

‘HOW ARE PEOPLE SUPPOSED TO GET AHEAD?’

Financial precarity among New York State residents

RACHEL SWANER



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ABOUT THE AUTHOR

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ACKNOWLEDGEMENTS

The author would like to thank Opal Lynch, Jesse Kramer, and Luis Rodriguez for their careful work designing and promoting this report; and Alia Winters, Oksana Mironova, and Sam Stein for their valuable edits to an earlier version. Gratitude also to Jeff Maclin for his efforts to ensure the report’s findings reach the audiences who can put them to use. Special thanks to the Oak Foundation and the Robin Hood Foundation, who provided support for our annual survey. The opinions, findings, and recommendations contained in this report are those of the author and do not necessarily reflect the positions or policies of our funders.



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The changing reality of financial security

Financial precarity does not just affect families living in poverty, but a broad swath of New York's population. A 2024 report from the Pew Research Center found that the share of Americans who are middle class declined from 1970 to 2023, while the gap between the highest-income households and everyone else had widened.^{1,2} Research from the Urban Institute similarly documents growing wealth inequality,³ and shows that financial security requires more than income: not just a steady paycheck, but also emergency savings and retirement funds or other financial cushions.⁴

'Middle class' no longer guarantees financial security

- WESTCHESTER COUNTY RESIDENT

New York's high cost of living amplifies these national trends. To illustrate how these pressures play out in New Yorkers' lives, this report draws on quantitative and qualitative data from our Annual Survey of Housing Economic Security, fielded in September and October 2025 with a statewide sample of 4,000 adults. (See Appendix A for respondent demographics.) Findings reveal how short-term and long-term savings shortfalls, along with debt, are eroding stability across income levels.⁵ Stagnant incomes and rising costs leave many without the means to attain economic security or withstand even modest shocks. Across the state, residents described struggling to keep pace, let alone get ahead. The report concludes with what New Yorkers say would help them feel more financially secure and lays out a bold policy agenda drawn from these findings. The results point to a need for a fundamental shift in how we address financial precarity—including universal programs that reduce the cost of living for all residents, alongside broader state policies that stabilize incomes, provide safer alternatives to high-cost debt, and strengthen long-term financial security.



A fragile foundation undermines short-term stability

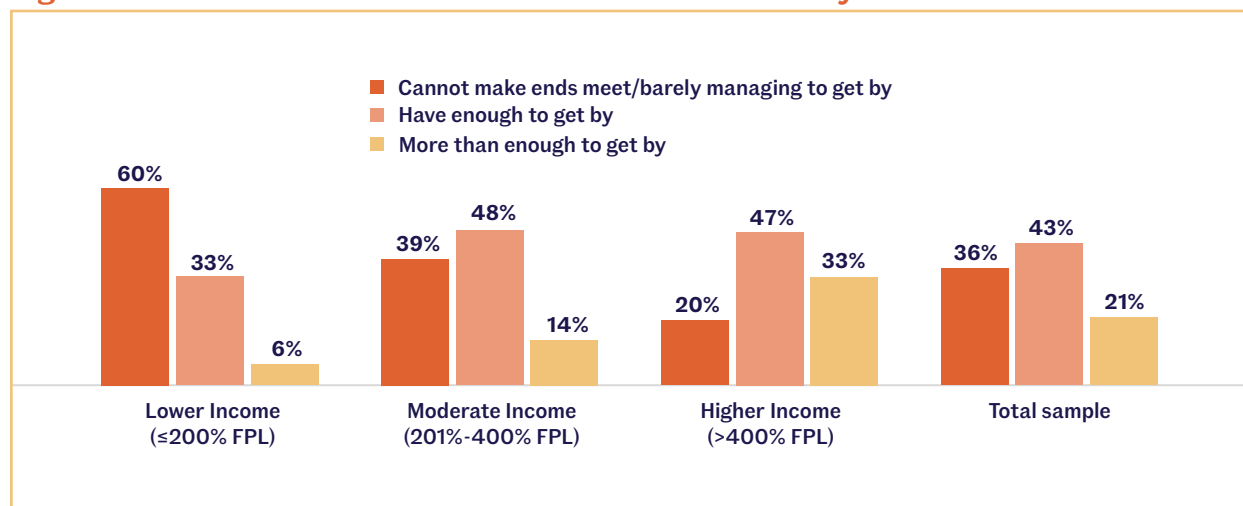
Households that can cover basic needs and handle unexpected expenses, without falling behind on bills or going into debt, are financially stable in the short term. Survey results show that short-term financial stability is out of reach for many New Yorkers.

“Even with stable income, unexpected expenses can make financial progress challenging.”

