parents living with their own children under age 18. Key identifies bars in order from top to bottom.

Natural disasters and extreme weather can cause other disruptions, such as missing work or higher bills for heating or cooling homes.

Twenty-one percent of adults reported being financially affected by natural disasters or severe weather events (such as flooding, hurricanes, wildfires, or extreme temperatures), up from 19 percent in 2023. Most of these effects were modest, as 13 percent of adults said that they were slightly affected by natural disasters. Yet 6 percent of adults said that they were moderately affected, and 2 percent said that they were substantially affected financially by natural disasters.

When asked about how they were affected, the most common way was property damage, with 1 in 10 adults affected. Smaller shares reported work disruptions (6 percent) or needing to evacuate (3 percent).

The effects of natural disasters were not experienced uniformly across geography. People living in the South Atlantic and the West South Central Census divisions were most likely to be financially affected by a natural disaster at 35 percent (figure 32).[71]

Some adults undertook mitigation activities, such as improving their property or purchasing additional insurance, to reduce their financial risks from natural disasters. Making improvements to one's property was the most common mitigation activity, with 18 percent of adults doing so, followed by investigating other places to live (14 percent) and purchasing additional insurance (5 percent). Those who had been financially affected by a natural disaster were more likely to undertake each of these mitigation activities: 35 percent made improvements to their property to reduce risk, and 26 percent investigated other places to live.

While some people purchased additional insurance to help mitigate financial risk from natural disasters, others had no homeowners insurance. Overall, 7 percent of all homeowners went without homeowners insurance.[72]

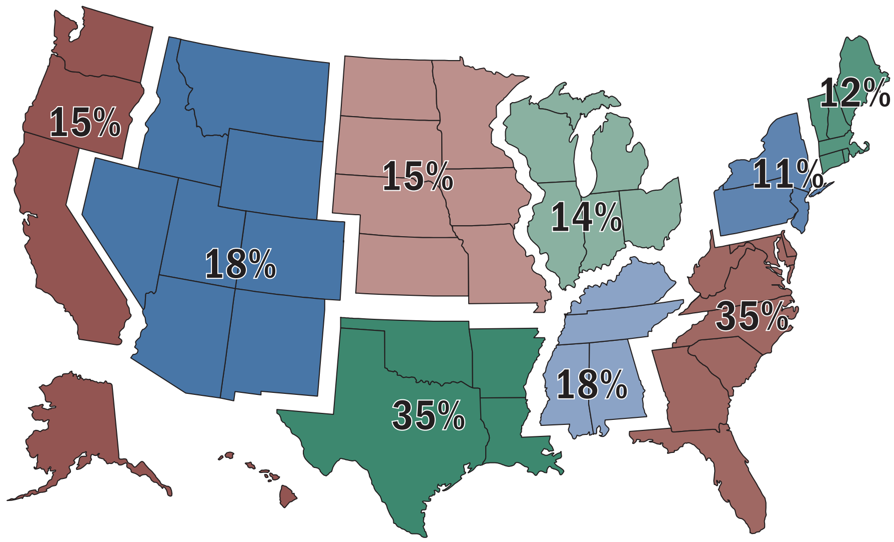
Rates of homeowners insurance varied substantially by geography. The share of homeowners going without homeowners insurance ranged from 2 percent in New England to 13 percent in the West-South Central division (figure 33). Additionally, homeowners living in non-metro areas and those living in low- to moderate-income census tracts were less likely to have homeowners insurance.[73]

[71] Census divisions are used because the sample contains too few observations to provide estimates for each state. Census divisions are groupings of states that subdivide the United States. See the U.S. Census Bureau at https://www.census.gov/programs-surveys/economic-census/guidance-geographies/levels.html.

[72] Homeowners with a mortgage generally are required to have homeowners insurance, and only 3 percent reported not having it. Thirteen percent of owners who own their home free and clear went without homeowners insurance, unchanged from 2023. This question was not previously asked of those with a mortgage.

