

Financial well-being by state

Using data from the Financial Industry Regulatory Authority
Foundation 2018 National Financial Capability Study

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1. Background

In 2015, the Consumer Financial Protection Bureau (CFPB or Bureau) released its first report on financial well-being based on in-depth interviews with adults ages 18 and older across the United States.¹ The report revealed that people’s definition of financial well-being was the same regardless of geographic location and other demographic factors.² The report suggested, however, that financial well-being is likely to vary by state and neighborhood because of differences in employment opportunities and the availability of products and services at these geographic levels.³ The report also suggested that the importance of these “contextual” factors was relatively different for adults ages 62 and older than their younger counterparts.⁴

This report provides the first state-by-state description of the financial well-being of adults in the United States,⁵ as measured by the CFPB Financial Well-Being Scale.⁶ The report is based on public data from the Financial Industry Regulatory Authority Investor Education Foundation (FINRA Foundation) 2018 National Financial Capability Study State-by-State Survey (NFCS).⁷ The report highlights important patterns found in the distribution of scores by state and age

¹ CFPB, *Financial well-being: The goal of financial education* (2015), available at https://files.consumerfinance.gov/f/201501_cfpb_report_financial-well-being.pdf.

² *Id.*

³ *Id.* For research indicating variation in these factors at the state level, see e.g. Bureau of Labor, JOLTS Experimental State Estimates, available at https://www.bls.gov/jlt/jlt_statedata_2018.xlsx (showing variations in estimates of job openings, hires, separations, quits, layoffs and discharges by state) (last visited August 15, 2019). See also, Signe-Mary Mckernan, Caroline Ratcliffe, and Daniel Kuehn, *Prohibitions, Price Caps, And Disclosures: A Look At State Policies and Alternative Financial Product Use*, (July 2013), available at <https://www.urban.org/sites/default/files/publication/23931/412889-prohibitions-price-caps-and-disclosures-a-look-at-state-policies-and-alternative-financial-product-use.pdf> (showing differences in state policies regarding access and availability of certain products).

⁴ *Id.*

⁵ The CFPB’s 2016 National Financial Well-being Survey found no statistical variation in financial well-being by Census region. See CFPB, *Financial Well-being in America* (2017), available at https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201709_cfpb_financial-well-being-in-America.pdf.

⁶ CFPB, *Financial Well-Being Scale: Scale Development Technical Report* (2017), available at https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201705_cfpb_financial-well-being-scale-technical-report.pdf.

⁷ A detailed description of the 2018 National Financial Capability Study State-by-State Survey is available at <https://www.usfinancialcapability.org/downloads.php>. For the purposes of the analysis, “states” refer the 50 states and the District of Columbia. The survey does not include samples for the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, the United States Virgin Islands, or federally recognized Indian tribes.

group. The report specifically analyzes and compares financial well-being score patterns for adults ages 18 to 61 and adults ages 62 and older.⁸

⁸ Consistent with the research leading to the creation of the CFPB Financial Well-Being Scale, this report uses age 62 as the cut off that separates the adult population by age. Readers should note, however, that a previous Bureau report found that differences in financial well-being by age are gradual and reflect a variety of lifecycle experiences. See, CFPB, *Financial Well-being of Older Americans* (Dec. 2018), available at https://files.consumerfinance.gov/f/documents/bcfp_financial-well-being-older-americans_report.pdf

2. The CFPB Financial Well-Being Scale and Score

Financial well-being is defined as the state wherein an individual has a sense of (1) control over day-to-day and month-to-month finances; (2) capacity to absorb a financial shock; (3) being on track to meet financial goals; and (4) ability to make financial choices to enjoy life. This definition, which was based on in-depth interviews with a diverse group of consumers ages 18 to 95, contains a subjective element that reflects people's expectations, preferences, and satisfaction with their financial situation.⁹

To reliably measure financial well-being, including the subjective components of the definition, the Bureau created the Financial Well-Being Scale. The scale is the first publicly available, validated, and tested tool to measure a consumer's sense of financial well-being.¹⁰

The CFPB Financial Well-Being Scale consists of ten questions (Figure 1). An individual's responses to the ten items in the scale yields a score.¹¹ The score is a standardized number between 0 and 100 that quantifies a person's underlying level of financial well-being.¹² The score is adjusted by age to account for differences in response patterns among older and younger adults.¹³

⁹ CFPB, *Financial well-being: The goal of financial education* (2015), available at https://files.consumerfinance.gov/f/201501_cfpb_report_financial-well-being.pdf.

¹⁰ For more information on scoring, see CFPB, *Financial Well-being Scale: Scale Development Technical Report* (2017), available at https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201705_cfpb_financial-well-being-scale-technical-report.pdf.

¹¹ *Id.*

¹² *Id.* Each unit increase in the score indicates a higher level of financial well-being.

¹³ *Id.* More specifically, the parameters that are used to estimate the financial well-being scores are different for adults ages 62 and older than adults ages 18 to 61. Similarly, the parameters that are used to estimate the financial well-being scores are different for situations when the respondent answered the questions (scale self-administered) than when someone else read the questions to the respondent (scale administered by someone else).

FIGURE 1: CFPB FINANCIAL WELL-BEING SCALE

Questions	Statement	Response Options
How well does this statement describe you or your situation?	1. I could handle a major unexpected expense.	
	2. I am securing my financial future.	
	3. Because of my money situation, I feel like I will never have the things I want in life.*	• Describes me completely
	4. I can enjoy life because of the way I'm managing my money.	• Describes me very well
	5. I am just getting by financially.*	• Describes me somewhat
	6. I am concerned that the money I have or will save won't last.*	• Describes me very little
How often does this statement apply to you?	7. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month.*	• Does not describe me at all
	8. I have money left over at the end of the month.	• Always
	9. I am behind with my finances.*	• Often
	10. My finances control my life.*	• Sometimes
		• Rarely
		• Never

* More affirmative responses indicate lower levels of financial well-being

Interpreting the scores

In 2016, the Bureau conducted a survey of 6,394 adults to examine the distribution of scores in the United States and to study the association of the scores with other measures of financial situation, experiences, literacy, financial socialization, context and behavior.¹⁴

The Bureau's analysis of the survey data found that financial well-being scores are negatively associated with experiencing such events as credit rejection, material hardship, and the inability to cover an emergency expense.¹⁵ The likelihood that a person will experience one of these three negative events shifts considerably across levels of financial well-being (Figure 2).¹⁶

¹⁴ CFPB, *Financial Well-being in America* (2017), available at https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201709_cfpb_financial-well-being-in-America.pdf.

¹⁵ *Id.*

¹⁶ CFPB, *Getting started with measuring financial well-being: A toolkit for financial educators* (2019), available at https://files.consumerfinance.gov/f/documents/cfpb_financial-well-being_toolkit.pdf

FIGURE 2: FINANCIAL WELL-BEING SCORE RANGES AND FINANCIAL EXPERIENCES

VERY LOW 0-29	LOW 30-37	MEDIUM LOW 38-49	MEDIUM HIGH 50-57	HIGH 58-67	VERY HIGH 68-100
People in these ranges tend to experience the following:					
- Just 5% are certain they could come up with \$2,000 for an emergency. - Most (82%) sometimes or often experience food insecurity or food hardship. - Almost all (96%) find it somewhat or very difficult to make ends meet.	- Few (23%) habitually save and only some (38%) have more than \$250 in liquid savings - Just 12% always stay on budget - Nearly half (45%) have experience with debt collectors.	- Most (60%) have minimal savings of \$250 or more, but only 30% have \$2,000 or more - Almost all (80%) find it somewhat or very difficult to make ends meet. - Some (32%) have had a credit application rejected or are concerned about credit rejection.	- More than half (55%) have automated deposits into a savings or retirement account. - A minority (32%) always pay off credit cards in full. - Few (16%) sometimes or often experience food insecurity or hardship.	- The vast majority (81%) are certain they could come up with \$2,000 for an emergency. - Just 35% always stay on budget. - Very few (6%) have experienced a credit rejection or are concerned about credit rejection.	- Most have high levels of savings; 80% have \$10,000 or more in liquid savings. - The majority (69%) make automated deposits into a savings or retirement account. - Most (81%) have health insurance.

Financial well-being and poverty

Low and *very low* financial well-being scores indicate that a person frequently experiences, among other things, material hardship. Yet, individuals with these *low* and *very low* financial well-being scores may not necessarily be considered to be living in poverty as traditionally measured in the United States, and vice versa. Such discrepancy is expected, because financial well-being is conceptually a different and more comprehensive measure than income.¹⁷

The traditional measure of poverty in the U.S. is based on the amount of income needed to cover basic needs.¹⁸ People who fall below this amount, also known as the poverty threshold, are considered to live in poverty.¹⁹ A 2016 Bureau study found that financial well-being scores are closely associated with how the household's income compares to the federal poverty level

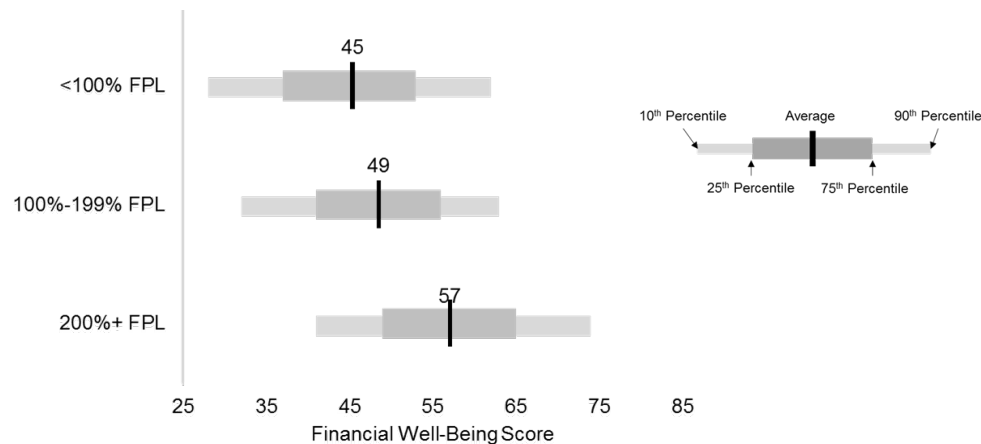
¹⁷ *Id.*

¹⁸ U.S. Census Bureau, *How the Census Bureau Measures Poverty*, at <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html> last visited on October 4, 2019.

