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In 2015 the USA continues to recover from the longest and most severe economic downturn since the Great Depression. This “Great Recession” lasted from December 2007 to June 2009 (National Bureau of Economic Research, 2010) and affected families from all socioeconomic strata. Low-income families may have been hardest hit, however, due to record-breaking long-term unemployment, real declines in income, and substantially higher rates of poverty (Bernstein, 2014). Consequently, financial challenges historically faced by families at the bottom of the economic ladder grew even more pronounced.

To highlight the challenges facing low-income families we use data from the US Census Bureau’s Survey of Income and Program Participation (SIPP) to examine consumer finance holdings of

low-income families relative to others. Families are grouped into quintiles according to annual total family income in 2011 and 2013. This divides families into five groups, from lowest to highest, such that 20 % of families are in each quintile. We define “low-income” as families in the lowest-income quintile. Where possible, 2011 and 2013 estimates are compared with estimates from 2001 and 2003 as reported by Garasky, Nielsen, and Fletcher (2008).

Income

Expressed in 2013 dollars, the median income for all families declined 3 % from \$57,249 in 2011 to \$55,531 in 2013 (see Table 14.1). This overall decline was accompanied by declines in each quintile. The lowest-income quintile saw the greatest decline (nearly 4 %), falling from \$17,055 to \$16,416. Families in the lowest-income quintile also experienced the largest median income decline (16 %) over the preceding decade. The highest quintile, by contrast, saw a decline of less than 3 % over the same decade (see Garasky et al., 2008). Exacerbating the challenge of limited income is income volatility for these families. Observations of low-income household finances over time and at frequent intervals are shedding new light on the high level of financial uncertainty and unpredictability of

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Table 14.1 Family financial resource ownership rates by annual income quintiles: 2011 and 2013

	2011					2013						
	All	Q1	Q2	Q3	Q4	Q5	All	Q1	Q2	Q3	Q4	Q5
Median annual income (2013 dollars)	\$57,249	\$17,055	\$36,628	\$57,257	\$85,771	\$143,409	\$55,531	\$16,416	\$35,921	\$55,531	\$83,792	\$140,312
Basic services												
Interest-earning savings	41.8	18.3	34.1	41.8	51.2	63.5	41.7	19.0	32.4	41.7	51.3	63.9
Interest-earning checking	55.6	27.7	45.6	58.3	69.8	76.6	55.0	27.4	44.4	57.4	68.8	76.8
Regular checking	24.5	21.2	26.1	26.5	26.9	21.9	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Physical assets												
Own home	71.9	41.1	65.1	76.5	85.3	91.6	70.3	41.7	62.6	73.8	83.2	90.4
Rental property	6.6	1.8	4.0	5.9	8.9	12.4	6.2	1.7	3.4	5.5	8.1	12.4
Automobile	89.3	72.6	89.7	93.4	95.4	95.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Investments												
Interest-earning assets at financial institutions ^a	65.9	36.1	57.5	68.8	79.9	87.3	65.2	36.1	54.8	68.6	79.1	87.2
Stock shares	13.6	2.9	7.3	11.1	15.9	30.8	12.2	2.3	6.8	10.0	14.1	28.0
Mutual fund shares	10.7	1.7	5.4	8.6	13.0	24.9	9.6	1.5	4.3	8.3	12.3	21.7
Savings bonds	8.3	1.8	4.8	7.8	10.3	16.6	6.9	1.7	3.9	6.6	9.0	13.5
IRA or Keogh	28.0	7.7	17.8	27.4	36.7	50.1	27.6	7.3	17.4	26.3	36.4	50.5
401(k) or Thrift Savings Plan	36.4	8.6	22.0	35.3	50.4	65.7	37.3	9.2	23.6	36.5	51.8	65.6
Money market account	12.9	2.8	7.2	11.0	15.7	28.0	11.2	2.4	5.6	10.0	13.0	24.8
Government securities	0.8	0.2	0.2	0.6	1.1	1.8	0.7	0.1	0.2	0.5	1.0	1.9
Municipal or corporate bonds	2.0	0.4	0.9	1.9	2.5	4.4	1.7	0.3	0.9	1.6	1.9	3.7
Certificate of deposit	9.1	2.8	7.8	9.5	10.8	14.6	7.2	2.0	6.2	7.2	8.9	11.6
Other financial investments ^b	1.9	0.3	1.0	1.7	2.4	3.9	1.9	0.5	0.7	1.6	2.6	4.0