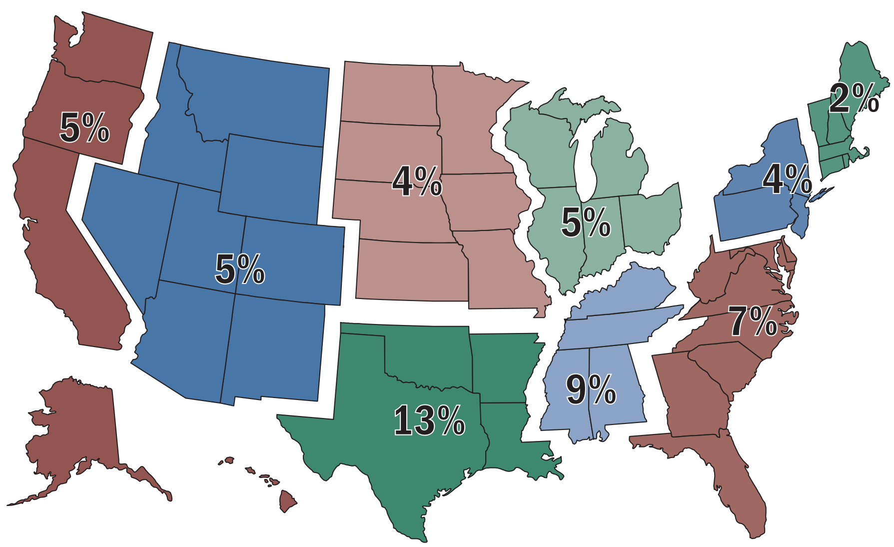
[73] Geographic differences remain when looking only among homeowners who own their homes free and clear.

Figure 32. Financially affected by natural disaster or severe weather event (by census division)



Note: Among all adults.

Figure 33. Share with no homeowners insurance on primary residence (by census division)



Note: Among all homeowners.

Homeowners with fewer financial resources were among the most likely to go without homeowners insurance. For example, about 3 in 10 homeowners with income less than $25,000 or whose only asset was their home, went without homeowners insurance.

The majority who went without homeowners insurance did so because of cost. When asked the main reason they didn't have homeowners insurance, 43 percent said they "couldn't afford it", while another 19 percent said "it is not worth the cost." Fifteen percent said "I self-insure or prefer not to buy insurance" and 7 percent said that "no insurance company will insure my home."

Table 42. Share with no homeowners insurance on primary residence (by financial characteristics)

Characteristic	Percent
Family income	
Less than $25,000	29
$25,000–$49,999	14
$50,000–$99,999	5
$100,000 or more	2
Emergency savings	
Under $500	18
$500 to $999	9
$1,000 to $1,999	6
$2,000 or more	3
Assets	
Has no assets other than primary residence	28
Has other assets	4
Metropolitan status	
Metro area	6
Non-metro area	10
Neighborhood income	
Low or moderate income	14
Middle or upper income	5

Note: Among homeowners.

Higher Education and Student Loans

In 2024, rates of education and types of institutions attended continued to vary by demographic characteristics such as parental education, age, and race and ethnicity. Additionally, rates of borrowers required to make monthly payments on their student loans, and those behind on making payments, rose compared to 2022.

Educational Attainment

Most adults have enrolled in some education after high school, although rates vary across demographic groups. Seventy-one percent of adults had ever attended an educational program after high school, whereas just over half had received at least a certificate or technical degree, and 37 percent had received at least a bachelor's degree.

The likelihood of obtaining a bachelor's degree or more was higher among those whose parents were college graduates. Among adults who have at least one parent with a bachelor's degree, 66 percent received at least a bachelor's degree themselves (table 43). In contrast, 25 percent of adults whose parents did not complete a bachelor's degree received one. Asian adults also had far higher rates of completing a bachelor's degree than other adults.

Table 43. Educational attainment (by age, race/ethnicity, and parental education)
Percent

Characteristic	Ever enrolled in an educational program after high school	Received bachelor's degree or more
Age		
18–29	70	30
30–44	72	43
45–59	74	39
60+	70	35
Race/ethnicity		
White	74	41
Black	69	28
Hispanic	57	21
Asian	92	67
Highest education of any parent/guardian		
Less than a bachelor's degree	63	25
Bachelor's degree or more	93	66
Overall	**71**	**37**

Note: Among all adults.