- WESTCHESTER COUNTY RESIDENT

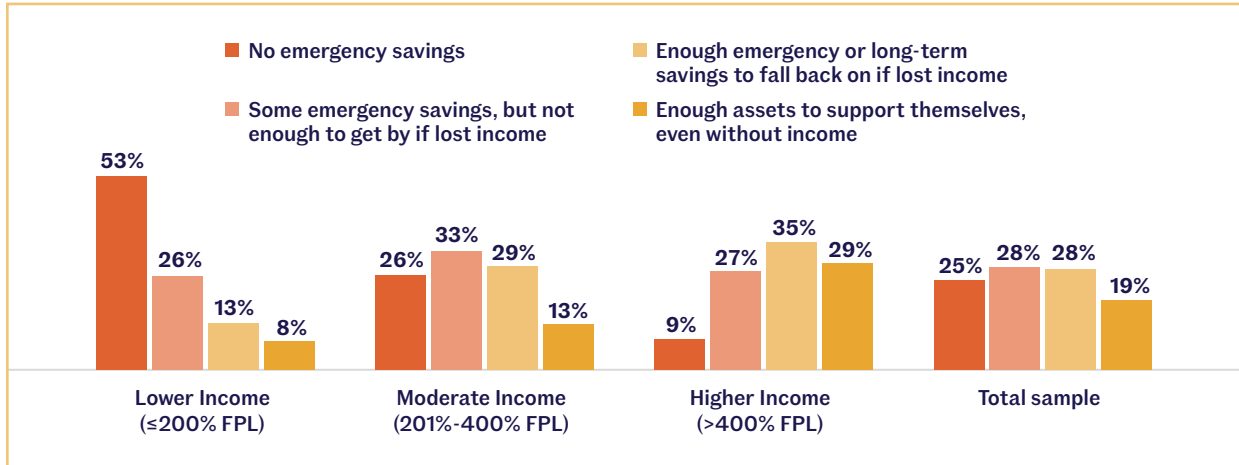
As shown in Figure 1, 36 percent of respondents reported that they could not make ends meet or were barely getting by. Among those earning up to 200 percent of the federal poverty level (FPL), that share rises to 60 percent. Even among moderate-income respondents—those above the near-poverty threshold—nearly four in ten reported facing short-term financial strain.

Figure 1: More than a third of New Yorkers are financially strained



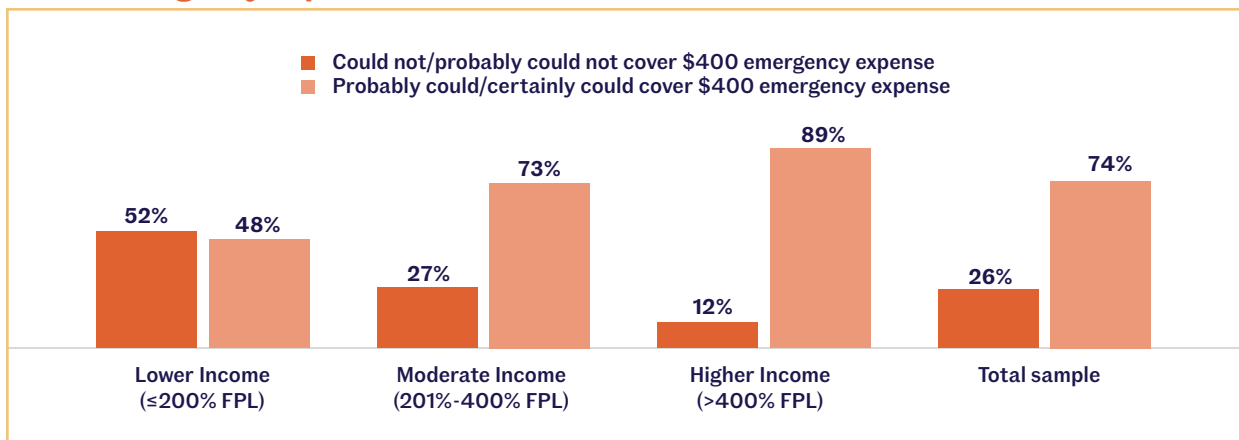
Savings are a key buffer against unexpected costs, yet many households lack this basic protection, compounding their precarity. One in four respondents reported having no emergency savings at all—and among low-income households, more than half fall into this category.