Source: Authors' calculations from the 2008 Panel of the Survey of Income and Program Participation

Quintile upper limits for 2011 (in 2013 dollars) were lowest quintile—\$27,138; second quintile—\$46,339; third quintile—\$70,428; fourth quintile—\$106,328; Quintile upper limits for 2013 were lowest quintile—\$26,184; second quintile—\$45,400; third quintile—\$67,868; fourth quintile—\$104,883. $N = 19,454$ (75.1 million families when weighted) for 2011 estimates; $N = 19,449$ (81.8 million families when weighted) for 2013 estimates

^aIncludes passbook savings accounts, certificates of deposit, money market deposit accounts, interest-earning accounts, US government securities, and municipal or corporate bonds

^bIncludes mortgages held for sale of real estate, sale of business or property, investments in a non-corporate business, investments in a corporation, and other investments not reported in another category

income and the strategies used to cope with income uncertainty (Murdoch & Schneider, 2013; Murdoch, Ogden, & Schneider, 2014). Halpern-Meekin, Edin, Tach, and Sykes (2015) describe the consumer finance contexts of low-income families as volatile boom and bust cycles.

Beyond Income

In addition to income declines and volatility, low-income families face related financial constraints—in terms of both assets and financial services utilization—that set them apart from middle- and high-income families. As shown in Table 14.1, the percentage of families with basic financial services, physical assets, and investments varies by income quintile. However, the contrast is greatest between families in the lowest-income quintile compared to all others. Researchers continue to advance our understanding of low-income families' finances and the roles markets and public policy play. Recent research has focused on understanding families that eschew mainstream banking services, the short- and long-run consequences of a lack of savings, the role owning a home or other assets plays in building financial security, and how the lack of health insurance affects a family's finances.

The Unbanked and Underbanked

Low-income families have fewer attachments to mainstream banking products and services. As shown in Table 14.1, only 19 % of families in the lowest quintile had an interest-earning savings account in 2013 whereas 64 % of families in the highest-income quintile had such accounts. On the positive side, these rates are three and nine points higher, respectively, than a decade earlier (see Garasky et al., 2008). The percentage of unbanked families—those without a checking or savings account—has steadily declined for two decades (Rhine & Greene, 2013). This is widely seen as a positive trend, as owning a bank account is

often viewed as a necessity for gaining financial security (Barr, 2012; Black & Schreuer, 2014; Hogarth, Anguelov, & Lee, 2004) and avoiding material hardship (Lim, Livermore, & Davis, 2010). Approximately 11 % of US consumers are unbanked; another 11 % are underbanked, which the Federal Reserve defines as someone who has a checking or savings account but who also has used an alternative financial service in the past year, such as a payday loan or a check-cashing service (Gross, Hogarth, & Schmeiser 2012). The distinctions between the banked and the unbanked or underbanked may be too rigid, however, as transitions into and out of mainstream banking are common. Among those currently without a bank account, about half previously had an account in the past (Barr, 2009; Berry, 2004; Rhine & Greene, 2013).

Researchers have identified many possible explanations for low-income families being unbanked, including high minimum balance requirements and service charges; the scarcity of banks in low-income neighborhoods coupled with the availability of alternative financial sector businesses; a perception that banks “are not for them” due to language or cultural barriers; and a misunderstanding of the costs associated with alternative financial sector transactions (Barr, 2012; Berry, 2004; Gross et al., 2012a; Mullainathan & Shafir, 2009). As a result, unbanked and underbanked consumers often patronize businesses that engage in predatory practices and charge high fees for their goods and services (Barr, 2012; Caskey, 1994; Gross et al., 2012a; Karger, 2005).

Credit and Alternative Financial Services

Credit can help low-income consumers smooth consumption, invest in human capital, and build assets, but the high cost of credit can crowd out current consumption and saving (Barr, 2009). Lacking savings, some low-income consumers use expensive, short-term credit to meet their liquidity needs. After decades of expansion of access to credit (Lyons, 2003; Mann, 2009;

Scholz & Seshadri, 2009), many low-income households now use both mainstream and alternative products such as payday and pawnshop loans (Barr, 2009; Chase, Gjertson, & Collins, 2011; Gross, Hogarth, Manohar, & Gallegos 2012b; Gross et al., 2012a).