¹⁹ *Id.*

(FPL).²⁰ Yet the analysis found wide variations in scores at each level of FPL. The research also found significant overlap between those living in poverty (below 100% of the FPL and those living near poverty (100% to 199% of the FPL).

FIGURE 3: DISTRIBUTION OF FINANCIAL WELL-BEING SCORES BY FEDERAL POVERTY LEVEL



Source: CFPB 2016 National Financial Well-being Survey

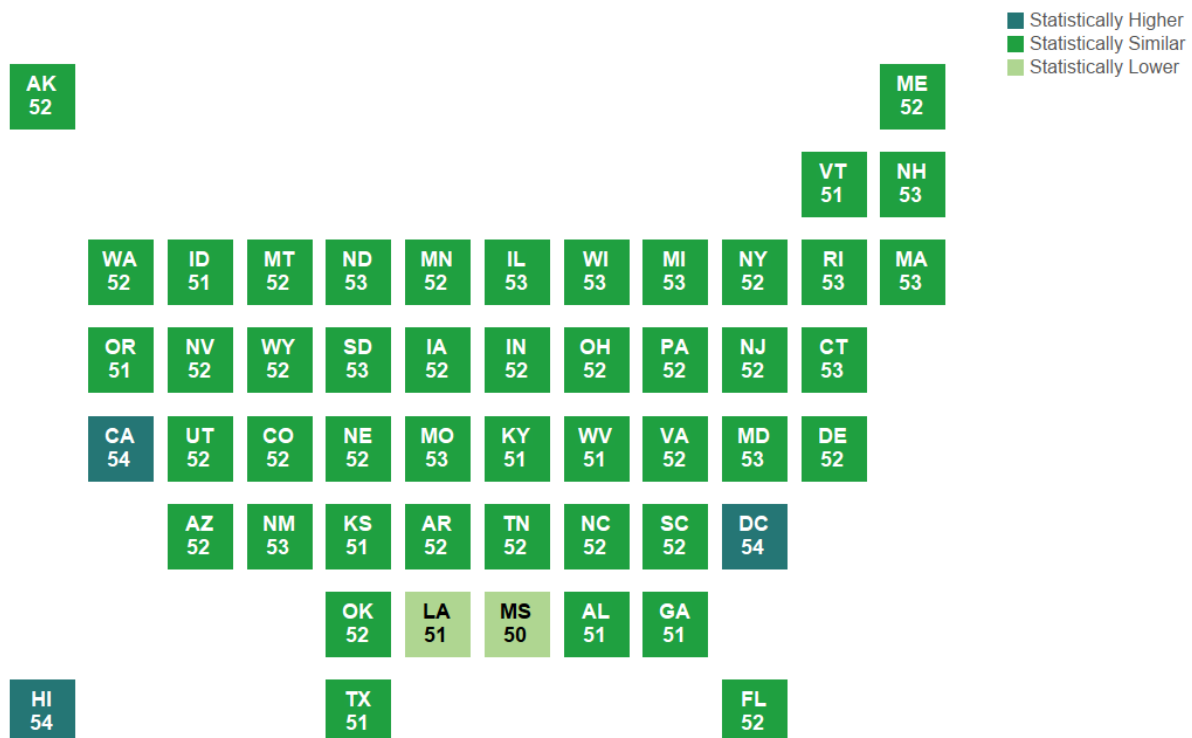
²⁰ CFPB, *Financial Well-being in America* (2017), available at https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/201709_cfpb_financial-well-being-in-America.pdf.

3. Financial Well-Being Scores by State

All Adults

The average financial well-being for all adults (ages 18 and older) in the United States was 52 in 2018. As shown in Figure 4, average financial well-being scores by state range from 50 to 54. Statistically, only five states have average scores that are significantly different from the average of all other states.²¹

FIGURE 4: AVERAGE FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 AND OLDER

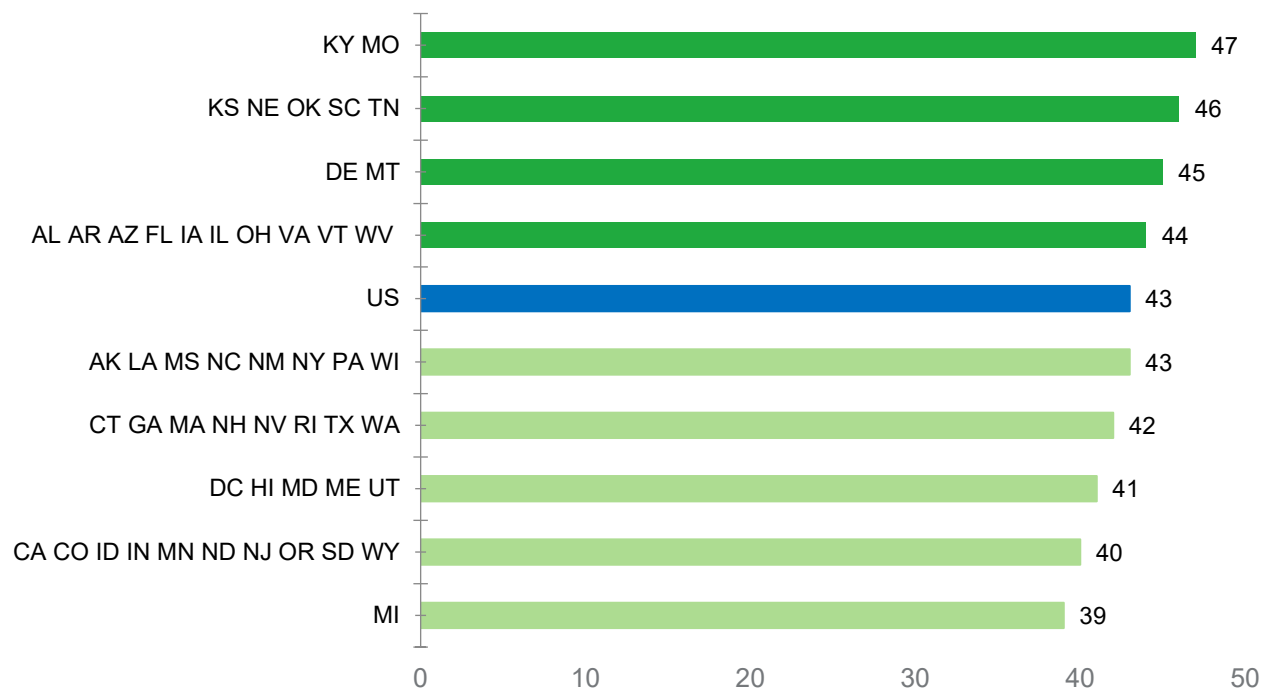


Source: CFPB analysis of 2018 NFCS State-by-State Survey data

²¹ “States” refer to the 50 states and the District of Columbia. Whether a given state’s average score is statistically higher or lower than other states depends, among other things, on the precise average and the distribution of scores.

Another helpful way to understand variations in financial well-being at the state level is to look at the difference between the scores of the 10th and the 90th percentiles. The spread is an indicator of the disparities in the experience of financial well-being in a given state. Figure 5 shows the spread of scores for all adults. While the national spread is 43 points, the spread at the state level ranges from 39 to 47 points.

FIGURE 5: DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10TH AND 90TH PERCENTILE BY STATE, ADULTS AGES 18 AND OLDER