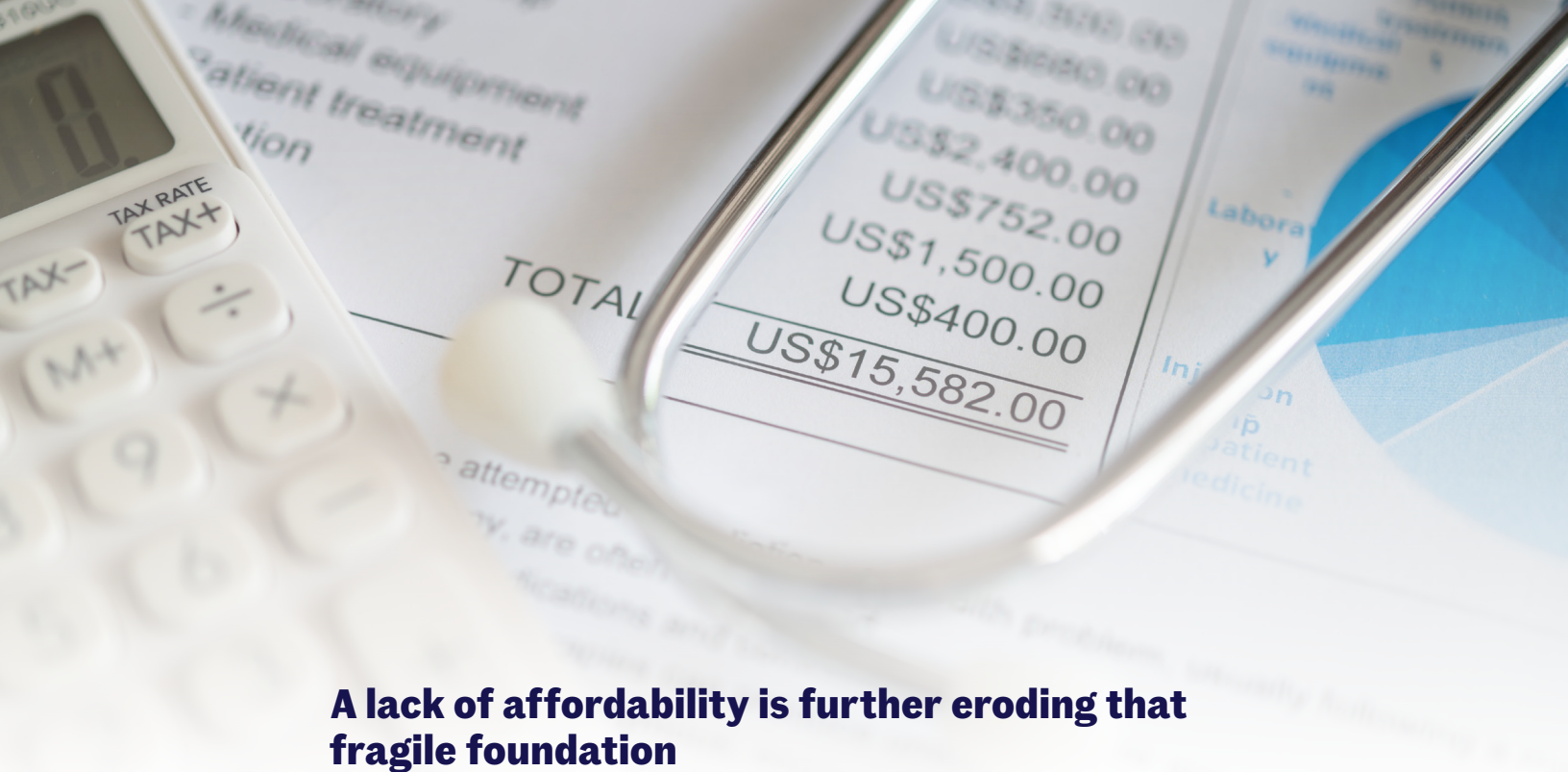
Figure 2: A quarter of New Yorkers have no emergency savings



The consequences of these gaps are evident in responses to an unexpected expense scenario. More than a quarter (27 percent) of moderate-income respondents said they could not or probably could not cover a \$400 emergency expense. Among low-income households, this share exceeded half of all respondents. These findings reflect just how thin the financial margins are for many households across income levels: a single unexpected bill—or even a sudden increase in a regular one like rent—can lead to deeper hardship and precarity.

Figure 3: More than a quarter of moderate-income New Yorkers could not cover a \$400 emergency expense





A lack of affordability is further eroding that fragile foundation

When asked an open-ended question about what they wished elected officials understood about what it takes to get ahead financially, many responses focused on affordability challenges. Notably, the quotes in this subsection come from respondents above 200 percent of the federal poverty level, underscoring that these challenges extend beyond those in poverty or near-poverty.⁶

Some described how emergency spending can derail financial stability, stating that “unexpected expenses can sink a person’s budget.” One Erie County resident elaborated:

“The hardest part isn’t dealing with the expenses you know are coming, it’s the emergency and surprise expenses that hold you back from achieving your goals. By helping people with the bigger burden, those expected expenses, you could help them deal with the surprise expenses.”

Beyond one-time shocks, respondents identified the constant pressure of everyday expenses—the costs that make it “almost impossible” to accrue savings or build assets. “I wish elected officials better understood how hard it is for many people just to cover basic expenses, let alone save or build wealth,” said one

“Groceries are too high. Medical insurance, car insurance is extremely high. Electric bills have gone up. We need all of these to come down so we can have a life, not just work to pay bills.”

- NYC RESIDENT

Bronx resident. A woman in Queens pointed to the fact that the “cost of living is so high. Mortgage, utilities, food, it’s impossible to get a leg up.”

These challenges extended across regions. A Long Island resident noted that “the average person is struggling to put food on the table let alone invest or save for the future,” while a Westchester respondent linked rising costs to stagnant wages, saying “it is impossible to keep up with daily bills and financial responsibilities when the cost of renting/living is so high and my pay does not increase.”

One woman from Queens made explicit the link between lack of affordability, wages, and savings:

“I wish elected officials better understood how hard it is for many people to get ahead financially, even when they work full-time. Wages often don’t keep up with the rising costs of housing, healthcare, education, and everyday expenses. Many families live paycheck to paycheck and can’t save for emergencies or the future.”

For many, this daily squeeze—not a sudden crisis—defined their financial insecurity. One Staten Islander put it bluntly: “they are nickel and diming the middle class out of existence.” Or, in the words of one Erie County resident: “It’s hard out here!”