The type of institution attended also varied with parental education and race.[74] Most adults who attended an educational program beyond high school went to public institutions (69 percent), while just less than one-fourth attended private not-for-profit schools and 7 percent attended private for-profit schools. Although private for-profit schools comprised a relatively small share of the

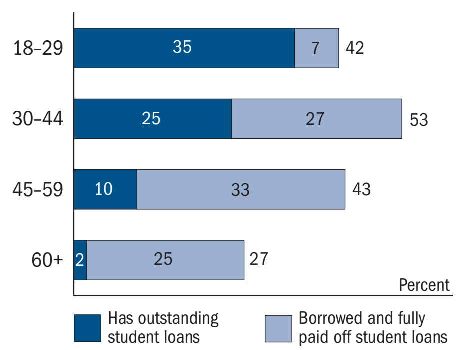
[74] Individuals do not self-report the type of institution in the survey. Instead, the institution type is assigned by matching the name and location of the college reported by the individual with data from the U.S. Department of Education College Scorecard (https://collegescorecard.ed.gov/data). For individuals who completed an associate or bachelor's degree, institution type is based on the school from which they received the degree. For other individuals, it is based on the last school attended.

higher education attendance for students of a range of backgrounds, adults whose parents did not have a bachelor's degree were more likely to attend a private for-profit institution than those who had a parent with a bachelor's degree—10 percent versus 3 percent, respectively. Additionally, 14 percent of Black adults and 11 percent of Hispanic adults who pursued education beyond high school attended for-profit schools—much higher than the shares of White and Asian adults who pursued postsecondary education who attended for-profit schools (5 percent for both groups).

Incidence and Types of Education Debt

It is common to use debt to finance higher education. More than 4 in 10 people who pursued education beyond high school—representing 30 percent of all adults—said they took out student loans for their education. This includes 17 percent who still owed money on outstanding loans ("student loan borrowers") and 24 percent who borrowed but fully repaid their education debts.

Figure 34. Acquired student loans for own education, including repaid debt (by age)



Note: Among adults who attended an educational program beyond high school. Key identifies bars in order from left to right.

The likelihood of having borrowed is greatest among those with a bachelor's degree or graduate degree. Forty-eight percent of adults with a bachelor's degree and 54 percent of those with graduate degree said they took out student loans for their education. In addition, 28 percent of people who attended college, but never completed an associate, bachelor's, or graduate degree say that they took on student debt.

The share borrowing for their education varied across age groups, consistent with the pace of borrowing when their age cohort generally went to school.[75] Adults ages 30 to 44 were most likely to have taken out student loans for their education, while older adults were less likely to do so (figure 34). As new education borrowing has declined in the past decade, fewer young adults under age 30 have borrowed for their education than those ages 30 to 44.

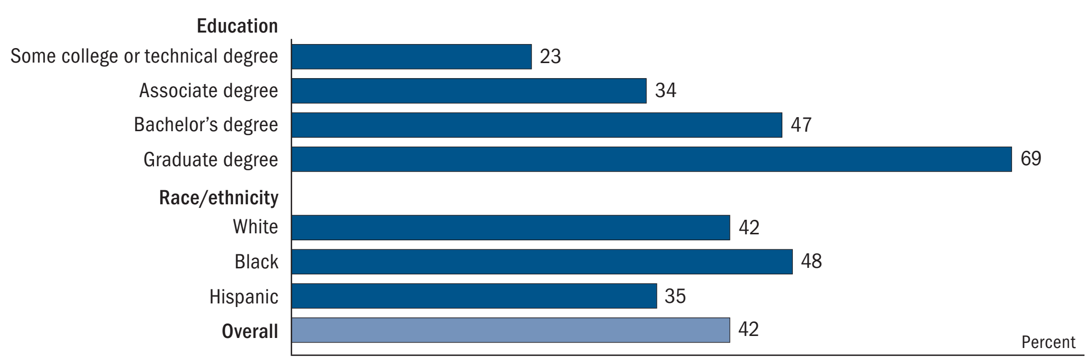
The reduction in borrowing among the most recent cohorts can also be seen when looking at the share of young adults who report education debt over time. In 2017, 55 percent of those ages

[75] Student loan borrowing has declined in real terms since its peak in 2010–11 but remains substantially above the levels from the mid-1990s. (Jennifer Ma, Matea Pender, and Meghan Oster, *Trends in College Pricing and Student Aid 2024* (New York: The College Board, 2024), https://research.collegeboard.org/media/pdf/Trends-in-College-Pricing-and-Student-Aid-2024-ADA.pdf).

18 to 29 who at least attended college had taken on student loan debt. In 2024, 42 percent of this group reported having taken on debt.[76]

Most student loan borrowers with outstanding debt owed less than $25,000 on their loans.[77] The median amount of education debt in 2024 among those with any outstanding debt for their own education was between $20,000 and $24,999. Twenty-eight percent of student loan borrowers had less than $10,000 in outstanding student debt. Student debt balances also varied across different demographic groups. Borrowers with higher levels of education were more likely to carry higher balances of student loan debt (figure 35). White and Black borrowers were more likely than Hispanic borrowers to carry higher balances of student loan debt.

