# New Haven Debt Map – for DataHaven website

# Page 1: New Haven Debt Map project

When people have debts, including unpaid bills, that they struggle to repay, they are less able to afford daily necessities or to plan for and invest in the future. Debt can also affect physical and mental health. When families struggle with debt, cities bear the costs of helping them deal with the consequences. The COVID-19 health crisis has worsened the situation for many families that were already burdened by debt. The New Haven Debt Map project is a community-based research study that seeks to better understand the debt experiences of low-income families in New Haven, the impact of that debt on health, and how we can change policies to reduce the debt burden. Please contact Annie Harper ([annie.harper@yale.edu](mailto:annie.harper@yale.edu)) or Tommaso Bardelli ([tb1068@nyu.edu](mailto:tb1068@nyu.edu)) for more information, or if you are interested in participating in the project.

During the summer of 2020, an online and telephonic survey was conducted with 402 adult residents of New Haven, most of whom were low-income. See here for more information about our methods and the demographics of the survey sample. The project was funded by the [Johns Hopkins 21st Century Cities Initiative](https://21cc.jhu.edu/research/2019-seed-grants/).

\*graphic – using bar chart, summarize data about # of debts – 0, 1-2, 3-4, 4+; break down the data by race (Black, White, Latinx) AND/OR income group ((<10k, 10-20k, 20-30k, 30-75k, >75k)

[ADD TWO BUTTONS AT THE END OF EACH PAGE: Download the data & Download crosstabs]

# Page 2: Credit card debt

Credit card debt was the most common form of debt; 1/3 of people surveyed used at least one card regularly. Credit cards can be an affordable way to manage financial ebbs and flows, and can generate savings when paid down in full each month. But, interest costs can add up when a person routinely carries a balance forward. Just under ¼ of those with a credit card said they were late on payments due to COVID-19.

\*graphic – using bar chart, summarize data about credit card usage: of people with at least one credit card that they use regularly, 43% always or usually pay their balance each month, and 57% always or usually carry balance forward. Break down data by race AND/OR gender AND/OR income. (F = 63.6%, M=44.2%, B=64.1%, W=46.9%, Lx=69.7%, <10k=50%, 10-20k=48.5, 20-30k=55.5%, 30-75k=63.4%, >75k=71.5%).

\*\* QUESTION FOR THE DATA HAVEN TEAM: *In most cases we would like to visualize not just total %, but also break down by one or more dimensions (typically: gender, race, income). It is my understanding that using bar charts it is really possible to only add a comparison for one dimension, otherwise it becomes too messy/hard to read. Is that right? If so, I think we would have to decide case by case whether that should be race/income/gender.*

# Page 3: Student loan debt

The second most common debt type was student loans; 1/3 of people had student loan debt. Student loans can help people get the education they need to build their careers, but growing numbers of people, disproportionately people of color, struggle to repay their loans. In our sample, white and richer people were more likely to be up to date with payments. Also, shockingly, less than half of those who had taken a student loan had completed the program for which they took the loan; Black, Latinx and lower income people were more likely to have not completed the program. Of people who had ever taken a student loan, 15% had their tax refund taken due to student loan debt arrears.

\*graphic – using bar chart, summarize data about student loan status. Break down data by race AND/OR income:

- paid off (total=26.2%, B=26.1%, W=40.7%, Lx=9.3%, <10k=17%, 10-20k=29.8%, 20-30k=21.9%, 30-75k=30.4%, >75k=45.5%)

- paying on time (see crosstabs for data)

- paying but behind (see crosstabs for data)

- deferred/forbearance in default (see crosstabs for data)

If possible, add separate chart with data about completion of education program, including break down by race AND/OR income (see crosstabs for data)

# Page 4: Debt/lending to friends and family

The third most common type of debt was to friends and family. While this type of informal lending and borrowing is normal, lower income people, particularly people of color, are often heavily burdened by having to support each other. We found that almost as many people who owed friends or family, were also owed money that they had lent, even those with very low incomes. Black and Latinx people were more likely to be owed money by others.

\*graphic - use chart to summarize data about personal debt (see crosstabs); we would also like to visualize the overlap between owning and being owed by friends and family (28% owed money to friends or family, and 25% were owed by friends or family. Of those who were owed money, one third also owed to friends and family). How could we do this?

# Page 5: Utility Debt

Falling behind on utility bills can have disastrous consequences, including utility disconnection, resulting in loss of light, cooking facilities, hot water, the ability to use appliances or access the internet and more. When people fear having their lights or gas shut off, or actually experience shut-offs, their mental and physical health suffers.

\*graphic – use bar chart to visualize data about % of utility payers who have had light or gas disconnected in last 7 years, and % who have been disconnected more than once, and 4 or more times. Also break down data by race (white/non-white) AND/OR gender.