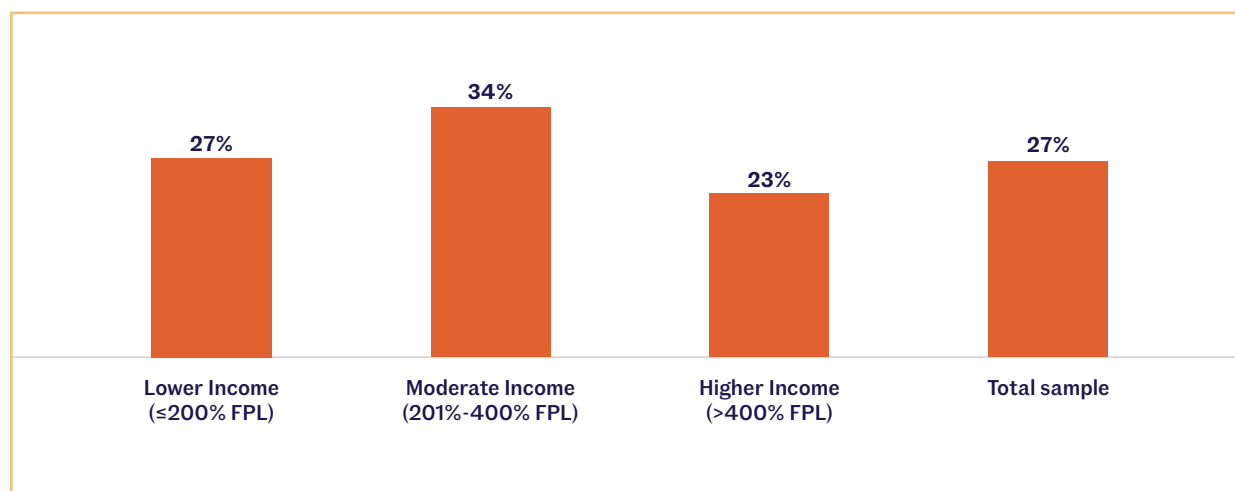
Debt is a survival strategy

The inability to save in the short term and the rising cost of basic needs often forces households to rely on debt to survive. As shown in Figure 4, more than a quarter (27 percent) of respondents reported relying on short-term debt such as credit cards, Buy Now Pay Later apps, cash advances, and loans from family or friends to cover everyday expenses. Moderate-income households did so at higher rates than both lower- and higher- income groups. The fact that more than a third must borrow to keep up with regular costs suggests a widening policy gap: moderate-income households are excluded from most safety-net programs yet are still unable to meet basic expenses without taking on debt.

The jobs that we have don't pay enough to live debt free.

- NYC RESIDENT

Figure 4: More than a third of moderate-income New Yorkers rely on short-term debt to cover expenses



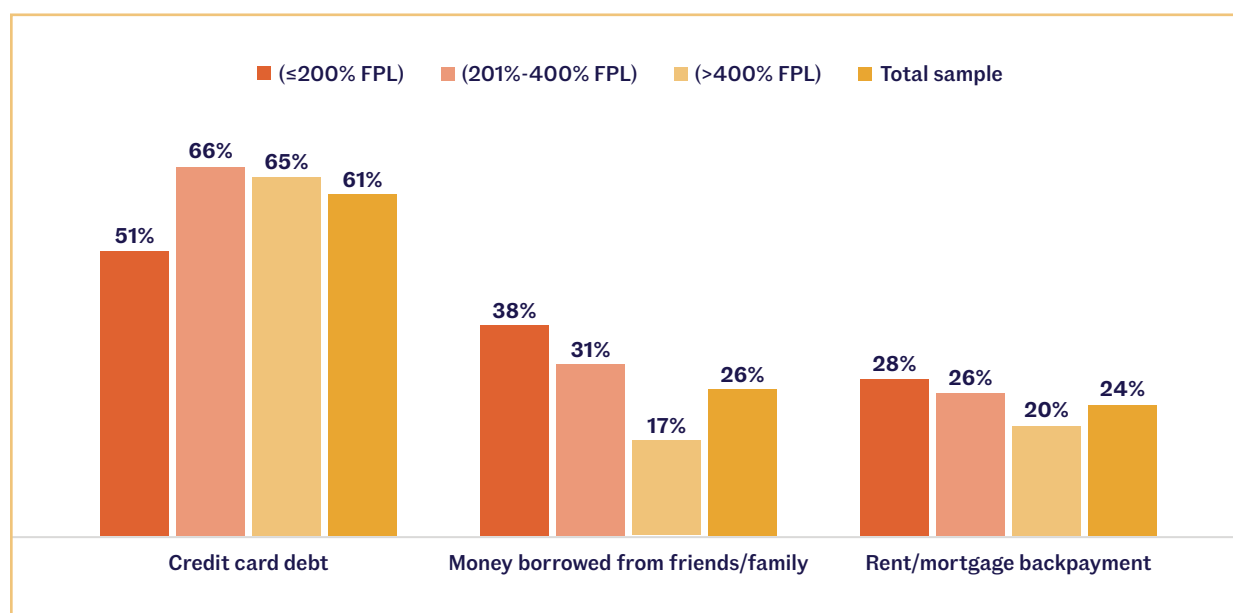
When asked about whether they currently carried certain types of short-term debt, 61 percent of respondents reported having credit card debt. Moderate-income households were the most likely to rely on credit cards, but even higher-income respondents reported similar levels—suggesting that credit card use has become a common way to bridge gaps in household budgets for New Yorkers across income levels.