Figure 35. Share of borrowers with at least $25,000 of student loan debt from their own education (by education and race/ethnicity)



Note: Among adults with outstanding student loans for their own education who reported the current amount they owed on their student loans.

The incidence of education debt varied by the type of institution attended. Among those who attended public institutions, 38 percent either previously held debt or currently had debt as of October 2024, compared with 54 percent of those who attended private not-for-profit schools and 65 percent who attended private for-profit institutions.

Some people also took out student loans to assist family members with their education through either a co-signed loan with the student or a loan taken out independently. Although this was less common than borrowing for one's own education, 5 percent of all adults had student loans that paid for a child's or grandchild's education. Among those who had outstanding debt for a child's or

[76] In the 2024 survey, the questions about borrowing for one's own education asked only about student loans, whereas the 2017 survey included other forms of debt used to pay for education. Nonetheless, 94 percent of those who had outstanding debt for their own education in 2017 had student loans.

[77] All amounts of student debt among adults with outstanding student loans for their own education are for those who reported the current amount they owed on these student loans and excluded those who said they don't know the amount.

Table 44. Behind on student loan payments (by family income, education, and race/ethnicity)

Characteristic	Percent
Family income	
Less than $25,000	27
$25,000–$49,999	27
$50,000–$99,999	21
$100,000 or more	10
Education	
Some college or technical degree	30
Associate degree	30
Bachelor's degree	11
Graduate degree	8
Race/ethnicity	
White	13
Black	26
Hispanic	29
Asian	6
Overall	**20**

Note: Among adults with outstanding student loans for their own education.

grandchild's education, the median amount of debt was between $20,000 and $24,999, similar to that for people borrowing for their own education.[78]

Student Loan Payment Status

Because of policies such as in-school deferments, not all borrowers are required to make payments on their loans. Additionally, recent shifts in the student loan landscape have affected who is required to make payments.[79] As of October 2024, 57 percent of borrowers with student loans for their own education reported that they were currently required to make monthly payments on their student loans. This remained well above the 37 percent of borrowers who reported they were required to make payments in 2022. In 2024, 20 percent of borrowers reported being behind on payments or in collections for one or more of their student loans, up from 16 percent in 2023.

Similar to findings in previous years, borrowers with less education or a lower income were more likely to be behind on their student loan payments. Three in ten borrowers with loans outstanding who completed some college, a technical degree, or an associate degree reported being behind, as were 27 percent of borrowers earning less than $25,000 (table 44).[80] In addition to the differences by income and education level, Hispanic and Black borrowers reported higher rates of being behind on student loan payments.

Difficulties with student loan payments also were greater for those who went to for-profit schools. Thirty-five percent of borrowers with outstanding student loans for their own education who

[78] The median amount of student debt for adults with outstanding student loans for their child's or grandchild's education is among those who reported the current amount they owed on these student loans and excluded those who said they do not know the amount.

[79] For details on student loan policy changes during the pandemic, see Congressional Research Service, "Federal Student Loan Debt Relief in the Context of COVID-19" at https://www.congress.gov/crs-product/R46314, and U.S. Department of Education at https://studentaid.gov/announcements-events/covid-19.

[80] Currently enrolled students are frequently not required to make payments, so they are less likely to fall behind. Among those with less than an associate degree who enrolled in a degree program beyond high school but are not currently enrolled and owe outstanding student loans on their own education, a larger 41 percent of borrowers are behind.

attended for-profit institutions were behind on student loan payments, versus 16 percent of those who attended public institutions and 15 percent who attended private not-for-profit institutions.

Although it is common to focus only on those with outstanding debt, many people who borrowed for their education had repaid their loans completely. Excluding people who have paid off their debt could overstate difficulties with repayment. Indeed, the share of adults who were behind on their payments is much lower when accounting for all who ever borrowed, including those who had completely repaid that debt.

Among those who ever incurred debt for their education, 8 percent were behind on their payments at the time of the 2024 survey, and 33 percent had outstanding debt and were current on their payments. Fifty-nine percent had completely paid off their loans. Nevertheless, the demographic and educational characteristics of those who were behind on payments remain similar when also incorporating those who have paid off their loans.

