

Summary of Selected Findings: Texas

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	15%	16%	15%	
Somewhat difficult	41%	42%	42%	
Not at all difficult	41%	40%	40%	
Spending vs. saving				
Spending less than income	42%	41%	40%	
Spending about equal to income	35%	36%	36%	
Spending more than income	19%	19%	19%	
Overdraw checking account occasionally	23%	22%	23%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	30%	26%	30%	
Number of times mortgage payments have been late				
Once	9%	8%	9%	<i>Respondents with mortgages</i>
More than once	18%	13%	16%	
Have taken a loan from retirement account in past year	23%	14%	21%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	19%	10%	16%	
Have experienced large unexpected drop in income in past year	32%	29%	32%	
Planning Ahead				
Have emergency funds	37%	40%	37%	
Do not have emergency funds	57%	56%	58%	
Have tried to figure out retirement savings needs	34%	37%	33%	<i>Non-retired households</i>
Have not tried to figure out retirement savings needs	61%	59%	62%	
Have set aside money for children's college education	36%	34%	34%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	61%	63%	63%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension plan,	49%	49%	47%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	21%	24%	20%	
Regularly contribute to self-directed retirement account	84%	77%	81%	<i>Respondents with self-directed employer plan or non-employer plan</i>

	State	Nation	Region
--	-------	--------	--------

Stocks, Bonds, and Mutual Funds

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

32%	35%	31%
-----	-----	-----

All except unbanked respondents

Managing Financial Products

Managing Money

Payment methods used frequently

Cash	32%	33%	33%
Paper checks	13%	15%	14%
Credit cards	31%	30%	29%
Debit cards tied to bank account	49%	46%	49%
Pre-paid debit cards	9%	6%	9%
Online payments directly from bank account	32%	35%	34%
Money orders	9%	5%	8%

Banking

Have checking account	87%	89%	87%
Have savings account, money market account, or CDs	69%	72%	67%

Mortgages

Have mortgage	60%	60%	57%	<i>Homeowners</i>
Have home equity loan	11%	18%	11%	

Home "underwater" (negative equity)	16%	14%	13%	<i>Homeowners</i>
-------------------------------------	-----	-----	-----	-------------------

Credit Cards

Credit card behaviors in past year

Always paid credit cards in full	53%	49%	50%
Carried over a balance and was charged interest	46%	49%	49%
Paid the minimum payment only	34%	34%	35%
Charged a late fee for late payment	19%	16%	19%
Charged an over the limit fee for exceeding credit line	11%	8%	11%
Used the cards for a cash advance	17%	11%	15%

Respondents with credit cards

Other Debt

Have student loan	20%	20%	19%
Have auto loan	34%	31%	34%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan	13%	9%	12%
Short term 'payday' loan	18%	12%	17%
Advance on tax refund (refund anticipation check)	10%	8%	10%
Pawn shop	27%	18%	26%
Rent-to-own store	18%	10%	17%

Used one or more non-bank borrowing methods in past 5 years	39%	30%	38%
---	-----	-----	-----

Financial Knowledge & Decision-Making

Financial Literacy

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

<u>More than \$102</u> (correct answer)	73%	75%	74%
Exactly \$102	8%	7%	8%
Less than \$102	5%	6%	5%
Don't know	13%	11%	12%

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

More than today	10%	9%	10%
Exactly the same	10%	9%	10%
<u>Less than today</u> (correct answer)	54%	61%	55%
Don't know	25%	20%	24%

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

They will rise	20%	20%	21%
<u>They will fall</u> (correct answer)	26%	28%	26%
They will stay the same	5%	5%	5%
There is no relationship between bond prices and the interest rate	8%	9%	8%
Don't know	40%	37%	39%

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

<u>True</u> (correct answer)	75%	75%	75%
False	8%	9%	9%
Don't know	16%	15%	16%

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

True	10%	9%	10%
<u>False</u> (correct answer)	45%	48%	45%
Don't know	44%	42%	44%

4 or 5 correct quiz answers

33% 39% 34%

3 or fewer correct quiz answers

67% 61% 66%

Mean number of correct quiz answers

2.73 2.88 2.74

Mean number of incorrect quiz answers

0.85 0.81 0.86

Mean number of "don't know" quiz answers

1.37 1.26 1.35

Comparison Shopping

Compared credit cards

33% 33% 32%

Did not compare credit cards

61% 61% 62%

Respondents with credit cards

<i>Credit Reports and Credit Scores</i>	State	Nation	Region
Obtained a copy of credit report in past year	40%	39%	40%
Checked credit score in past year	43%	43%	44%

Notes:

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

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

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

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

Differences between groups may or may not be statistically significant.

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

Survey was conducted July - October 2012.

For additional findings and details, full survey results are available for download at
http://usfinancialcapability.org/downloads/NFCS_2012_Full_Data_Tables.xls