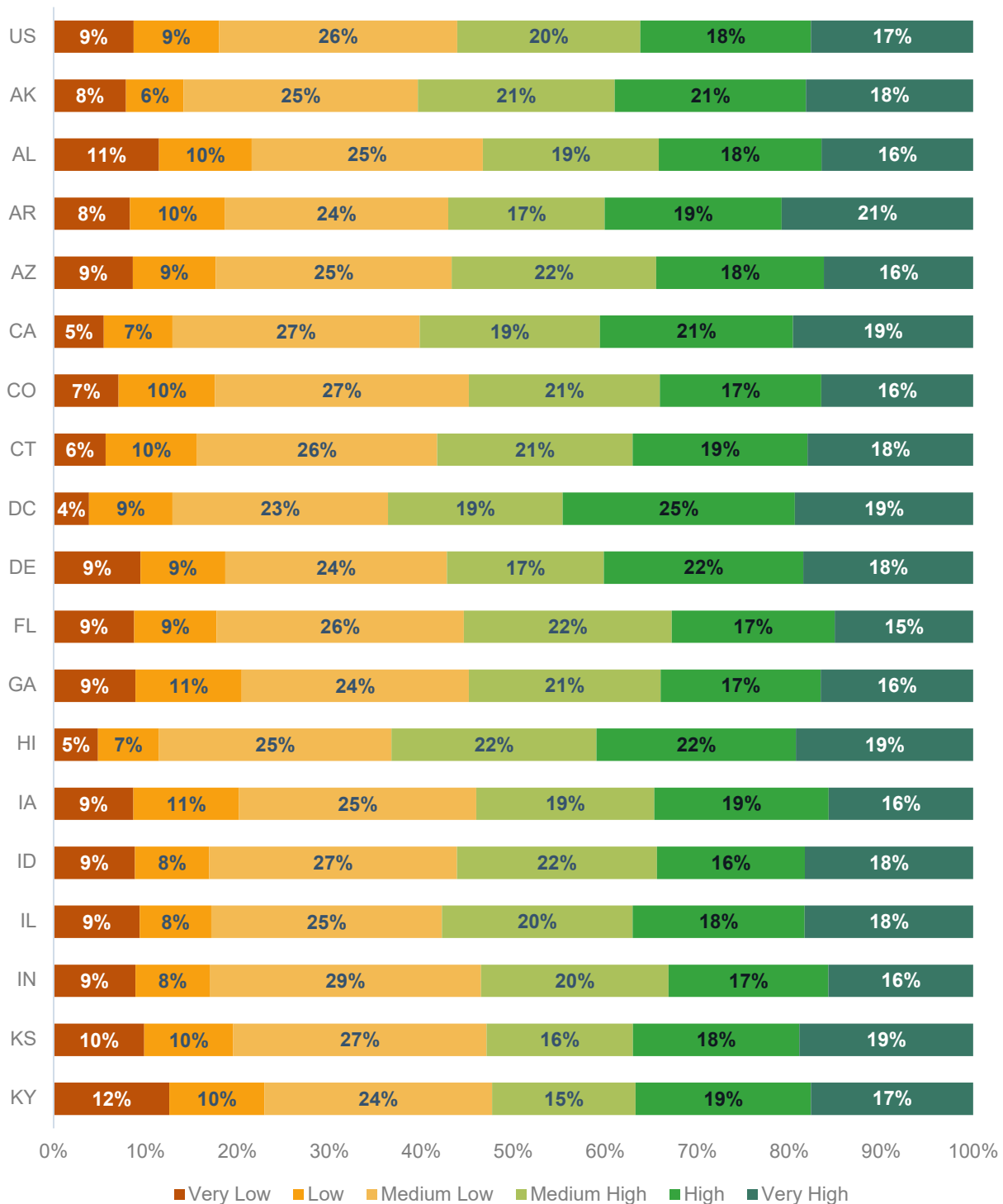


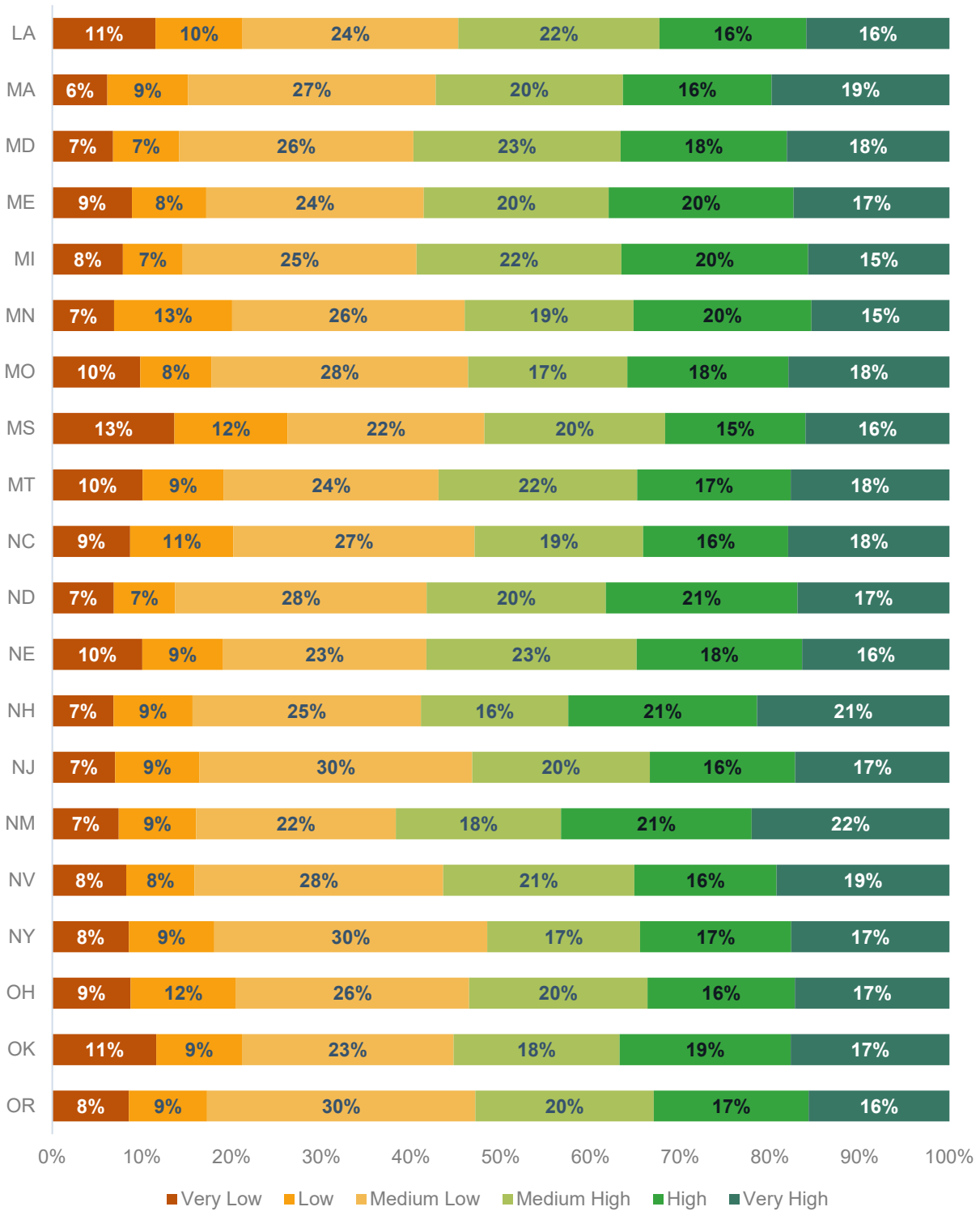
Source: CFPB analysis of 2018 NFCS State-by-State Survey data

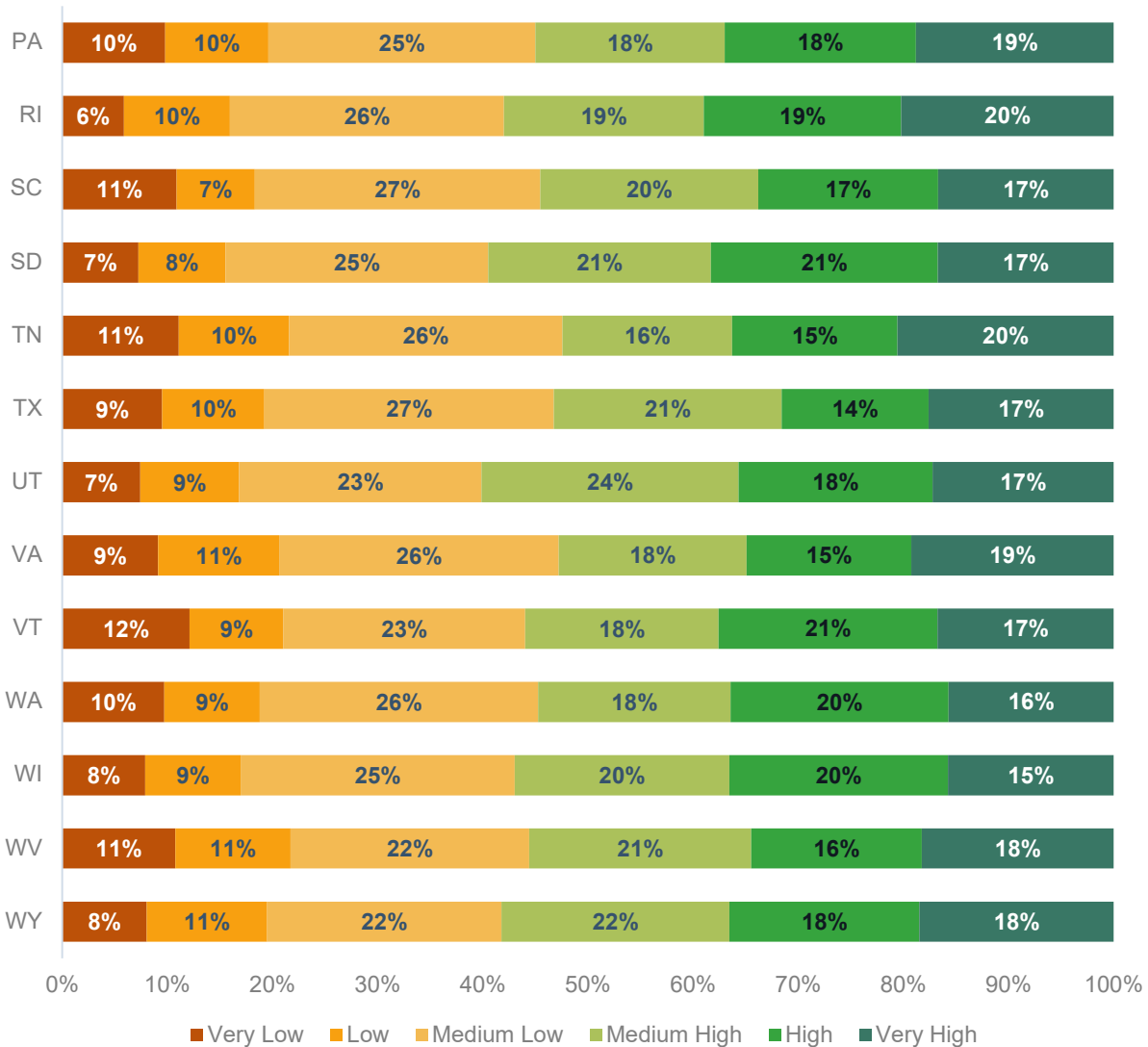
Financial well-being score ranges

Figure 6 shows the percent of each state's adult population that falls within each score range. As noted in the background section, Bureau research found that *low* and *very low* scores indicate frequent financial struggles and material hardship, while *high* and *very high* scores indicate the absence of both. The data shows that the percent of the adult population in the two lowest score ranges (*low* and *very low*) is 18 nationwide but varies from 11 percent to 26 percent at the state level. On the other hand, the percent of the adult population in the two highest score ranges (*high* and *very high*) is 36 nationwide but varies from 31 percent to 44 percent at the state level.