Credit card use and debt have risen over time. One-third of low-income families report credit card debt and the magnitude of this debt relative to their income is much greater than that held by higher-income families. Among those that carry credit card debt, half have debt equal to 10 % of their income, and one-quarter have debt equal to 25 % of their income. By comparison, among middle-income borrowers, the median credit card debt share is only 5 %, and only one-quarter have debt that exceeds 10 % of their incomes (Mann, 2009). Some low-income consumers are more “debt prone” than others; those with credit card debt are also more likely to have other debt (Barr, 2009; Mann, 2009). Gross et al. (2012b) explored the characteristics of consumers who use alternative financial products such as payday loans and pawnshop loans. Their findings support previous studies (e.g., Caskey, 1994, 2005; Logan & Weller, 2009) that find consumers with lower incomes are consistently more likely to turn to alternative credit products because they are easier than qualifying for a bank loan. However, products such as payday loans are structured so that it is common for consumers to over-borrow.

Barr and Blank (2009) argue that debates about whether credit access enhances or detracts from the welfare of low-income consumers miss the point. Credit access through misleading products and inducements to over-borrow rarely are in the consumer’s best interest (Barr, Mullainathan, & Shafir, 2008), just as credit products that are straightforward can advance the consumer’s well-being. Scholars and policymakers face several related challenges. The product challenge is to develop alternative products that meet the needs of low-income consumers at low cost and that are accessible for people most in need (Chase et al., 2011). The information challenge is to introduce disclosure requirements on these innovative products and to combine this information with effective financial education.

Savings and Asset Accumulation

While day-to-day financial challenges capture much of the attention of researchers and policy makers (e.g., Blank, Danziger, & Schoeni, 2006), there also is concern about low-income families’ savings and asset accumulation (Black & Schereur, 2014; McNichol & Springer, 2004; Sherraden & McBride, 2010). Few of the lowest-income families own longer-term financial products. As shown in Table 14.1, the proportion of the lowest-quintile families that hold stocks, mutual funds, municipal or corporate bonds, or government securities is less than half that of families in the second income quintile. In both 2011 and 2013, approximately 9 % (up from 7 % in 2003) of the lowest-income families had 401(k) or similar accounts compared to 66 % of the highest-income families. These disparities in ownership rates of retirement-specific assets illustrate the difficulty of asset accumulation by low-income families relative to families in all other income quintiles.

Low-income households typically hold little wealth; the median net worth of these households in 2011 was just \$4825 (Bricker et al., 2014; US Census Bureau, 2013). Moreover, wealth disparities have grown over time. Between 2000 and 2011 households in the bottom 60 % of the wealth distribution experienced, on average, actual declines in their net worth compared to modest gains among those at the upper end of the distribution. Households in the bottom 20 % of the wealth distribution had negative median net worth, meaning that the value of debts exceeded the value of assets (Vornovitsky, Gottschalck, & Smith, n.d.). Since the mid-1980s, wealth inequality has steadily increased (Alvaredo, Atkinson, Piketty, & Saez, 2013; Bricker et al., 2014; Haveman & Wolff, 2004; Saez & Zucman, 2014). For example, the bottom 90 % of households ranked by income collectively possesses less than 2.5 % of the nation’s wealth (Bricker et al., 2014).

Building on the traditional concept of income poverty, Haveman and Wolff (2004) conceptualize ‘asset poverty’ as an insufficiency of assets such that a household is not able to meet its basic

needs as measured by the income poverty line for a period of 3 months. Four in five (78 %) of low-income households are asset poor (Brooks, Wiedrich, Sims, & Medina, 2014). This lack of accessible funds leaves them especially vulnerable to hardships, such as food insecurity or a phone disconnection (Gjertson, 2014). Differences in savings and assets between low- and high-income households have been attributed, in part, to social insurance and public assistance program availability and program eligibility rules (Sherraden & McBride, 2010; Vallas & Valenti, 2014). Moreover, tax-based asset accumulation strategies also favor non-poor households through home mortgage deductions and retirement savings incentives (Sherraden, 1991; Steuerle, Harris, McKernan, Quakenbush, & Ratcliffe, 2014).