Survey participants also reported significant consequences of short-term borrowing. Thirty percent said their current credit card debt made them feel anxious, stressed, or overwhelmed. One in four (26%) said they had to cut back on savings as a result of their credit card debt, and an equal share (25%) reported that their credit score had been lowered because of it.

Figure 5 shows that borrowing from friends or family was most common among lower-income households, while rent or mortgage back payments—though not a loan, still a significant form of debt—were similarly prevalent across income groups, affecting roughly one in four New Yorkers. Forty-five percent of those who owed money to friends or family reported feeling anxious, stressed, or overwhelmed because of it, and 30 percent of those who had rent or mortgage back payments said the same.

Short-term borrowing occurred alongside substantial longer-term debt. Twenty-six percent of respondents reported having a mortgage, 25 percent had medical debt, 25 percent had auto loans, and 18 percent carried student loan debt—underscoring that many households are managing multiple layers of financial obligation at once.

Figure 5: Patterns of short-term debt use differ by income level



Debt is both a symptom and driver of financial instability

These numbers reveal how common debt is across income levels, and respondents' comments emphasize debt's necessity when "the jobs [...] don't pay enough to live debt free."

Some New Yorkers described debt as both pervasive and difficult to escape. As one low-income Albany County woman explained, "[I]n this day and age, it's too easy to fall into debt and nearly impossible to climb back out. [...]

we tread water to survive." A Brooklyn resident asked, "How are people supposed to get ahead when they are constantly battling debt?" Another spoke of the hopelessness that comes with being trapped in this cycle: "I'm so far behind in terms of debt I don't know how I'll ever get out of it."

It's too easy to fall into debt and nearly impossible to climb back out.

- ALBANY RESIDENT

For some, credit card debt had its own material and emotional consequences. A moderate-income woman in Queens described "how credit card debt can strangle," while a low-income woman in Monroe County pointed to the cascading impact of debt on key aspects of her family's life:

"I am forced to live in overly expensive housing in the worst, most crime-ridden parts of the city because of struggles with debt and credit scores. My kids have been subjected to terrible schools and missed almost all socializing opportunities because we live in unsafe neighborhoods."

These comments illustrate how short-term borrowing can spill over into long-term barriers, even shaping where families can live and what opportunities their children have.

Respondents also identified other forms of debt that undermine stability. In Erie County, a man living below the federal poverty level noted that "any medical condition quickly takes away savings and makes large debt," while a moderate-income woman in the Bronx pleaded for assistance from elected officials regarding education debt: "Help the struggling middle class! Reduce student loans to ALL & not only a selected group."

Taken together, these comments illustrate how debt accumulates across multiple domains—everyday expenses, health, education—making it harder for households across income brackets to gain financial footing.

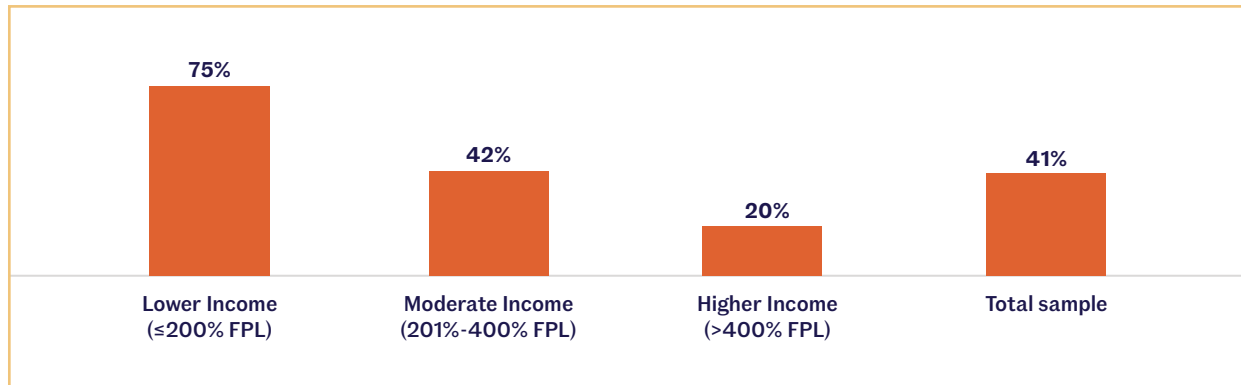
Long-term stability is out of reach for many

Long-term financial stability depends on both regular income and the ability to save over time. For many of our survey respondents, planning for the future was out of reach. Among those not already retired, 41 percent reported they were not currently saving for retirement. This share was substantially higher among low-income respondents, but also significant for moderate-income respondents and even among those with higher incomes.

Saving, investing, or planning for the future is nearly impossible.

- LONG ISLAND RESIDENT

Figure 6: Four in ten New Yorkers are not saving for retirement



The most common reason for not saving was straightforward: 45 percent of respondents reported that they could not afford to save right now. Income volatility and debt also played a role. Moderate- and low-income respondents were more likely to point to unpredictable income (24 percent and 21 percent, respectively) than higher-income respondents (13 percent). Moderate-income respondents were also more likely to report that debt prevented them from saving (23 percent), compared with 19 percent of higher-income and 14 percent of lower-income respondents.