Description of the Survey

The Survey of Household Economics and Decisionmaking was fielded from October 18 through October 31, 2024. This was the 12th year of the survey, conducted annually in the fourth quarter of each year since 2013.[81] Staff of the Federal Reserve Board wrote the survey questions in consultation with other Federal Reserve System staff, outside academics, and professional survey experts.

Ipsos, a private consumer research firm, administered the survey using its KnowledgePanel, a nationally representative probability-based online panel. Since 2009, Ipsos has selected respondents for KnowledgePanel based on address-based sampling (ABS). SHED respondents were then selected from this panel.

Survey Participation

Participation in the 2024 SHED depended on several separate decisions made by respondents. First, they agreed to participate in Ipsos's KnowledgePanel. According to Ipsos, 9.2 percent of individuals contacted to join KnowledgePanel agreed to join (study-specific recruitment rate). Next, they completed an initial demographic profile survey. Among those who agreed to join the panel, 62.3 percent completed the initial profile survey and became a panel member (study-specific profile rate). Finally, selected panel members agreed to complete the 2024 SHED.

Of the 17,884 panel members contacted to take the 2024 SHED, 12,393 participated and completed the survey, yielding a final-stage completion rate of 69.3 percent.[82] Taking all the stages of recruitment together, the cumulative response rate was 4.0 percent.[83] After removing a small number of respondents because of high refusal rates or completing the survey too quickly, the final sample used in the report included 12,295 respondents.[84]

---

[81] Data and reports of survey findings from all past years are available at https://www.federalreserve.gov/consumerscommunities/shed.htm.

[82] Four hundred twenty-four respondents were not included in the analysis because they started, but did not complete, the survey (known as break-offs). The study break-off rate for the SHED was 3.3 percent.

[83] The cumulative response rate for the SHED is comparable with the response rates for telephone surveys. According to the Pew Research Center, telephone survey response rates in 2018 were around 6 percent (see Courtney Kennedy and Hannah Hartig, *Response Rates in Telephone Surveys Have Resumed Their Decline*, Pew Research Center (PRC) Report (Washington: PRC, February 27, 2019), https://www.pewresearch.org/short-reads/2019/02/27/response-rates-in-telephone-surveys-have-resumed-their-decline/.

[84] Of the 12,393 respondents who completed the survey, 98 were excluded from the analysis in this report because of either leaving responses to a large number of questions missing, completing the survey too quickly, or both.

Targeted Outreach and Incentives

To increase survey participation and completion among hard-to-reach demographic groups, Board staff and Ipsos used a targeted communication plan with monetary incentives. The target groups—young adults ages 18 to 29; adults with less than a high school degree; adults with household income under $50,000 who are under age 60; and those who are a race or ethnicity other than White, non-Hispanic—received additional email reminders during the field period, as well as additional monetary incentives.

All survey respondents not in a target group received a $5 incentive payment after survey completion. Respondents in the target groups received a $15 incentive. These targeted individuals also received an additional follow-up email during the field period to encourage completion.[85]

Survey Questionnaire

The 2024 survey took respondents 22 minutes (median time) to complete.

A priority in designing the survey questions was to understand how individuals and families—particularly those with low- to moderate-income—were faring financially. The questions were intended to complement and augment the base of knowledge from other data sources, including the Board's Survey of Consumer Finances. In addition, some questions from other surveys were included to allow direct comparisons across datasets.[86] These include slight modifications to questions asked in the Contingent Worker Supplement to the Current Population Survey. The full survey questionnaire can be found in appendix A of this report.

Survey Mode

While the sample was drawn using probability-based sampling methods, the SHED was administered to respondents entirely online. Online interviews are less costly than telephone or in-person interviews and can be an effective way to interview a representative population.[87] Online panels

[85] All participants received a pre-notification email before the survey launch. They also received a reminder on the third day of the field period in addition to the initial survey invitation. Targeted respondents received one additional email reminder on day seven of fielding.

[86] For a comparison of results to select overlapping questions from the SHED and Census Bureau surveys, see Jeff Larrimore, Maximilian Schmeiser, and Sebastian Devlin-Foltz, "Should You Trust Things You Hear Online? Comparing SHED and Census Bureau Survey Results," Finance and Economics Discussion Series Notes (Washington: Board of Governors of the Federal Reserve System, October 15, 2015), https://doi.org/10.17016/2380-7172.1619; and Kabir Dasgupta, Fatimah Shaalan, and Mike Zabek, "Shedding Light on Survey Accuracy—A Comparison between SHED and Census Bureau Survey Results," Finance *and Economics Discussion Series* 2025-010 (Washington: Board of Governors of the Federal Reserve System, February 2025), https://doi.org/10.17016/FEDS.2025.010.