FIGURE 6: PERCENT OF ADULTS AGE 18 AND OLDER IN FINANCIAL SCORE RANGE BY STATE





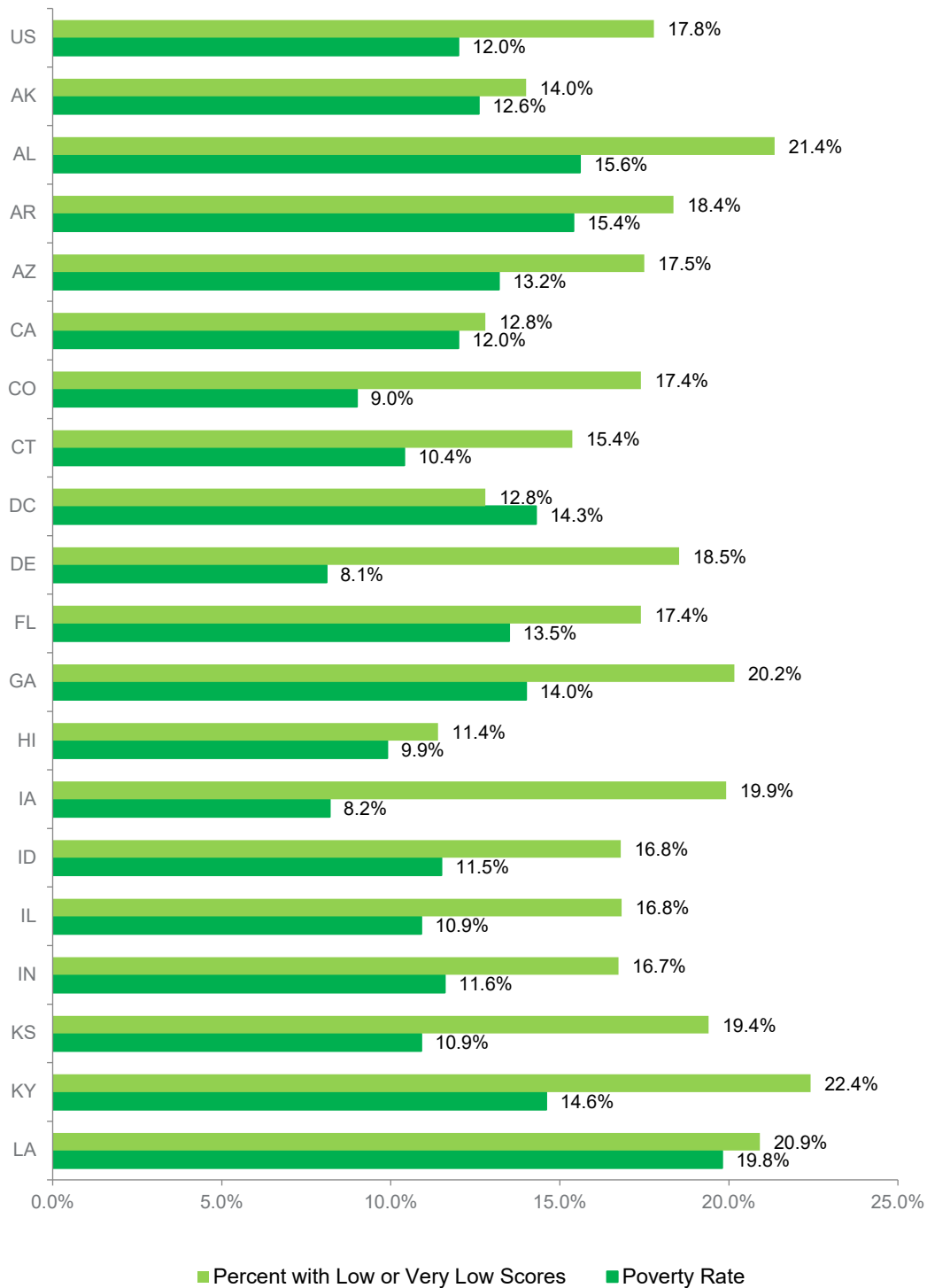


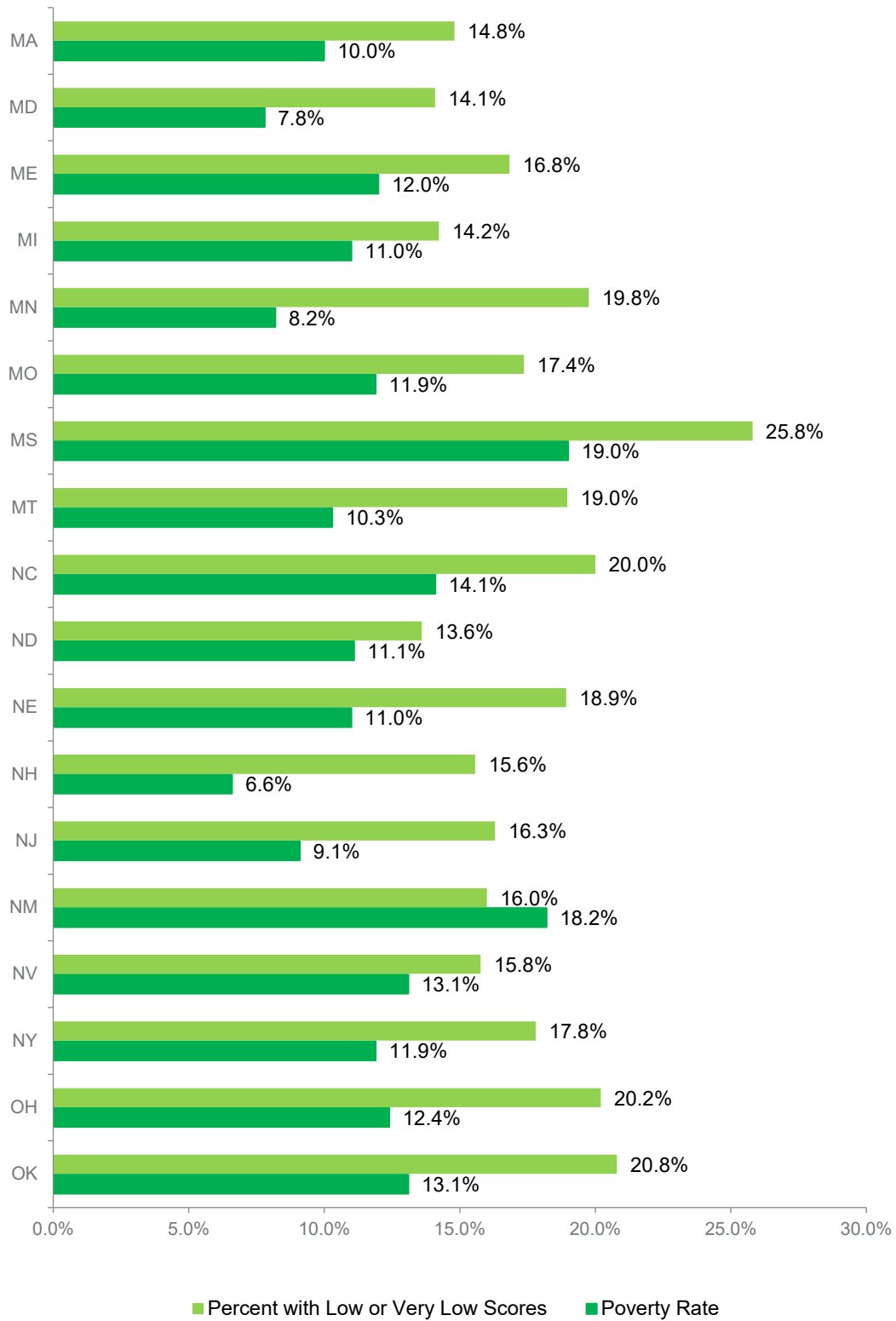
Source: CFPB analysis of 2018 NFCS State-by-State Survey data

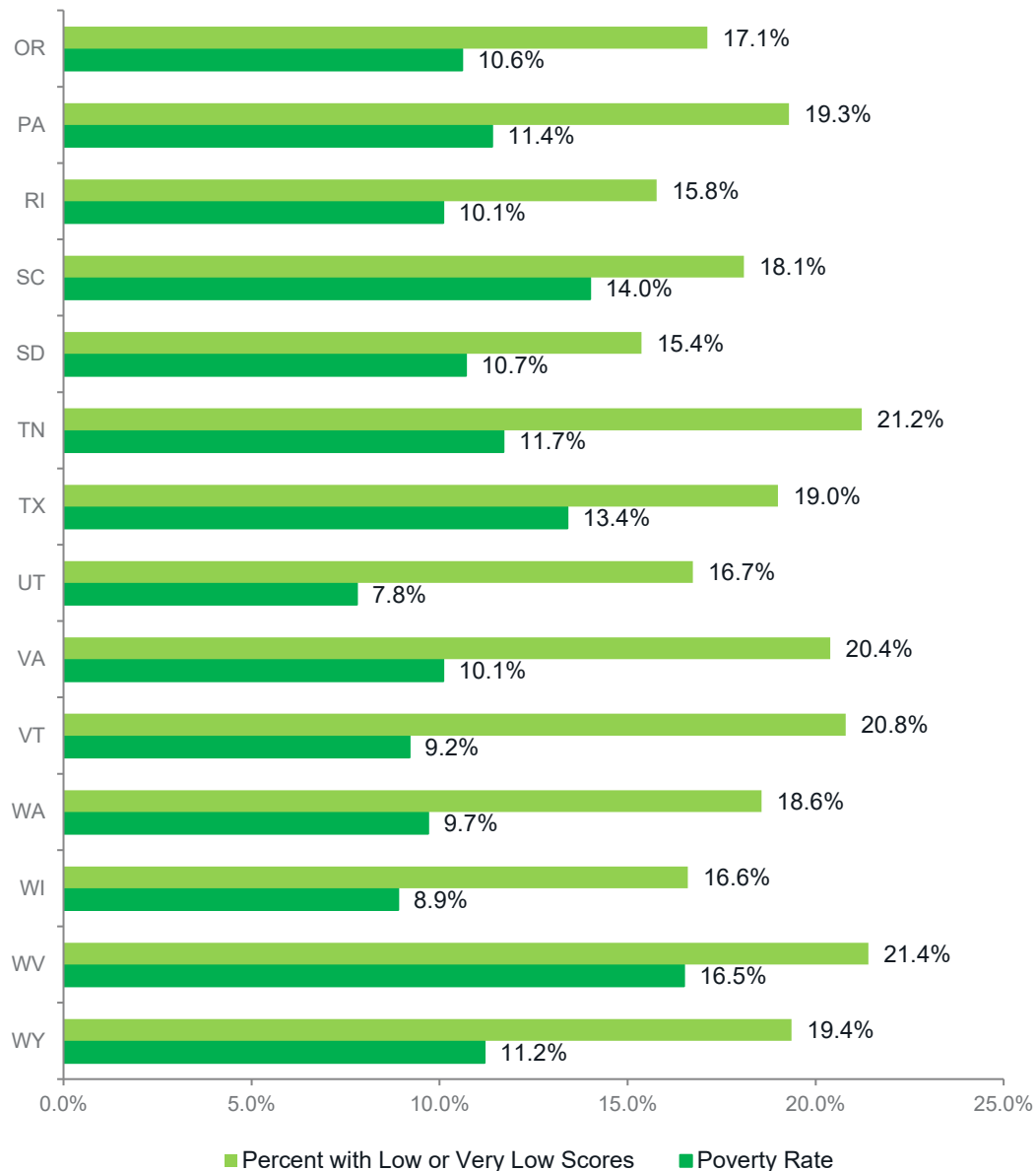
Low and very low financial well-being scores and poverty rates by state

Figure 7 shows the percent of the population in the *low* and *very low* financial well-being score category and the percent of the population with incomes under the 100 percent of the poverty line (FPL). As shown, the percent of the population in the *low* and *very low* financial well-being score category generally exceeds the percent of the population with incomes under 100 percent of the FPL. This suggests that many people earning above the poverty line income may have *low* and *very low* financial well-being. Figure 7 also shows that percentage difference between both measures varies significantly by state.