These patterns show how difficult it is for households to think beyond immediate needs when wages, costs, and debt leave little room to plan for the future. Retirement insecurity is both a short- and long-term vulnerability, especially for those approaching older age with limited savings. As one Schenectady County respondent noted, this strain begins long before retirement: “Many people work full-time yet still can’t build savings.”

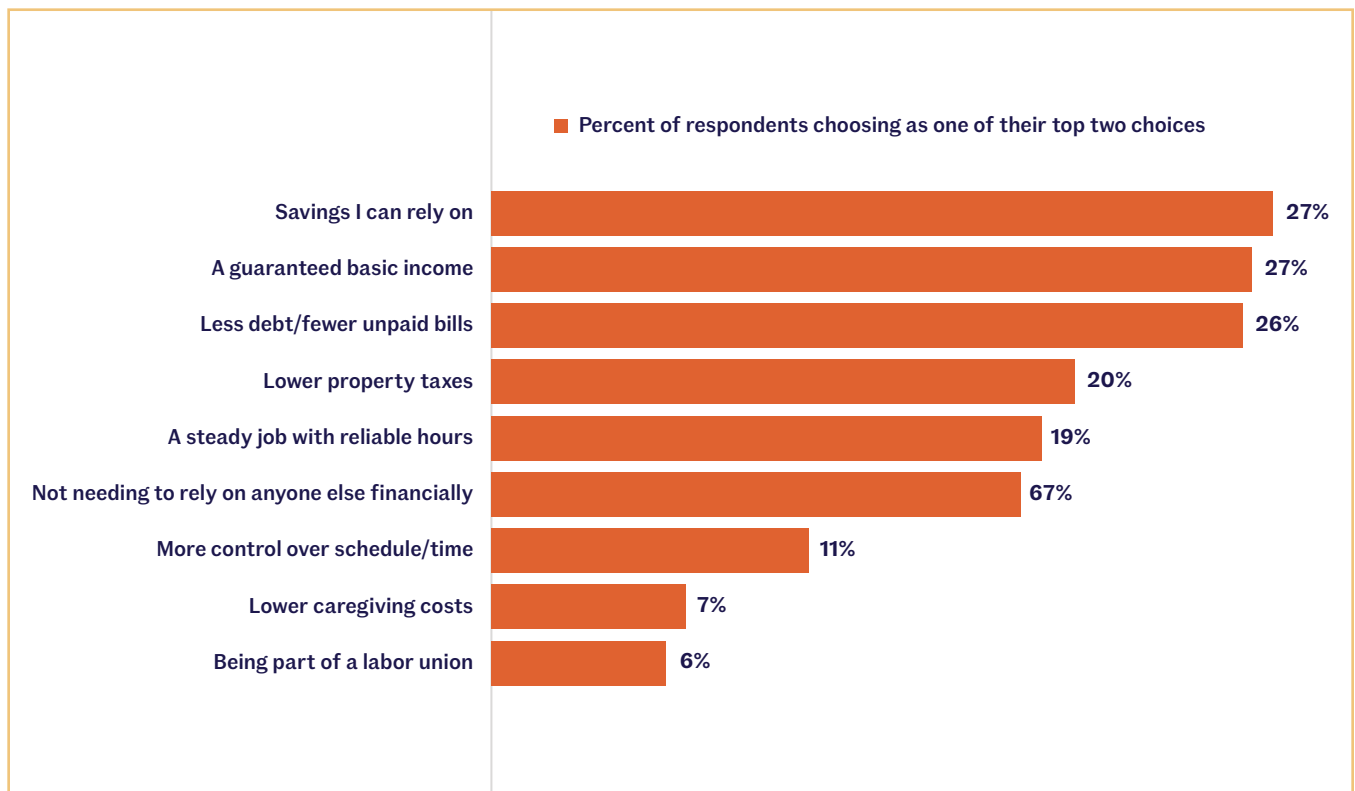
What New Yorkers say will help

Faced with short-term stability, mounting debt, and limited long-term planning capacity, many respondents identified concrete supports that would help them have a sense of security. When asked to select the top two things that would make them feel more financially secure right now, New Yorkers gravitated toward tools that would make their finances more predictable: savings they could rely on, a guaranteed basic income, and relief from unpaid bills or existing debt.

**The average person
needs relief.**

- ERIE COUNTY RESIDENT

Figure 7: New Yorkers say savings, income stability, and debt relief would help them feel more secure



Relative priorities differed by income. Low-income respondents most frequently chose a guaranteed basic income (29 percent) and less debt or fewer unpaid bills (27 percent), reflecting the

immediate pressures of meeting basic needs. Moderate-income households placed an even stronger emphasis on reducing debt (33 percent) than low-income respondents, while also prioritizing savings they could rely on (31 percent). This pattern underscores their position on the edge of stability: close enough to save in theory, but too financially stretched to do so consistently. Higher-income respondents also prioritized savings (27 percent), while their next-highest choice, lower property taxes (25 percent), likely reflects the cost pressure associated with homeownership.