A growing body of research documents long-term, positive impacts of wealth accumulation on low-income households and children's postsecondary education, economic mobility and family stability outcomes (Boshara & Emmons, 2013). Research suggests that savings has positive effects on college access and completion (Elliott, Nam, & Song, 2013; Sherraden & Zhan, 2011); upward economic mobility (Butler, Beach, & Winfree, 2008; Conley, 2009); and financial stability (Friedline, Nam, & Loke, 2014; Leonard & Di, 2014). Research findings also suggest that building assets may influence more future-oriented economic and social decision-making; conversely, the lack of savings can hurt future consumption and security (Boshara & Emmons, 2013).

Home and Vehicle Ownership

Home ownership has long been the primary method of accumulating wealth for most Americans, including low-income families (Belsky & Prakken, 2004; Bostic & Lee, 2008). As shown in Table 14.1, home ownership is the primary asset held by low-income families, yet just 41 % of these families in 2011 and 2013 reported owning homes. This was 14 % lower than a decade earlier when 48 % owned their homes (Garasky et al., 2008). By contrast, 2013 home ownership rates were 8 %, 6 %, 3 %, and

2 % lower than in 2003 for income quintiles 2–5, respectively.

In 2010 home equity accounted for nearly 65 % of the wealth held by households in the middle wealth quintile, or \$39,300 in housing equity (Mishel, Bivens, Gould, & Shierholz, 2012). But, this post-recession value was 45 % less than immediately prior to the recession. While this drop in equity among the middle quintile is dramatic, families in the lowest two wealth quintiles fared worse; 1 year removed from the recession low-wealth families had negative housing equity. In other words, the average low-wealth homeowner's mortgage was "underwater" in 2010 (Mishel et al., 2012). Still, the fact that the median family net worth of home owners in 2010 was 34 times greater than the median wealth of renters (\$174,500 compared to \$5100 according to Bricker, Kennickell, Moore, & Sabelhaus, 2012) suggests that the decision whether to promote home ownership among lower-income families is complex and must occur within the framework of an honest debate about the potential benefits and risks associated with home ownership (Belsky, 2010; Bostic & Lee, 2008; Grinstein-Weiss, Key, Guo, Yeo, & Holub, 2013).

Prior to the Great Recession Belsky, Retsinas, and Duda (2005) posited that low-income families find buying a home attractive because they can leverage small amounts of money to purchase a costly asset. With more liberal lending criteria in place prior to the recession, low-income families with little or no money to invest were able to commit to mortgages for 100 % or more of the value of the home they were purchasing. In that environment families with just 10 % down—and often much less—could receive a 10 % or greater return on investment for every 1 % increase in the value of the home. With a portion of the mortgage payment paying down the principal on the loan, homebuyers optimistically committed to this asset-building strategy.

Too often, however, the less restrictive lending markets that characterized pre-recession mortgage lending came with risks for low-income families that were either unknown or ignored. Lenders that based mortgage amounts on inflated home values or allowed home owners to borrow

at levels that were greater than 100 % of home values left families vulnerable to later housing market downturns. These practices resulted in foreclosures and equity losses that spanned all income and wealth quintiles, but disproportionately affected low-income borrowers (Mishel et al., 2012). Still, despite these risks there may still be reason for optimism regarding low-income families' home ownership. Research by Grinstein-Weiss and colleagues (2013) suggests that low- and moderate-income consumers who received prime mortgages experienced higher short-run increases in net worth, assets, and non-housing net worth than renters who were matched on comparable observables during the housing crisis.

Asset accumulation strategies have been viewed as complementary to the emphasis on employment embodied in federal welfare reform policies (Blank, 2002). Saving and asset levels, however, only responded minimally to changes in incentives offered through welfare reforms—suggesting that saving and asset limits are rarely binding for most low-income households (Hurst & Ziliak, 2006). However, lifting limits on the value of a vehicle did result in higher probabilities of low-income families owning a car (Hurst & Ziliak, 2006; Sullivan, 2006). As an asset, vehicles provide access to employment and community resources (Cervero, Sandoval, & Landis, 2002; Garasky, Fletcher, & Jensen, 2006; Ong, 2002) that may otherwise be difficult to access. Notably, during the past decade vehicle ownership rates remained relatively consistent. As shown in Table 14.1, approximately 73 % of low-income families owned a vehicle in 2011 and ownership rates among all other families were approximately 90 % or above. These rates are nearly identical to ownership rates a decade earlier (Garasky et al., 2008).