FIGURE 7: PERCENT OF THE STATE POPULATION IN POVERTY AND PERCENT OF ADULTS (18 AND OLDER) WITH LOW AND VERY LOW FINANCIAL WELL-BEING SCORES







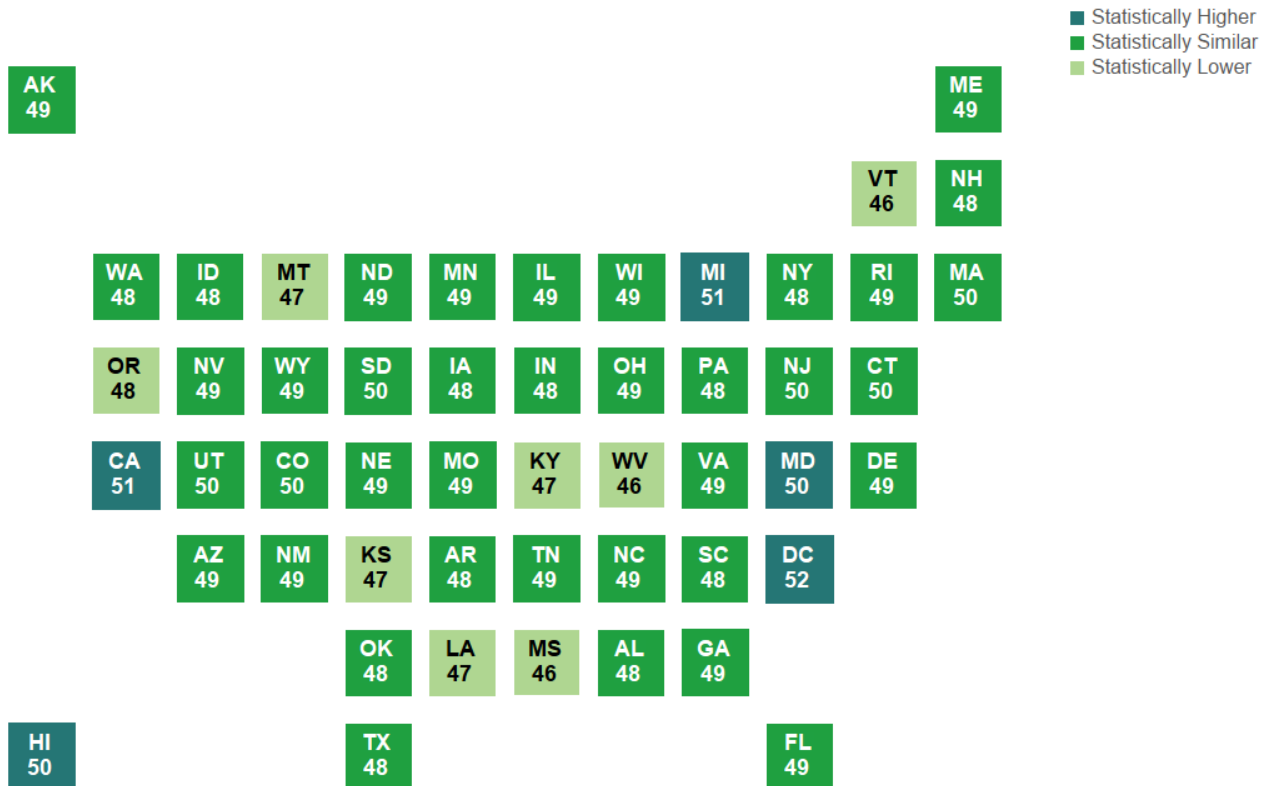
Sources: CFPB analysis of 2018 NFCS State-by-State Survey data and U.S. Census Bureau, *Percentage of People in Poverty by State Using 2- and 3-Year Averages: 2015-2016 and 2017-2018* at <https://www2.census.gov/programs-surveys/demo/tables/p60/266/state.xls>.

Notes: Low and Very low financial well-being scores range between 0 and 37. The poverty rate is the percentage of people in poverty by state using 2 year-average (2017-2018).

Adults ages 18 to 61

The average financial well-being score for younger and middle age adults (ages 18 to 61) in the United States was 49 in 2018. This is three points lower than the average for all adults in the U.S. As shown in Figure 8, average scores for adults ages 18 to 61 by state range from 46 to 52. Statistically, twelve states have scores that are significantly different from the average of all other states.²²

FIGURE 8: AVERAGE FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 TO 61

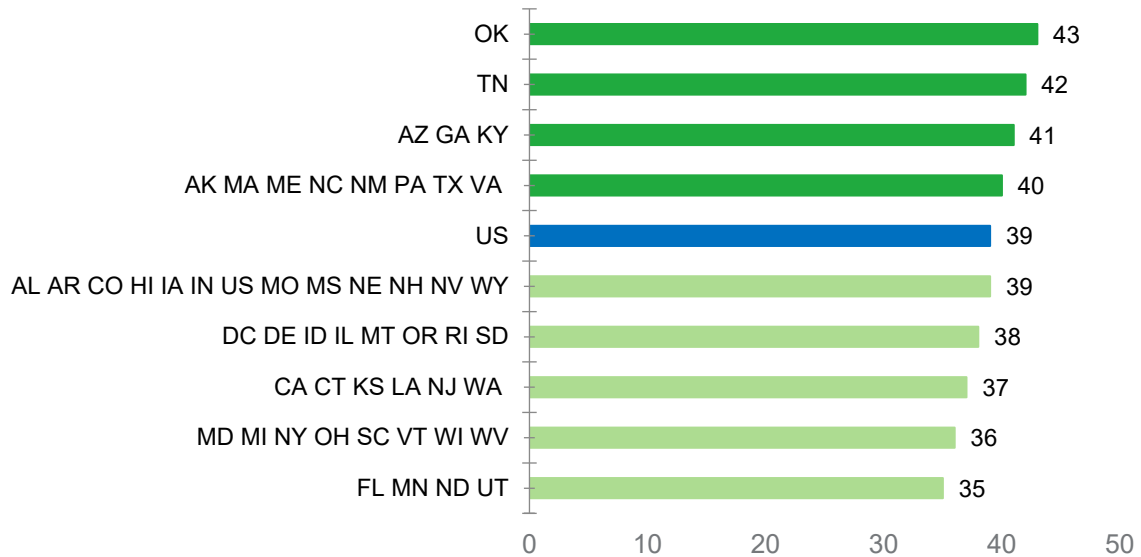


Source: CFPB analysis of 2018 NFCS State-by-State Survey data

²² “States” refer to the 50 states and the District of Columbia. Whether a given state’s average score is statistically higher or lower than other states depends, among other things, on the precise average and the distribution of scores.

Figure 9 shows the spread of scores for adults ages 18 to 61 as measured by the difference between the score of the 10th and 90th percentiles. The national spread in scores for this age group is 43 points. This spread varies by state from a high of 43 to a low of 35.