[87] David S. Yeager, et al., "Comparing the Accuracy of RDD Telephone Surveys and Internet Surveys Conducted with Probability and Non-Probability Samples," *Public Opinion Quarterly* 75, no. 4 (2011): 709–47.

also offer some additional benefits. In particular, the same respondents can be re-interviewed in subsequent surveys with relative ease, as they can be easily contacted for several years.

Furthermore, internet panel surveys have numerous existing data points on respondents from previously administered surveys, including detailed demographic and economic information. This allows for the inclusion of additional information on respondents without increasing respondent burden.[88] The respondent burdens are further reduced by automatically skipping irrelevant questions based on responses to previous questions.

The “digital divide” and other differences in internet usage could bias participation in online surveys, so recruited panel members who did not have a computer or internet access were provided with a laptop and access to the internet to complete the surveys. Even so, individuals who complete an online survey may have greater comfort or familiarity with the internet and technology than the overall adult population, which has the potential to introduce bias in the characteristics of who responds.

Sampling and Weighting

The SHED sample was designed to be representative of adults age 18 and older living in the United States.

The Ipsos methodology for selecting a general population sample from KnowledgePanel ensured that the resulting sample behaved as an equal probability of selection method (EPSEM) sample. This methodology started by weighting the entire KnowledgePanel to the benchmarks in the latest March supplement of the Current Population Survey (CPS) along several geo-demographic dimensions. This way, the weighted distribution of the KnowledgePanel matched that of U.S. adults. The geo-demographic dimensions used for weighting the entire KnowledgePanel included gender, age, race, ethnicity, education, census region, household income, home ownership status, household size, Hispanic origin, and metropolitan area status.

Using the above weights as the measure of size (MOS) for each panel member, in the next step a probability proportional to size (PPS) procedure was used to select study specific samples. This methodology was designed to produce a sample with weights close to one, thereby reducing the reliance on post-stratification weights for obtaining a representative sample.

After the survey collection was complete, statisticians at Ipsos adjusted weights in a post-stratification process that corrected for any survey non-response as well as any non-coverage or

[88] This approach also may allow for the retroactive linking of information learned about respondents from other data, as was done in 2022 to identify Asian respondents in earlier years of the survey.

under- and oversampling in the study design. The following variables were used for the adjustment of weights for this study: age, gender, race, ethnicity, census region, residence in a metropolitan area, education, and household income. These weighting variables are consistent with those used in earlier waves of the survey. Demographic and geographic distributions for the noninstitutionalized, civilian population age 18 and older from the March CPS were the benchmarks in this adjustment. Household income benchmarks were obtained from the March 2024 CPS. The weighted sample for the 2024 SHED is representative of the estimated 259 million U.S. adults age 18 and older from the March 2024 CPS.

One feature of the SHED is that a subset of respondents also participated in prior waves of the survey. In 2024, about one-third of respondents had participated in the fall 2023 survey. Prior year case identifiers for these repeat respondents are available in the publicly available dataset, along with weights for this subset of respondents. These weights use a similar procedure as described above to ensure estimates based on the repeated sample are representative of the U.S. population.

Although weights allow the sample population to match the U.S. population (excluding those in the military or in institutions, such as prisons or nursing homes) based on observable characteristics, similar to all survey methods, it remains possible that non-coverage, non-response, or occasional disparities among recruited panel members result in differences between the sample population and the U.S. population. For example, address-based sampling likely misses homeless populations, and non-English speakers may not participate in surveys conducted in English.[89]

Despite an effort to select the sample such that the unweighted distribution of the sample more closely mirrored that of the U.S. adult population, the results indicate that weights remain necessary to accurately reflect the composition of the U.S. population. Consequently, all results presented in this report use the post-stratification weights produced by Ipsos for use with the survey.

