

DISABILITY, RACE AND ETHNICITY

Income Inequality

Highlights from the 2021 FDIC Survey of Household Use of Banking and Financial Services



Disability justice is economic justice, and economic justice must consider how intersecting identities of race, ethnicity and gender affect the socio-economic mobility of individuals living with disabilities. While many institutions are actively seeking to amplify the voices of historically marginalized

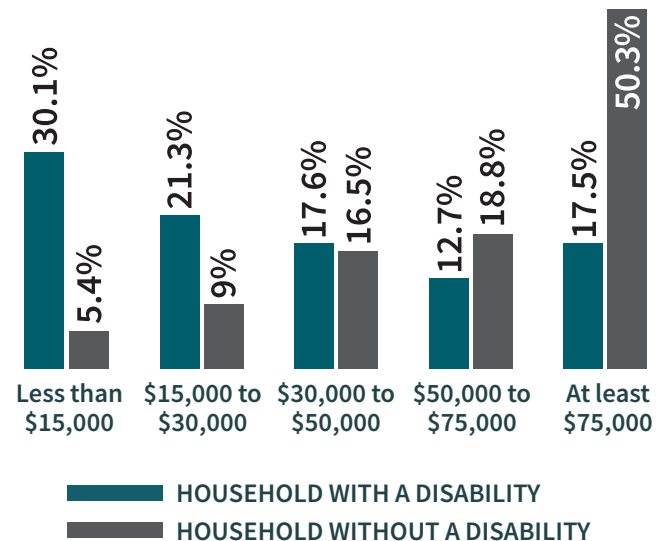
groups, including Black, Indigenous and other people of color (BIPOC), these efforts continue to prove inadequate in understanding and deliberately addressing the discrimination faced by the more than 41 million Americans living with disabilities. Economic equity as a point of discussion seldom addresses the barriers to inclusion and financial independence that many individuals with disabilities face. By extension, programs are not tailored to meet the needs of BIPOC individuals with disabilities, and financial well-being data often do not account, ask or document whether participants have a disability.

Using data from the 2021 FDIC Survey of Household Use of Banking and Financial Services, this factsheet illustrates the inequities in bank account ownership 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 were collected in June 2021 and are useful for describing post-COVID-19 conditions, as households readjust to a changed world. The analysis of these data can: (1) help characterize the financial positioning of households with a disability post-pandemic, and (2) provide a comparative benchmark for the upcoming 2023 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 a disability.

ANNUAL HOUSEHOLD INCOME



- 12.8% of Black households have a householder with a disability (White: 7.6%, Latinx: 8.3%).
- 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: 30.1%; Without a disability: 5.4%
- The percentage of households with an annual income between \$15,000 and \$30,000 is 2.4 times higher in households with a disability than those without a disability.
 - With a disability: 21.3%; Without a disability: 9%
- The percentage of households with an annual income of \$50,000 or higher in households with a disability is less than half of those without a disability.
 - With a disability: 30.2%; Without a disability: 69.1%

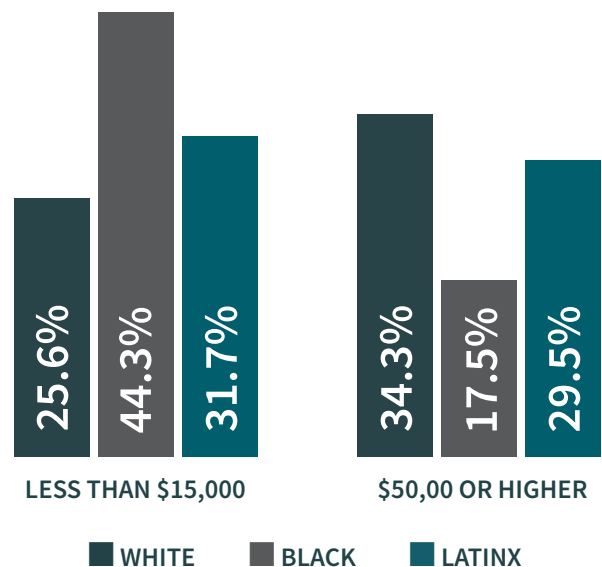
Disability, Income, Race

- Irrespective of race or ethnicity:
 - A higher percentage of households with a disability have an income of less than \$15,000.
 - Black households with a disability: 44.3%; Black households without a disability: 10.8%

- Latinx households with a disability: 31.7%; Latinx households without a disability: 7.7%
- White households with a disability: 25.6%; White households without a disability: 3.7%
- A lower percentage of households with a disability have an income of \$50,000 or higher.
 - Black households with a disability: 17.5%; Black households without a disability: 52.4%
 - Latinx households with a disability: 29.5%; Latinx households without a disability: 54.6%
 - White households with a disability: 34.3%; White households without a disability: 76.1%
- A higher percentage of Black and Latinx households with a disability have an income of less than \$15,000.
 - Black: 44.3%; Latinx: 31.7%; White: 25.6%
- A lower percentage of Black and Latinx households with a disability have an income of \$50,000 or more.
 - Black: 17.5%; Latinx: 29.5%; White: 34.3%
- 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 (6.9%), Latinx (7.7%) and Black (10.8%). Data also show that the percentage

of households with this income is significantly 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 level 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.

National Disability Institute (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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