## Summary of Selected Findings: California

### Making Ends Meet

<table>
<thead>
<tr>
<th></th>
<th>State</th>
<th>Nation</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty covering expenses and paying bills</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very difficult</td>
<td>9%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Somewhat difficult</td>
<td>31%</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Not at all difficult</td>
<td>57%</td>
<td>54%</td>
<td>57%</td>
</tr>
<tr>
<td>Spending vs. saving</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending less than income</td>
<td>44%</td>
<td>43%</td>
<td>45%</td>
</tr>
<tr>
<td>Spending about equal to income</td>
<td>33%</td>
<td>34%</td>
<td>33%</td>
</tr>
<tr>
<td>Spending more than income</td>
<td>19%</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Overdraw checking account occasionally</td>
<td>20%</td>
<td>21%</td>
<td>19%</td>
</tr>
<tr>
<td>Have unpaid medical bills</td>
<td>13%</td>
<td>22%</td>
<td>14%</td>
</tr>
<tr>
<td>Number of times mortgage payments have been late</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once</td>
<td>10%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>More than once</td>
<td>10%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Have taken a loan from retirement account in past year</td>
<td>19%</td>
<td>14%</td>
<td>16%</td>
</tr>
<tr>
<td>Have taken a hardship withdrawal from retirement account in past year</td>
<td>21%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>Have experienced large unexpected drop in income in past year</td>
<td>26%</td>
<td>26%</td>
<td>26%</td>
</tr>
</tbody>
</table>

### Planning Ahead

<table>
<thead>
<tr>
<th></th>
<th>State</th>
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<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have emergency funds</td>
<td>57%</td>
<td>53%</td>
<td>57%</td>
</tr>
<tr>
<td>Do not have emergency funds</td>
<td>38%</td>
<td>43%</td>
<td>38%</td>
</tr>
<tr>
<td>Have tried to figure out retirement savings needs</td>
<td>40%</td>
<td>39%</td>
<td>40%</td>
</tr>
<tr>
<td>Have not tried to figure out retirement savings needs</td>
<td>53%</td>
<td>55%</td>
<td>53%</td>
</tr>
<tr>
<td>Have set aside money for children’s college education</td>
<td>49%</td>
<td>40%</td>
<td>45%</td>
</tr>
<tr>
<td>Have not set aside money for children’s college education</td>
<td>47%</td>
<td>54%</td>
<td>50%</td>
</tr>
</tbody>
</table>

### Retirement Accounts

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Have employer-provided retirement plan (e.g., pension, 401(k))</td>
<td>45%</td>
<td>49%</td>
<td>47%</td>
</tr>
<tr>
<td>Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)</td>
<td>28%</td>
<td>26%</td>
<td>28%</td>
</tr>
<tr>
<td>Regularly contribute to retirement account</td>
<td>83%</td>
<td>79%</td>
<td>80%</td>
</tr>
</tbody>
</table>
Stocks, Bonds, and Mutual Funds
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account

Managing Financial Products
Banking
Have checking account 90% 91% 91%
Have savings account, money market account, or CDs 74% 72% 76%

Credit Cards
Credit card behaviors in past year
Always paid credit cards in full 66% 59% 64%
Carried over a balance and was charged interest 39% 43% 39%
Paid the minimum payment only 34% 35% 34%
Charged a late fee for late payment 17% 17% 16%
Charged an over the limit fee for exceeding credit line 12% 11% 11%
Used the cards for a cash advance 14% 15% 13%

Mobile Payment Methods
Use mobile phone to pay at point of sale 47% 43% 45%
Use mobile phone to transfer money to another person 53% 53% 53%

Mortgages
Have mortgage 57% 51% 57%
Have home equity loan 14% 12% 14%
Home “underwater” (negative equity) 10% 7% 8%

Other Debt
Have student loan 21% 23% 21%
Have auto loan 25% 29% 25%

Non-Bank Borrowing
Non-bank borrowing methods used in past 5 years
Auto title loan 12% 12% 12%
Short term “payday” loan 16% 15% 15%
Tax refund advance 13% 11% 11%
Pawn shop 17% 21% 17%
Rent-to-own store 12% 14% 11%

Used one or more non-bank borrowing methods in past 5 years 27% 32% 27%
### Financial Knowledge

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?

- **More than $102** (correct answer): 67% 69% 69%
- **Exactly $102**: 11% 9% 10%
- **Less than $102**: 6% 6% 6%
- **Don’t know**: 15% 15% 14%

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**: 12% 12% 12%
- **Exactly the same**: 14% 11% 13%
- **Less than today** (correct answer): 49% 53% 52%
- **Don’t know**: 24% 23% 22%

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

- **They will rise**: 22% 20% 21%
- **They will fall** (correct answer): 28% 25% 28%
- **They will stay the same**: 5% 6% 5%
- **There is no relationship between bond prices and the interest rate**: 8% 9% 8%
- **Don’t know**: 37% 39% 37%

Suppose you owe $1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn’t pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

- **Less than 2 years**: 5% 5% 5%
- **At least 2 years but less than 5 years** (correct answer): 31% 30% 32%
- **At least 5 years but less than 10 years**: 26% 28% 27%
- **At least 10 years**: 7% 7% 7%
- **Don’t know**: 29% 28% 28%

Which of the following indicates the highest probability of getting a particular disease?

- **There is a one-in-twenty chance of getting the disease** (correct answer): 32% 36% 35%
- **2% of the population will get the disease**: 15% 13% 14%
- **25 out of every 1,000 people will get the disease**: 16% 17% 16%
- **Don’t know**: 36% 33% 34%
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.

True (correct answer) 64% 69% 66%
False 9% 9% 9%
Don’t know 26% 22% 25%

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

True 15% 12% 14%
False (correct answer) 42% 42% 44%
Don’t know 42% 45% 42%

Mean number of correct quiz answers 3.12 3.23 3.26
Mean number of incorrect quiz answers 1.73 1.63 1.65
Mean number of “don’t know” quiz answers 2.09 2.06 2.03

Notes:

Region = Pacific Census Division (Alaska, California, Hawaii, Oregon, Washington).
State figures are weighted by age × gender, ethnicity and education.
National figures are weighted by age × gender, ethnicity, education and Census Division.
Census Division figures are weighted by age × 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 June – October 2021.
Additional findings and details are available for download at www.FINRAFoundation.org/NFCS.