Item Non-response and Imputation

Item non-response in the 2024 SHED was handled by imputation.[90] Typically, less than 1 percent of observations were missing for each question, although non-response was higher for some ques-

[89] For example, while the survey was weighted to match the race and ethnicity of the entire U.S. adult population, there is evidence that the Hispanic population in the survey were somewhat more likely to speak English at home than the overall Hispanic population in the United States. In the 2024 SHED, the percent of Hispanic adults who speak Spanish at home is below estimates from the 2023 American Community Survey. See table B16006 at https://data.census.gov. For a comparison of results to select questions administered in Spanish and English, see Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2017* (Washington: Board of Governors, May 2018), https://www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf.

[90] Some questions with open-ended text responses are not imputed. Question ND1_e was also not imputed.

tions.[91] As a result, population estimates were not sensitive to the imputation procedure and a simple regression approach was used.[92] For continuous variables such as rent and mortgage payment amounts, a hot deck approach was used.[93]

The imputation procedure was carried out as follows:

1. Impute questions, such as income and education, to be used in the imputation models throughout.
2. Continue at the beginning of the survey and impute missing values sequentially, question by question.

In some cases, the imputation for one question affected later questions by switching an observation from out-of-universe to in-universe or vice versa. These cases were handled by imputing the missing "downstream" question response or recoding it to missing, where appropriate.

Each variable in the publicly available SHED dataset has a corresponding imputation flag, 'var'_iflag, which is set to 1 if the observation was imputed and 0 otherwise.[94] For example, the first question of the survey about whether the respondent lived with their spouse or partner, L0_a, has a corresponding imputation flag of L0_a_iflag. This question had 41 missing values that were imputed, accounting for 0.33 percent of all observations.

---

[91] Because item non-response is very low in the SHED, 2024 estimates are comparable with earlier years of the survey where item non-response was handled differently.

[92] A logit regression was used for binary variables, a multinomial logit for categorical variables, an ordinal logit for ordered values, and a linear regression for continuous values. Typical predictors included income, education, race and ethnicity, age, gender, and metropolitan status but varied depending on how well they predicted the variable of interest and item non-response. Additional predictors were included as appropriate.

[93] This approach involved assigning values to non-responses by copying responses from demographically similar respondents. To do this, we first grouped respondents by characteristics such as education, age, and income, and we then arranged respondents within groups by the time of their survey completion. Each non-response was matched with the nearest neighbor within their group based on survey completion time, and values were imputed for each non-response by drawing from their nearest neighbor's response.

[94] The survey data can be downloaded from the Federal Reserve website at https://doi.org/10.17016/datasets.002.

Acknowledgements

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

DCCA directs consumer- and community-related functions performed by the Board, including conducting surveys and research to advance understanding of financial and economic conditions of low- and moderate-income communities and households.

DCCA staff members Alicia Lloro, Ellen Merry, Mike Zabek, Jeff Larrimore, Zofsha Merchant, Fatimah Shaalan, Julie Siwicki, and Anna Tranfaglia prepared this report.

Federal Reserve staff members Laura Benedict, Andrea Brachtesende, David Buchholz, Ellen Levy, David Newville, Madelyn Marchessault, Kirk Schwarzbach, and Max Virkus provided valuable feedback and contributions to the report. Additionally, Kenneth Brevoort, Kabir Dasgupta, Daniel Gorin, Alejandra Lopez-Fernandini, Marysol McGee, Erin Troland, Douglas Webber, Quentin Brummet, Mary Burke, Susan Houseman, Genevieve Melford, Hector Ortiz and Anne Polivka made valuable contributions to the development of this year's survey questionnaire. The authors would also like to thank Kelly Bell, Elisa Chan, Leticia Maciel, Poom Nukulkij, Ying Wang, and Dina Rezk for their assistance fielding the survey.

If you have questions about the survey or this report, please email SHED@frb.gov.

Please cite this report as: Board of Governors of the Federal Reserve System, Economic Well-Being of U.S. Households in 2024 (Washington: Board of Governors, 2025, https://doi.org/10.17016/8960.1.

Please cite the use of SHED data as: Board of Governors of the Federal Reserve System, Survey of Household Economics and Decisionmaking [dataset] (Washington: Board of Governors, 2025), https://doi.org/10.17016/datasets.002.

Corrections

The Federal Reserve revised this report on June 24, 2025, to reflect corrected data described below.

On page 69, in the Housing section, table 42, “Share with no homeowners insurance on primary residence (by financial characteristics),” data were corrected for the entry “Low or moderate income” neighborhood from 5 percent to 14 percent and for the entry “Middle or upper income” neighborhood from 14 percent to 5 percent.