‘Everyone deserves peace of mind’

Respondents’ open-ended comments pointed to the fact that their financial insecurity stemmed largely from conditions beyond their control. Many described struggling to save despite working full-time, citing an economic landscape in which rising costs and unpredictable expenses continually outpaced their incomes. One Albany resident captured this tension by noting “just how hard it is to save anything with the current economy and inflation.” A Monroe County respondent emphasized this vulnerability, noting that “the average person doesn’t have large savings to fall back on and needs job security”—echoing the finding in Figure 2 that 53 percent of New Yorkers lack emergency savings or could not get by if they lost their income. A woman in Queens called out the availability of work itself: “I wish that they would understand to get ahead financially, first there need to be jobs in place in the market.”

Others stressed that real economic stability would require recalibrating the balance between wages and basic expenses so that saving becomes feasible. As one person put it, “raise the wages so we can afford to live or lower rents and utilities.” Several respondents also highlighted the psychological toll of financial strain. A moderate-income Westchester resident explained, “we can’t be expected to work paycheck to paycheck and live in anxiety over our expenses. Everyone deserves peace of mind.” Another respondent added, “We make worse choices when we are financially constrained, because the stress affects our brains.”

Aging can amplify financial precarity

Though respondents aged 65 and up did not report greater financial precarity than the rest of the sample, some did cite a connection between financial insecurity and longer-term pressures associated with aging—an area where some felt particularly unsupported. One woman on Long Island described how seniors who are not poor enough to qualify for assistance are not protected:

“They need to help with elder care expenses such as when an elderly person needs a nursing home. All their savings are drained and then with look backs they lose everything they worked all their lives for. Those who have nothing get that help. The system needs changing to include all elders.”

One respondent from Monroe County highlighted the vulnerability of seniors on fixed incomes, who face rising costs and market volatility without the ability to rebuild lost savings:

“For retirees living on a fixed income of [Social Security], maybe a small pension, combined with lifetime savings, every monthly increase costs them more. Every time the stock market loses a lot, the money in their 401k and IRAs loses money which they cannot make up because their principal has been reduced. [...] Just wait ‘til you get to this age and nobody cares if you can’t afford to live in a decent place.”

Another Long Islander took a similar position, noting that even cost-of-living adjustments fail to keep pace with rising expenses: “The cost of everything has risen, and folks that depend on Social Security are being underserved. The COLA increases are not realistic and do not reflect the actual cost of living for seniors.”

These reflections underscore how older adults encounter heightened financial vulnerability across income levels because aging reduces their capacity to recover from financial shocks just as their costs and care needs intensify.

Together, the qualitative survey findings point to a larger reality: New Yorkers are contending with structural conditions that individual effort alone cannot overcome. Addressing these pressures will require government-level solutions.



What it will take to build financial security for New Yorkers

National research shows a shrinking middle class, rising inequality, and the growing importance of wealth for financial security. The experiences of New Yorkers mirror these trends: across income groups and regions, residents described a widening gap between what life costs and what their incomes allow. The question posed by one survey respondent, echoed in the title of this report, remains unanswered by existing, siloed policies: *How are people supposed to get ahead?*

We need to raise the minimum wage, have universal health care and rent control.

- ERIE COUNTY RESIDENT

The findings make clear that financial precarity in New York is not limited to those in poverty. Low-, moderate-, and even some higher-income households struggle with unaffordable basics, unpredictable expenses, and rising debt. Narrowly targeted interventions will not meet the growing need. A more ambitious policy framework must be embraced by state leaders. As one Saratoga County respondent put it: “Even when you do what they say and work 40 hours a week, you still can’t survive but you make ‘too much’ for help.” New York needs universal programs that reach across income bands to provide relief and support. In addition, government policies must confront the broader structural conditions that keep so many households on precarious footing:

- **Reduce the cost of living.** Rising costs for basic necessities—housing, utilities, healthcare, childcare, transportation, food—consistently outpace wages. A statewide affordability strategy that reins in ongoing costs would ease the financial pressures on households at all income levels. As one respondent noted earlier, when there’s help for the biggest, most predictable expenses, families have greater ability to handle emergencies—making cost-of-living reforms foundational to any stability strategy.
- **Make borrowing safer and less necessary.** With many New Yorkers relying on credit cards and other forms of short-term debt just to cover routine expenses, policymakers may need new approaches that reduce reliance on high-cost debt and expand access to low-risk financial supports and public or nonprofit alternatives to high-cost credit.
- **Strengthen income stability.** Respondents emphasized that predictable income is essential to meeting daily expenses and building savings. Policies that stabilize earnings and reduce volatility would help households plan, save, and avoid debt cycles.
- **Build assets across income groups.** Because savings and wealth are increasingly central to long-term security, New York may need a new generation of asset-building policies—tools that allow families to accumulate and protect resources over time.
- **Support people as they age.** In our survey, older respondents described the rapid erosion of fixed incomes as a result of rising costs and long-term care needs. Ensuring that seniors can age safely and affordably will require reforms that reduce out-of-pocket burdens, protect lifetime savings, and strengthen access to affordable housing.

Our survey findings show that financial security is an ecosystem. Wages, housing, taxes, debt, savings, and care systems are interconnected; policies must address them that way. The experiences of New Yorkers make clear that helping people get ahead will require bold leadership, fresh thinking, and solutions that are as comprehensive as the challenges they face.