FIGURE 9: DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10TH AND 90TH PERCENTILE BY STATE, ADULTS AGES 18 TO 61

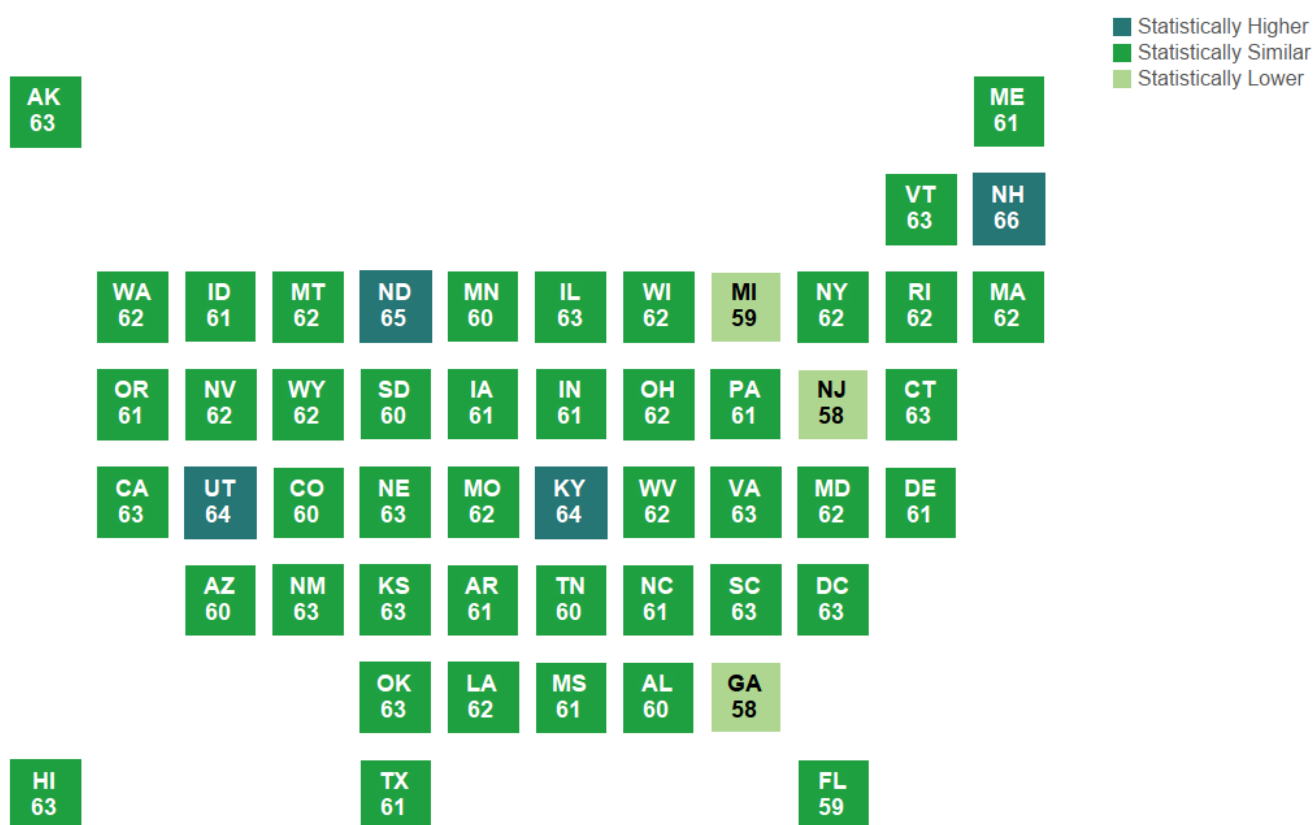


Source: CFPB analysis of 2018 NFCS State-by-State Survey data

Adults ages 62 and older

The average financial well-being for older adults (ages 62 and older) in the United States was 62 in 2018. This is ten points higher than the average for all adults in the U.S. As shown in Figure 10, average scores for adults range from 58 to 66 at the state level. Statistically, only seven states have scores that are significantly different from the average of all other states.²³ It is worth noting that the states with the highest average financial well-being scores for older adults are different from the states with the highest average financial well-being scores for adults ages 18 to 61.

FIGURE 10: AVERAGE FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 62 AND OLDER

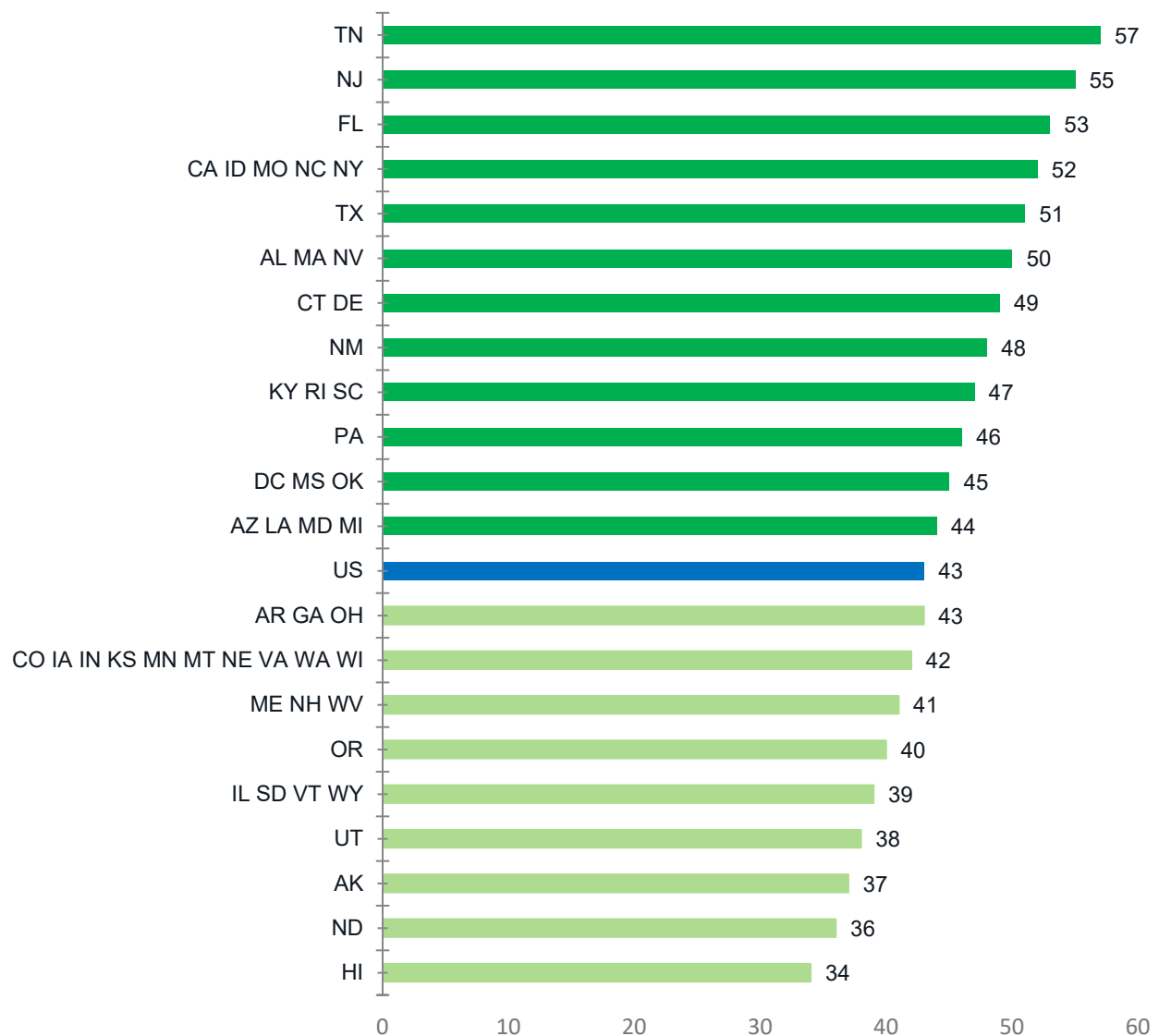


Source: CFPB analysis of 2018 NFCS State-by-State Survey data

²³ “States” refer to the 50 states and the District of Columbia. Whether a given state’s average score is statistically higher or lower than other states depends on the precise average, the distribution of scores and sample size.

Figure 11 shows the spread of scores for adults ages 18 to 61 as measured by the difference between the scores of the 10th and 90th percentiles. While the national spread is 43 points, the spread in scores by state ranges from 34 to 57. In general, there is more variation in scores by state among adults ages 62 and older than adults ages 18 to 61.

FIGURE 11: DIFFERENCE IN FINANCIAL WELL-BEING SCORE BETWEEN 10TH AND 90TH PERCENTILE BY STATE, ADULTS AGES 62 AND OLDER

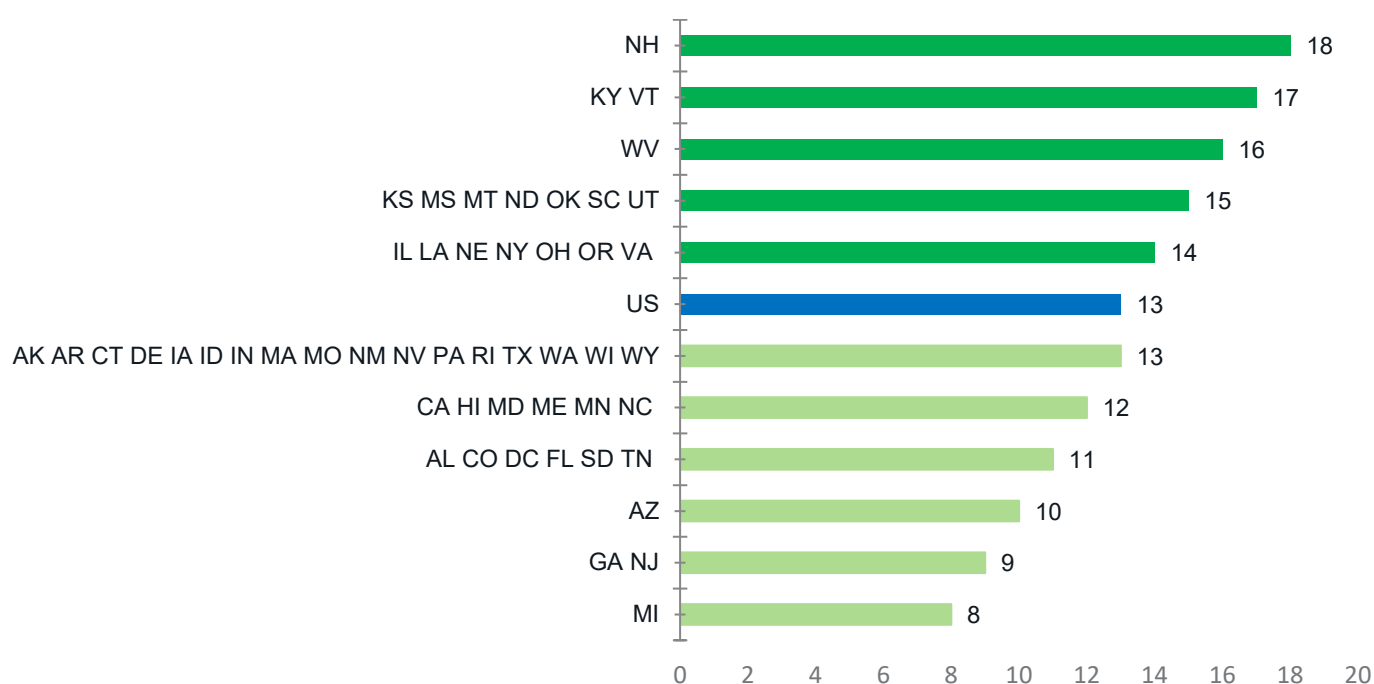


Source: CFPB analysis of 2018 NFCS State-by-State Survey data

Differences in the average financial well-being scores by age group

Consistent with previous CFPB research on the relationship between age and financial well-being,²⁴ the average financial well-being score for adults ages 62 and older is higher than the average financial well-being score for adults ages 18 to 61 in all states. Nationally, older adults have a score that is 13 points higher than adults ages 18 to 61. However, the gap between the average score between both age groups adults ranges from 18 to 8 points at the state level.