Health Insurance

Access to health insurance coverage and a consistent source of health care produce an additive effect on the quality of health care, timely use of health care services, and health-related outcomes

(Devoe, Tillotson, Wallace, Leski, & Pandhi, 2012; Hadley, 2007). However, a disparity in health insurance coverage is closely tied to income. As shown in Table 14.2, only 5 % of the members of the highest-income families were without health insurance in 2013, compared to 30 % in families with annual incomes below \$25,000.

Health care costs continue to rise and many Americans have trouble paying for their medical bills (Erickson, 2014). Uninsured and low-income families report a greater incidence of problems associated with medical bills and medical debt (Doty, Collins, Rustgi, & Kriss, 2008; Pollitz, Cox, Lucia, & Keith, 2014). Cohen and Kirzinger (2014) found that families with incomes at or below 250 % of the federal poverty line (FPL) carried the highest level of financial burden, whether from paying medical bills or medical debt, and many carried the burden long term. An estimated 17–54 % of bankruptcy cases are associated with medical bills and debt (Dranove & Millenson, 2006; Himmelstein, Warren, Thorne, & Woolhandler, 2005).

The primary health insurance mechanism for low-income consumers is through a government source, such as Medicare, Medicaid, or the Children's Health Insurance Program (CHIP). While the majority of Americans have private health insurance coverage (66 %), only 25 % of low-income consumers had coverage from a private source (see Table 14.2). For those without access to employer-sponsored insurance, Medicaid and similar state-sponsored health insurance programs (e.g., State Children's Health Insurance Programs) have served as the primary health insurance safety net. In 2013, 54 % of low-income family members had Medicare or Medicaid coverage, compared to 10 % of the highest-income families (see Table 14.2).

Preliminary evidence of health care reforms shows that coverage and access to health care has improved for low-income families through Medicaid eligibility expansion (Blumenthal & Collins, 2014; Collins, Rasmussen, & Doty, 2014; Dorn, 2014), a major provision enacted by the Patient Protection and Affordable Care Act (2010). The law increased access to coverage by

Table 14.2 Individual health insurance coverage rates for members of families: 2011 and 2013

	2011 ^a						2013 ^a					
	All	Q1	Q2	Q3	Q4	Q5	All	Q1	Q2	Q3	Q4	Q5
Any private insurance	66.2	27.0	54.8	73.3	85.3	92.4	66.0	25.2	52.7	71.5	84.9	92.0
Employer or union provided	82.9	63.1	73.8	81.9	87.5	90.6	83.2	65.6	74.0	80.6	87.2	90.5
Privately purchased	11.5	23.5	18.6	12.5	8.0	6.4	11.6	22.8	18.9	13.0	8.8	6.5
Military coverage	3.5	5.5	4.2	4.0	3.3	2.3	3.4	4.7	4.3	4.5	2.8	2.3
Other	2.1	7.9	3.4	1.6	1.3	0.8	1.9	7.0	2.8	1.8	1.1	0.7
Medicaid ^b	16.9	43.7	20.4	10.8	5.6	2.8	16.7	43.1	22.3	11.6	5.9	2.7
Medicare	11.7	10.4	16.9	15.0	10.7	6.3	12.4	10.7	17.7	15.8	11.2	7.4
Uninsured	16.0	28.2	22.9	14.6	8.7	5.1	15.9	29.7	22.1	15.4	8.8	5.1

Source: Authors' calculations from the 2008 Panel of the Survey of Income and Program Participation

^aQuintiles calculated based on individual's total family income in 2011 and 2013. Quintile upper limits for 2011 (in 2013 dollars) were lowest quintile—\$27,138; second quintile—\$46,339; third quintile—\$70,428; fourth quintile—\$106,328. Quintile upper limits for 2013 were lowest quintile—\$26,184; second quintile—\$45,400; third quintile—\$67,868; fourth quintile—\$104,883. $N=66,348$ (254.5 million when weighted) for 2011 estimates; $N=60,705$ (257.5 million when weighted) for 2013 estimates

^bIncludes coverage from Medicaid, State Children's Health Insurance Program (SCHIP), or other state-specific health insurance program

requiring states to expand Medicaid eligibility to adults at or below 138 % of FPL. A June 2012 Supreme Court ruling turned Medicaid expansion into an optional, state decision. As of this writing, 27 states and the District of Columbia have expanded or have Medicaid expansion plans (Kaiser Family Foundation, 2014). The Centers for Medicare and Medicaid Services (CMS) reported a 17 % increase—approximately 9.7 million—in Medicaid and CHIP enrollment numbers in 2014 (Mann, 2014).