# Page 6: Medical debt

Medical debt was more common among women and people with higher incomes. Our sample was lower-income than average, which likely meant that many people qualified for free or low-cost healthcare through Medicaid, so would be less likely to incur medical debt.

\*graphic – use bar chart to visualize data about who owes medical debt by gender (F=23.1%, M=16.3%) AND/OR income (<10k=16.6%, 10-20k=17.8%, 20-30k=28%, 30-75k=24.7%, >75k=40%)

# Page 7: Car related debt

Many people borrow to purchase a car, increasingly essential to find and keep a job, but when people cannot afford to repay their loans, they risk their car being respossessed. Having a car has many associated costs, including property taxes. When a person falls behind on property tax payments, late fees pile up and they risk having their car towed.

\*graphic – use bar chart to visualize data about car repossession -- of people who currently or had ever owned a car, 18% had their car repossessed at some point in the past (break down by gender AND/OR race – see crosstabs)

AND (if possible)

\*graphic – another chart to visualize data about car taxes: 12% of car owners were behind on car taxes Of people who previously owned but did not currently own a car, 16% still owed car taxes. Break down by gender AND/OR class AND/OR race (see crosstabs)

AND (if possible)

\*graphic: use chart to visualize data about car towing: A third of current or past car owners had had their car towed at least once. More than one third had been towed due to unpaid taxes; of people who had had their car towed, 8% were unable to recover their car. Break down by gender AND/OR income AND/OR race (see crosstabs)

# Page 8: Housing debt

Most of our sample were renters; only 10% were homeowners. Many renters had fallen behind on their rent at some point, and a small but significant number were currently in arrears; most said this was in part due to Covid. Rent arrears are likely to have significantly worsened since the survey was conducted (summer 2020). When people cannot pay their rent, they risk late fees and eviction.

\*graphic – use bar chart to visualize data about rent arrears: 38% of renters behind on rent at some point in last year, 12% currently behind, 9% due to covid. Breakdown data by race AND/OR receiving v. not receiving rental assistance.

# Page 9: Alternative Financial Services (AFS) debt

People with bad credit who are unable to borrow from banks may borrow from costly AFS providers such as rent-to-own stores, buy-now-pay-later retailers, pawn shops and payday lenders. While rent-to-own or buy-now-pay-later options are more manageable as the costs are spread out over many months, the total cost of items purchased may be many times more what it would be paid for all at once. Payday lenders are illegal in CT, but are readily available online.

\*graphic – use bar chart to visualize data on AFS: 20% had used a rent-to-own store, 28% had purchased using a buy-now-pay-later option, one third had used a pawn shop, and 8% had used a payday loan. Break down by race AND/OR gender AND/OR income (see crosstabs).

# Page 10: Bank overdraft debt

Bank accounts can be a low cost way to manage finances, make payments, save money and access credit. However, overdraft fees are common and make banking unaffordable for many people. Twenty percent of people who had paid an overdraft fee had stopped using a bank account because of unpaid overdrafts. Recent changes in the law have made it harder for banks to charge overdraft fees without customer agreement, but we found that close to 50% of people had opted in for overdrafts, and 16% weren’t sure whether they had opted in or not.

\*graphic – use bar chart for data on overdraft fees: 35% never paid fee, 15% paid fee once, 28% paid fee 1-5 times, 22% paid more than 5 times.

# Page 11: Benefits overpayments

People who depend on disability benefits, particularly if they receive SSI, can easily go over their income earning or asset limits such that they are overpaid and have to repay the Department of Social Security overtime. This can leave people on already very low incomes having to live on even less.

\*graphic – use bar chart for data about overpayments: Seventeen percent of respondents were currently receiving SSI and/or SSDI or had received it in the past, of whom a third had been asked to repay an overpayment to the social security administration (SSA) at some point; 19% were currently repaying an overpayment to the SSA. Breakdown by race AND/OR income.

# Page 12: Credit scores

When people have low credit scores, it affects their ability to find work, rent an apartment, or access affordable loans. Black people are more likely to have worse credit than Whites due to historical and ongoing racism that has impacted their ability to build wealth which impacts credit.

\*graphic: visualize data on credit score, show how credit scores vary by gender/race/income (see crosstabs)

# Page 13: Financial stress and health

Debt can be stressful, and can even cause serious health problems. Close to half of those surveyed said that they were stressed or very stressed. HOW TO We also found that people with unsecured or non-loan debt were more likely to report that they felt depressed than those without, and also that the more debts a person had of any type, the more likely they were to feel depressed.

\*graphic – we could use correlation chart ( to show connection between number of debts people had (0; 1-2; 3-4; 4+) and depression scores. Chart should also show how income mediates the debt/stress relation.