FIGURE 12: DIFFERENCE IN AVERAGE FINANCIAL WELL-BEING SCORE BETWEEN ADULTS AGES 62 AND OLDER AND ADULTS AGES 18 TO 61 BY STATE



Source: CFPB analysis of 2018 NFCS State-by-State Survey data

²⁴ CFPB, *Financial Well-being of Older Americans* (Dec. 2018), available at https://files.consumerfinance.gov/f/documents/bcfp_financial-well-being-older-americans_report.pdf

4. Discussion

This report shows that the average financial well-being score for all adults is generally similar across states. Only a handful of states have scores that are statistically different from other states (Appendix Tables 1-3). The report shows, however, that the percent of adults with scores in the *low* and *very low* category varies notably by state. Because *low and very low* financial well-being score identifies individuals with significant financial struggles and material hardship, the report highlights the states where large segments of their adult population could benefit from a variety of approaches to help build financial well-being. The financial well-being scores may also reveal that a larger percent of most states' population is struggling financially than indicated by the traditional poverty measure. This suggests that approaches to help struggling individuals may need to consider other drivers of financial well-being in addition to income.

The report also highlights the importance of looking at the distribution of scores by age group. The report shows that score patterns differ by age group in some ways. The average scores for adults ages 18 to 61 vary more by state than the average scores for adults ages 62 and older. On the other hand, the spread of scores (difference between the scores of the lowest decile and the highest decile) vary more by state for adults 62 and older than for their younger counterparts (ages 18 to 61). Furthermore, the states with the highest average financial well-being scores for older adults are different from those with the highest average financial well-being scores for younger adults.

This analysis of financial well-being scores by state provides an important starting point for understanding how local economic factors can affect people's financial lives. The NFCS offers a unique dataset to examine the factors associated with these state-level differences. The survey includes a number of individual level measures that can be supplemented with state-level indicators to develop a model to explain state-level financial well-being. To support this effort, this report provides detailed tables with additional data on the distribution of scores by state and age group. For context, it also provides detailed tables with other common measures of financial situation, inclusion, capability and literacy by state (Appendix Table 4).

The CFPB's 2015 *Financial Well-being: The Goal of Financial Education* and 2018 *Pathways to Financial Well-Being* reports provide useful frameworks to identify additional contextual factors that are likely drivers of financial well-being. These reports also provide insights into how contextual factors may influence skills, behaviors and/or the actual financial experiences that ultimately affect how people assess their financial well-being.

APPENDIX A: DATA AND METHODOLOGY

This report is based on data from the 2018 National Financial Capability Study (NFCS) State-by-State Survey. Since 2009 the FINRA Foundation has sponsored a new round of NFCS surveys every three years to serve as the national source of the state of financial capability in the United States, and to examine how capability varies across key demographic, behavioral, attitudinal, and financial literacy characteristics.

The 2018 NFCS State-by-State Survey was administered online to a sample of 27,091 American adults (roughly 500 per state, plus the District of Columbia) between June and October 2018. The corresponding national and state weights were applied to the data to obtain the financial well-being scores.²⁵

RESEARCH TEAM

This report is a joint project of the CFPB's Office of Financial Education and Office of Financial Protection for Older Americans. Hector Ortiz, Ph.D., Sr. Policy Analyst with the CFPB's Office of Financial Protection for Older Americans and Carly Urban, Ph.D., Associate Professor of Economics at Montana State University conducted the underlying data analysis.

SOFTWARE CODE

The code for calculating the CFPB Financial Well-being Score and replicating the state-level analysis is available as a *Stata* do file at: http://www.montana.edu/urban/NFCS_2018FWB.do.

²⁵ NFCS survey instrument, data sets, and detailed methodological information is available from the FINRA Foundation website at <https://www.usfinancialcapability.org/downloads.php>. The survey does not include samples for the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, the United States Virgin Islands, or federally recognized Indian tribes.

APPENDIX B: DETAILED TABLES

TABLE 1: DISTRIBUTION OF FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 AND OLDER

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
United States	52	15.9	31	41	51	63	74
Alaska	52	15.4	29	42	51	62	72
Alabama	51	16.5	29	39	51	64	73
Arkansas	52	16.5	31	40	51	64	75
Arizona	52	16.0	31	41	51	63	75
California	54**	15.5	35	43	53	63	75
Colorado	52	15.2	32	41	51	62	72
Connecticut	53	15.6	33	42	52	63	75
District of Columbia	54***	14.9	34	44	54	63	75
Delaware	52	16.3	30	41	52	63	75
Florida	52	16.1	31	42	51	62	75
Georgia	51	15.7	30	40	51	62	72
Hawaii	54**	15.0	34	44	52	63	75
Iowa	52	16.0	31	41	51	62	75
Idaho	51	15.4	31	40	50	61	71
Illinois	53	16.2	31	42	52	63	75
Indiana	52	15.4	32	41	50	62	72
Kansas	51	16.4	29	40	49	63	75
Kentucky	51	17.3	28	38	50	65	75
Louisiana	51*	15.9	29	40	51	61	72
Massachusetts	53	15.7	33	42	52	64	75
Maryland	53	15.4	34	42	52	62	75
Maine	52	15.7	31	41	53	63	72
Michigan	53	15.0	33	43	52	62	72
Minnesota	52	15.5	32	41	50	62	72
Missouri	53	16.7	30	42	51	64	77
Mississippi	50*	16.8	29	37	50	61	72
Montana	52	16.2	28	41	51	63	73
North Carolina	52	16.3	32	40	50	63	75
North Dakota	53	15.3	33	43	53	63	73

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
Nebraska	52	16.2	29	42	53	63	75
New Hampshire	53	16.4	33	41	53	65	75
New Jersey	52	15.6	33	41	51	62	73
New Mexico	53	16.2	32	43	53	64	75
Nevada	52	16.3	33	42	50	62	75
New York	52	16.3	31	40	50	63	74
Ohio	52	16.4	31	40	51	63	75
Oklahoma	52	16.9	29	40	51	64	75
Oregon	51	15.5	32	41	50	61	72
Pennsylvania	52	16.4	30	40	51	63	73
Rhode Island	53	16.0	33	41	52	63	75
South Carolina	52	16.5	29	41	51	63	75
South Dakota	53	15.5	32	42	53	63	72
Tennessee	52	17.2	29	39	50	64	75
Texas	51	15.8	31	40	50	61	73
Utah	52	15.0	31	42	52	62	72
Virginia	52	16.3	31	40	50	63	75
Vermont	51	16.1	29	40	50	63	73
Washington	52	15.6	30	41	52	62	72
Wisconsin	53	15.8	32	42	52	62	75
West Virginia	51	16.7	29	39	50	63	73
Wyoming	52	15.8	32	39	53	63	72

Source: CFPB analysis of 2018 NFCS State-by-State Survey data

*Note: The test of statistical significance used in the study compares the average financial well-being of a given state with the rest of the states. The asterisks denote the following significance levels: * $p < 0.10$*

*** $p < 0.05$ *** $p < 0.01$*

TABLE 2: DISTRIBUTION OF FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 18 TO 61

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
United States	49	14.3	29	39	49	58	68
Alabama	48	15.0	29	38	48	58	68
Alaska	49	14.3	29	40	49	58	69
Arizona	49	14.8	29	39	50	59	70
Arkansas	48	14.9	29	38	47	58	68
California	51***	14.1	34	42	51	62	71
Colorado	50	14.0	31	39	50	60	70
Connecticut	50	13.9	32	39	50	58	69
Delaware	49	14.2	29	39	49	59	67
District of Columbia	52***	14.1	33	43	52	62	71
Florida	49	14.2	31	40	49	59	66
Georgia	49	14.9	30	38	48	58	71
Hawaii	50**	13.9	32	42	50	59	71
Idaho	48	13.2	29	39	47	56	67
Illinois	49	14.6	29	40	50	58	67
Indiana	48	13.7	30	40	49	58	69
Iowa	48	14.6	29	39	48	58	68
Kansas	47*	14.5	29	38	46	57	66
Kentucky	47**	15.4	26	36	47	57	67
Louisiana	47*	14.3	28	37	48	57	65
Maine	49	14.4	29	39	49	59	69
Maryland	50**	13.8	33	41	50	58	69
Massachusetts	50	14.0	31	41	50	59	71
Michigan	51**	13.7	32	43	51	60	68
Minnesota	49	14.1	31	39	49	58	66
Mississippi	46	15.3	28	34	46	57	67
Missouri	49	14.6	29	40	49	59	68
Montana	47	13.9	28	37	48	56	66
Nebraska	49	14.6	27	39	50	58	66
Nevada	49	14.6	31	40	49	58	70
New Hampshire	48	14.4	29	38	47	58	68
New Jersey	50	13.5	32	40	49	59	69

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
New Mexico	49	14.6	29	40	50	59	69
New York	48	13.9	31	39	47	57	67
North Carolina	49	14.6	30	39	48	58	70
North Dakota	49	13.4	31	40	50	59	66
Ohio	49	14.5	31	38	48	57	67
Oklahoma	48	15.8	28	37	48	59	71
Oregon	48**	13.7	29	39	47	57	67
Pennsylvania	48	14.6	29	38	48	58	69
Rhode Island	49	14.3	32	39	49	59	70
South Carolina	48	14.4	29	39	48	56	65
South Dakota	50	14.3	31	40	49	60	69
Tennessee	49	15.4	29	39	48	61	71
Texas	48	14.4	29	39	48	57	69
Utah	50	13.7	31	40	50	58	66
Vermont	46***	13.9	28	37	46	57	64
Virginia	49	14.5	29	38	48	58	69
Washington	48	14.1	29	39	49	58	66
West Virginia	46***	14.7	28	36	46	54	64
Wisconsin	49	14.1	31	40	49	58	67
Wyoming	49	14.44	29	38	50	59	68

Source: CFPB analysis of 2018 NFCS State-by-State Survey data

*Note: The test of statistical significance used in the study compares the average financial well-being of a given state with the rest of the states. The asterisks denote the following significance levels: * $p < 0.10$*

