

# DISABILITY, RACE AND ETHNICITY

## Income Inequality

### Highlights from the 2019 FDIC Survey of Household Use of Banking and Financial Services



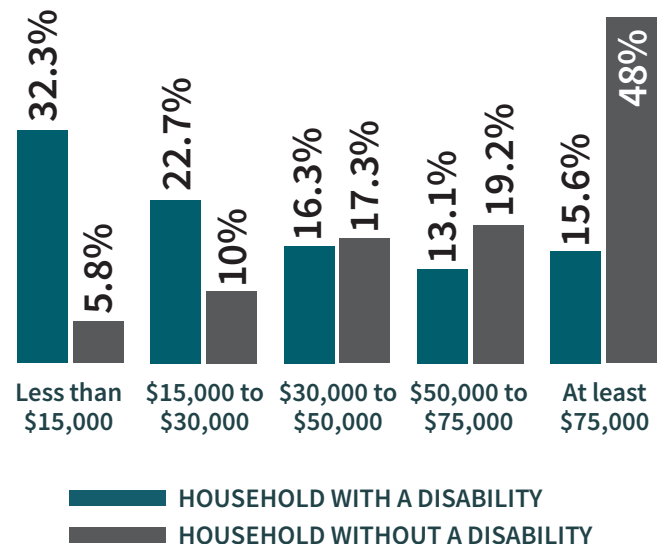
The recent social movement that denounced the systemic racism and discrimination of Americans who are Black, Indigenous and People of Color (BIPOC) ushered the U.S. into a time in which institutions are actively working to redress the unequal treatment of all historically marginalized groups.

Unfortunately, too many times these efforts fall short in recognizing and intentionally targeting the discrimination faced by the 41.1 million Americans living with disabilities today. Public forums on the topic of equity may barely if at all discuss the barriers persons with disabilities face: programs made available to BIPOC individuals may not be tailored to persons with disabilities and data collected to assess financial well-being may fail to ask whether the respondent has a disability.

Using data from the 2019 FDIC Survey of Household Use of Banking and Financial Services, this factsheet calls attention to the income inequalities experienced by persons with disabilities. Recognizing the impact of intersectionality, the findings highlight the disproportionate financial barriers faced by BIPOC persons with disabilities. The data was collected in June 2019 prior to the economic impact of COVID-19. Therefore, analysis of these data can help (1) characterize how households with disabilities were financially positioned to withstand the pandemic and (2) investigate the impact of the pandemic on households with disabilities by providing a comparative benchmark for the 2021 survey.

- There is a data gap affecting persons with disabilities who are American Indian/Alaska Native, Hawaiian Native/Other Pacific islander or Asian. The survey data does not have enough respondents from these groups to produce precise estimates, which puts affected groups at risk of being overlooked in public policy and programming. Therefore, it is critical for researchers to obtain data that describes the financial barriers faced by persons with disabilities who are members of these races.
- Black households have the highest percentage of householders with disabilities.
  - 17.8% of Black households have a householder with disabilities (White: 11.9%, Latinx: 8.7%).

#### ANNUAL HOUSEHOLD INCOME

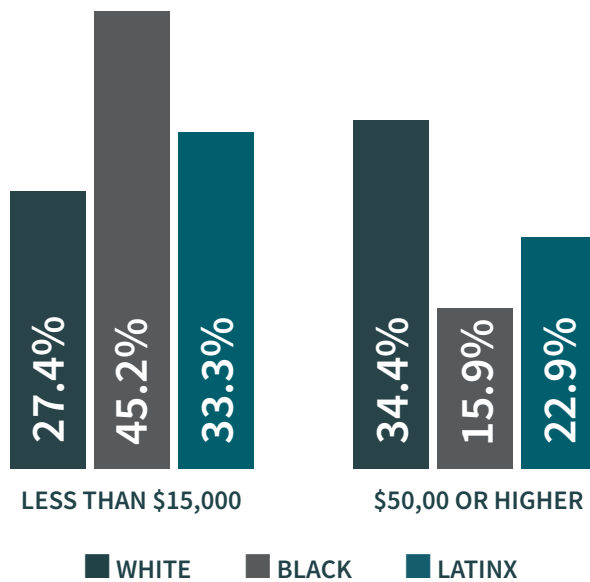


- The percentage of households with an annual income of less than \$15,000 is 5.6 times higher in households with a disability than those without a disability.
  - With a disability: 32.3%; Without a disability: 5.8%
- The percentage of households with an annual income between \$15,000 and \$30,000 is 2.3 times higher in households with a disability than those without a disability.
  - With a disability: 22.7%; Without a disability: 10%
- The percentage of households with an annual income of \$50,000 or higher in households with a disability is less than half the percentage in those without a disability.
  - With a disability: 28.7%; Without a disability: 67.2%
- Irrespective of race or ethnicity:
  - A higher percentage of households with a disability have an income of less than \$15,000.
    - Black with a disability: 45.2%; Black without a disability: 13%
    - Latinx with a disability: 33.3%; Latinx without a disability: 9%
    - White with a disability: 27.4%; White without a disability: 3.6%

- A lower percentage of households with a disability have an income of \$50,000 or higher.
  - Black with a disability: 15.9%; Black without a disability: 48.4%
  - Latinx with a disability: 22.9%; Latinx without a disability: 48.1%
  - White with a disability: 34.4%; White without a disability: 75%

- A higher percentage of Black and Latinx households with a disability have an income of less than \$15,000.
  - Black: 45.2%; Latinx: 33.3%; White: 27.4%
- A lower percentage of Black and Latinx households with a disability have an income of \$50,000 or more.
  - Black: 15.9%; Latinx: 22.9%; White: 34.4%
- It is likely that American Indian/Alaska Native households with a disability face income inequalities similar to the ones found in Black and Latinx households with a disability. For instance, in households without a disability the races/ethnicity with the highest percentages of households with an annual income of less than \$15,000 are American Indian/Alaska Native (8.2%), Latinx (9%) and Black (13%). Data also show that the percentage of households with this income is even higher in Latinx and Black households with a disability. Therefore, it is likely that the percentage of American Indian/Alaska Native households with a disability with this income is similar to the percentages found in Black and Latinx households with a disability.

PERCENTAGE OF HOUSEHOLDS WITH A DISABILITY PER INCOME BRACKET



**METHODOLOGY**

The race/ethnicity of the householder was used to classify the household. For example, “Black household with a disability” refers to a household for which the householder identifies as Black alone and not Latinx. The associations between income bracket and group membership based on disability status and race/ethnicity described in this document are significant at the .05 alpha level.

*NDI thanks the FDIC for their continued commitment to gather data on disability status and to advance the financial inclusion of persons with disabilities and other economically vulnerable populations. It is our hope that other economic surveys start to collect disability data (e.g., Annual Business Survey, Consumer Expenditure Survey, Federal Reserve Board Survey of Household Economics and Decision-making Survey).*

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