Early indications from the initial enrollment period show uninsured rates falling among adults with incomes up to 138 % FPL in Medicaid expansion states (down 6 % points) and non-expansion states (down 5 % points) (Sommers et al., 2014). An Urban Institute study projected significant reductions in the uninsured rates in a full Medicaid expansion model, with all states expanding (Clemans-Cope, Buettgens, & Recht, 2014). As it stands, many low-income families in non-expansion states will remain without health insurance coverage and without affordable coverage options because they fall into the 'coverage gap' (Clemans-Cope et al., 2014) that includes families that do not qualify for Medicaid coverage because they have incomes above Medicaid eligibility, but below eligibility requirements to

qualify for a premium tax credit available to purchase private plans (Garfield, Damico, Stephens, & Rouhani, 2014).

Conclusion and Future Directions for Research

In the wake of the Great Recession, low-income families continue to face numerous finance-related challenges in their interactions with financial institutions, accumulating savings and other assets, purchasing and retaining a home, accessing mainstream credit sources, and acquiring health insurance coverage. Unfortunately, much remains unknown about *how* low-income families make complex consumer finance decisions under circumstances of economic uncertainty. Researchers are, however, making progress on this question by designing longitudinal, mixed-method studies that are informed by multidisciplinary frameworks (e.g., Halpern-Meeke et al., 2015; Murdoch & Schneider, 2013; Murdoch et al., 2014; Sherraden & McBride, 2010). The emergence of mixed-method studies promises new insights into the processes families use when making complex decisions in the context of severe resource constraints.

Mullainathan and Shafir (2009) suggest that the strategies on which low-income families rely to make these decisions may not be any different from the strategies employed by higher-income families. However, they argue that there is a difference between low-income families and others in that “the margins for error are narrow, so that behaviors shared by all often manifest themselves in the poor in more pronounced ways and can lead to worse outcomes” (Mullainathan & Shafir, 2009, p. 121). Lessons from behavioral economics research about how consumers understand and act in financial markets should continue to be extended to low-income consumers. Future research is needed that examines cognitive and psychological factors that influence how a low-income consumer behaves as well as systematic market biases and how they can be overcome (Barr et al., 2008). For example, strategies that integrate lessons from behavioral economics include simplifying investment decision-making by reducing the options that are available to potential investors and by having firms automatically enroll employees in savings plans. These approaches have the potential to increase participation in saving programs and increase contribution rates among current saving program participants (Gale, Gruber, & Orszag, 2006). Additional evidence is also needed to support the notion that scarcity of resources depletes one’s ability to make decisions and act on them (Mullainath & Shafir 2013; Sherraden & McBride, 2010).

There is a critical need to focus on research questions that inform public policy (Sherraden & McBride, 2010). Programs to assist low-income families now emphasize work incentives over cash assistance (Eissa & Nichols, 2005). Rather than focusing on consumption and income, many are calling for a greater emphasis on wealth building and policies aimed at economic mobility (McKernan, Ratcliffe, Steuerle, & Zhang, 2013). A number of research-based demonstration projects and small studies have been conducted that provide some evidence into which characteristics of policies and programs may be effective increasing income and assets among low-income families (e.g., Sherraden & McBride, 2010), but large-scale, rigorous studies that yield strong

evidence to inform low-income consumer finance policy are needed.

The Great Recession increased the Nation’s awareness of consumers’ vulnerabilities, particularly low-income consumers with little or no wealth. As a result, a research agenda that illuminates the numerous barriers faced by low-income families attempting to meet their basic needs is required to move both research and policy forward (Mullainath & Shafir, 2013; Sherraden & McBride, 2010). The evidence provided here suggests that low-income families experience consumer finance obstacles when interacting with banking and other financial institutions, saving and accumulating assets, purchasing a home, obtaining and using credit, and accessing health insurance coverage. Emerging evidence also suggests that thoughtful integration of research, policy, and practice will help low-income consumers not only improve their economic standing and meet their consumption needs, but also shed light on how making these complex decisions will promote long-term economic well-being.

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