*** $p < 0.05$ *** $p < 0.01$*

TABLE 3: DISTRIBUTION OF FINANCIAL WELL-BEING SCORES BY STATE, ADULTS AGES 62 AND OLDER

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
United States	62	16.7	39	50	62	73	82
Alabama	60	17.9	32	49	62	71	82
Alaska	63	15.1	43	54	64	72	80
Arizona	60	17.0	38	47	59	71	82
Arkansas	61	16.5	39	50	62	72	82
California	63	17.1	38	52	62	75	90
Colorado	60	16.3	40	48	60	72	82
Connecticut	63	16.5	41	51	64	75	90
Delaware	61	18.1	33	49	62	75	82
District of Columbia	63	15.6	35	52	65	72	80
Florida	59*	17.7	37	48	58	69	90
Georgia	58**	16.4	34	50	58	68	77
Hawaii	63	14.5	48	52	63	72	82
Idaho	61	17.4	38	50	61	72	90
Illinois	63	16.2	43	51	65	75	82
Indiana	61	16.2	40	50	61	72	82
Iowa	61	16.2	40	51	62	72	82
Kansas	63	16.3	40	52	64	75	82
Kentucky	64	16.4	43	53	65	75	90
Louisiana	62	16.2	39	50	63	72	83
Maine	61	15.3	41	52	61	72	82
Maryland	62	16.4	38	51	63	74	82
Massachusetts	62	16.7	40	51	62	75	90
Michigan	59**	17.1	38	48	58	70	82
Minnesota	60	16.4	38	49	62	71	80
Mississippi	61	16.3	37	52	60	71	82
Missouri	62	18.0	38	50	64	77	90
Montana	62	16.8	40	50	64	75	82
Nebraska	63	16.1	40	53	64	75	82
Nevada	62	17.4	40	50	62	75	90
New Hampshire	66***	14.1	49	55	65	75	90
New Jersey	58**	19.0	35	43	57	72	90

State	Average	Standard Deviation	10 th PCTL	25 th PCTL	50 th PCTL	75 th PCTL	90 th PCTL
New Mexico	63	16.2	42	52	64	75	90
New York	62	18.2	38	49	64	75	90
North Carolina	61	17.6	38	47	61	75	90
North Dakota	65*	15.1	46	54	65	75	82
Ohio	62	17.3	39	51	63	76	82
Oklahoma	63	15.2	45	53	63	72	90
Oregon	61	15.8	42	50	62	73	82
Pennsylvania	61	17.2	36	50	62	73	82
Rhode Island	62	16.7	41	49	63	75	88
South Carolina	63	16.5	43	51	64	75	90
South Dakota	60	16.2	41	50	60	72	80
Tennessee	60	19.8	31	47	61	75	88
Texas	61	17.0	39	48	61	73	90
Utah	64	14.9	44	55	65	75	82
Vermont	63	15.3	43	54	64	75	82
Virginia	63	17.3	40	51	66	75	82
Washington	62	15.9	38	52	64	73	80
West Virginia	62	15.5	39	53	64	72	80
Wisconsin	62	16.5	40	52	63	75	82
Wyoming	62	16.0	43	52	62	72	82

Source: CFPB analysis of 2018 NFCS State-by-State Survey data

*Note: The test of statistical significance used in the study compares the average financial well-being of a given state with the rest of the states. The asterisks denote the following significance levels: * $p < 0.10$*

*** $p < 0.05$ *** $p < 0.01$.*

TABLE 4: FINANCIAL WELL-BEING SCORES AND MEASURES OF FINANCIAL SITUATION, INCLUSION AND LITERACY BY STATE, ADULTS AGES 18 AND OLDER

State	Avg. FWB ^a	Pct with Low or Very Low FWB ^b	Median Income ^c	Poverty Rate ^d	Can come up with \$2,000 ^e	Pct Banked ^f	Avg. Lusardi Mitchell Score ^g
United States	52	18%	\$63,200	12.0%	43.2%	91.1%	3.0
Alabama	51	14%	\$49,900	15.6%	40.6%	90.3%	2.8
Alaska	52	21%	\$68,700	12.6%	48.2%	95.1%	3.2
Arizona	52	18%	\$62,300	13.2%	40.4%	91.4%	3.1
Arkansas	52	17%	\$49,800	15.4%	42.2%	89.7%	2.9
California	54	13%	\$70,500	12.0%	43.0%	92.0%	3.0
Colorado	52	17%	\$73,000	9.0%	48.6%	91.2%	3.2
Connecticut	54	15%	\$72,800	10.4%	45.9%	91.2%	3.0
Delaware	53	13%	\$65,000	8.1%	43.4%	91.8%	3.0
District of Columbia	55	19%	\$85,800	14.3%	46.4%	93.3%	3.2
Florida	52	17%	\$54,600	13.5%	39.5%	92.5%	2.9
Georgia	51	20%	\$55,800	14.0%	37.5%	90.5%	2.7
Hawaii	54	11%	\$80,100	9.9%	55.2%	96.7%	3.2
Idaho	51	20%	\$58,700	11.5%	41.1%	94.5%	3.1
Illinois	53	17%	\$70,100	10.9%	41.8%	92.2%	3.0
Indiana	52	17%	\$59,900	11.6%	37.5%	90.5%	2.9
Iowa	53	17%	\$68,700	8.2%	40.2%	93.7%	3.2
Kansas	52	19%	\$63,900	10.9%	47.2%	92.8%	3.2
Kentucky	52	22%	\$54,600	14.6%	41.6%	85.9%	2.9
Louisiana	51	21%	\$50,000	19.8%	38.8%	89.3%	2.8
Maine	53	15%	\$58,700	12.0%	47.1%	94.4%	3.3
Maryland	54	14%	\$86,200	7.8%	44.1%	91.5%	3.0
Massachusetts	54	17%	\$86,300	10.0%	47.4%	93.1%	3.1
Michigan	53	14%	\$60,400	11.0%	43.7%	90.9%	3.0
Minnesota	52	20%	\$71,800	8.2%	44.6%	93.5%	3.2
Mississippi	50	17%	\$42,800	19.0%	43.5%	87.7%	2.7
Missouri	53	26%	\$61,700	11.9%	42.8%	89.6%	2.9
Montana	52	19%	\$57,700	10.3%	45.8%	91.1%	3.3
Nebraska	52	20%	\$67,600	11.0%	48.5%	93.5%	3.4
Nevada	53	14%	\$61,900	13.1%	41.5%	90.6%	2.9
New Hampshire	53	19%	\$81,300	6.6%	50.4%	96.1%	3.3
New Jersey	52	16%	\$74,200	9.1%	45.9%	91.4%	3.1
New Mexico	53	16%	\$48,300	18.2%	44.5%	92.6%	3.1
New York	52	16%	\$67,300	11.9%	42.4%	90.3%	2.9
North Carolina	52	16%	\$53,400	14.1%	40.6%	89.0%	2.9

State	Avg. FWB ^a	Pct with Low or Very Low FWB ^b	Median Income ^c	Poverty Rate ^d	Can come up with \$2,000 ^e	Pct Banked ^f	Avg. Lusardi Mitchell Score ^g
North Dakota	54	18%	\$66,500	11.1%	51.4%	92.7%	3.3
Ohio	53	20%	\$61,600	12.4%	38.9%	90.6%	3.0
Oklahoma	52	21%	\$54,400	13.1%	43.0%	85.2%	3.0
Oregon	52	17%	\$69,200	10.6%	43.6%	93.5%	3.1
Pennsylvania	52	19%	\$64,500	11.4%	41.2%	89.2%	3.0
Rhode Island	53	16%	\$62,300	10.1%	47.8%	93.4%	3.1
South Carolina	52	18%	\$57,400	14.0%	42.3%	91.4%	2.9
South Dakota	53	15%	\$59,500	10.7%	48.2%	95.0%	3.3
Tennessee	52	21%	\$56,100	11.7%	39.5%	88.2%	3.0
Texas	51	19%	\$59,800	13.4%	35.9%	87.5%	2.9
Utah	53	17%	\$77,100	7.8%	50.4%	93.6%	3.4
Vermont	52	20%	\$70,100	9.2%	49.3%	93.9%	3.2
Virginia	53	21%	\$77,200	10.1%	44.4%	91.3%	2.9
Washington	52	19%	\$79,700	9.7%	47.8%	90.9%	3.1
West Virginia	51	17%	\$50,600	16.5%	37.4%	90.9%	2.8
Wisconsin	53	21%	\$62,600	8.9%	46.1%	92.5%	3.2
Wyoming	53	19%	\$62,500	11.2%	47.2%	92.5%	3.2

Sources and notes:

a. CFPB analysis of 2018 NFCS State-by-State Survey data.

b. *Id.* Measured as the percentage of adults ages 18 and older with financial well-being scores between 0 and 37.

c. Measured as the median household income by state in 2018 (in 2018 dollars). U.S. Census Bureau, Table H-8. Median Household Income by State: 1984 to 2018, at <https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-income-households/ho8.xls>.

d. U.S. Census Bureau, Percentage of People in Poverty by State Using 2- and 3-Year Averages: 2015-2016 and 2017-2018 at <https://www2.census.gov/programs-surveys/demo/tables/p60/266/state.xls>. Measured as the percentage of people in poverty by state using 2 year-average (2017-2018).

e. FINRA Foundation, 2018 Full Data Tables by State, Census Division and Nation at https://www.usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx. Measured as the percent of respondents who said that they are “certain” that they can come up with \$2,000 if an unexpected need arose within the next month.

f. *Id.* Measured as the percent of respondents who said they or their household has a checking, savings account, money market account, or CD.

g. *Id.* Measured as the average number of correct answers to six factual financial knowledge questions.

APPENDIX C: ADDITIONAL RESOURCES

Reports

Financial well-being in America (September 2017):

consumerfinance.gov/data-research/research-reports/financial-well-being-america/

Pathways to financial well-being (September 2018):

consumerfinance.gov/data-research/research-reports/pathways-financial-well-being/

Financial Well-being of Older Americans (December 2018):

consumerfinance.gov/data-research/research-reports/financial-well-being-older-americans/

Financial Well-being of Veterans (April 2019):

<https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-veterans/>

Credit Characteristics, Credit Engagement Tools, and Financial Well-being (September 2019):

<https://www.consumerfinance.gov/data-research/research-reports/>

User toolkit

Getting started with measuring financial well-being: A toolkit for financial educators (January 2019): The toolkit provides an introduction to the financial well-being scale, with instructions, case studies, and other resources.

https://files.consumerfinance.gov/f/documents/cfpb_financial-well-being_toolkit.pdf

Consumer Tool

Find out your financial well-being: This interactive consumer tool allows people to answer 10 questions and see a financial well-being score. They can compare their score to national averages, overall and by age, income, and employment status, and see selected resources that may be able to help them address money issues that support their own life goals.

consumerfinance.gov/consumer-tools/financial-well-being