Appendix A: Demographics of Weighted Sample

The total sample size is 4,000.

Region	Percentage
New York City	50.0%
Long Island	10.0%
Capital District	10.0%
Monroe County	10.0%
Erie County	10.0%
Westchester County	10.0%

Age Range	Percentage
18-24	11.0%
25-29	8.4%
30-34	10.0%
35-39	8.1%
40-44	8.7%
45-49	9.0%
50-54	7.4%
55-59	8.0%
60-64	6.6%
65+	22.7%

Federal Poverty Level Band	Percentage
Under 100%	14.4%
100%-200%	12.8%
201%-300%	11.6%
301%-400%	14.8%
401%-500%	14.3%
Over 500%	32.2%

Race/Ethnicity	Percentage
White only	44.5%
Hispanic only	17.4%
Black only	14.6%
Asian only	10.0%
Multi-racial	5.6%
American Indian/Alaskan Native only	1.6%
Native Hawaiian/Pacific Islander only	0.5%
Middle Eastern/Arab only	0.8%
Other	2.2%
Prefer not to answer	2.8%

Gender	Percentage
Woman	51.2%
Man	47.1%
Non-binary	0.7%
Other	0.2%
Prefer not to answer	0.8%

Party Affiliation	Percentage
Strong Republican	14.0%
Moderate Republican	12.5%
Independent	22.0%
Moderate Democrat	18.9%
Strong Democrat	23.2%
None of the above	6.1%
Prefer not to answer	3.4%

Housing Type	Percentage
Own and live in own home	46.4%
Rent-stabilized or rent-controlled rental	15.3%
Market rate rental	12.2%
Public housing	8.6%
Homeless (e.g., shelter, couch surfing)	4.4%
Subsidized rental (e.g., Section 8, Mitchell-Lama rental)	4.2%
Mitchell-Lama or HDFC co-op	1.1%
Other	7.8%

Endnotes

1. Rakesh Kochhar. May 2024. The State of the American Middle Class. Pew Research Center. Available at https://www.pewresearch.org/wp-content/uploads/sites/20/2024/05/RE_2024.05.31_American-Middle-Class_FINAL.pdf.
2. More locally, New York City saw widening wage gaps between the lowest-paid workers and top earners—and between middle-income workers and those at the top—over the 2019–2023 period. See Mohamed Obaidy, James Parrott, and Apurva Mehrotra. October 2024. Wage Compression or Wage Divergence? Real Wage Growth Comparison between New York City and the U.S., 2019–2023. The New School Center for New York City Affairs. Available at <https://www.centrernyc.org/reports-briefs/wage-compression-or-wage-divergence-real-wage-growth-comparison-between-new-york-city-and-the-us-2019-2023>.
3. Urban Institute. April 2024. Nine Charts about Wealth Inequality in America. Available at <https://apps.urban.org/features/wealth-inequality-charts/>.
4. Madeline Brown and Rekha Balu. September 2025. Financial Security Requires Income and Wealth. Most Americans Struggle with Both. Urban Institute. Available at <https://www.urban.org/urban-wire/financial-security-requires-income-and-wealth-most-americans-struggle-both>.
5. Throughout this report, we categorize low-income respondents as those whose households are at or below 200% of the federal poverty level (FPL), moderate-income respondents as those who are between 201% and 400% of FPL, and higher-income respondents as those whose income is above 400% of FPL.
6. The federal poverty level, as determined by the U.S. government's Official Poverty Measure, is an important but flawed benchmark. It does not reflect the true cost of living and does not capture geographic variation. The same national threshold applies whether someone lives in rural Mississippi or midtown Manhattan, despite higher living costs in New York. The Official Poverty Measure is based on a 1960s food-budget formula and excludes major household expenses such as housing, childcare, transportation, taxes, and out-of-pocket medical costs. It also counts only cash income, leaving out resources like SNAP, housing subsidies, and refundable tax credits. Because the poverty thresholds remain far below what families need to get by—especially in high-cost states like New York—the measure substantially understates economic need and masks the real extent of hardship. Despite these limitations, the federal poverty level remains the basis for determining eligibility for many public benefits and programs, making it a useful reference point for illustrating how financial strain aligns—or does not align—with policy-relevant income bands in this report.

Methodology

For more than 20 years, the Community Service Society of New York has surveyed New Yorkers on housing, employment, benefits, finances, and policy views. The 2025 Annual Survey of Housing and Economic Security surveyed 4,000 adults statewide between September 9 and October 2, 2025. Surveys were offered in English, Spanish, Chinese, Russian, and Haitian Creole via online panels, email, phone, and text recruitment. The survey included residents from New York City (2,000), Long Island (400), Westchester (400), the Capital District (400), Erie County (400), and Monroe County (400). Results were weighted by region to reflect the demographic composition of New York State adults. The margin of error is ± 1.55 percentage points. Federal poverty level bands were calculated for each responding using their 2024 household income, household size, and the U.S. Department of Health and Human Services [2024 poverty guidelines](#).

Quantitative data were analyzed using bivariate statistics, with chi-square testing for significant associations between federal poverty level band and variables of interest. All associations between variables shown in Figures 1–6 were statistically significant ($p < .001$). Open-ended responses were analyzed to enrich and contextualize quantitative patterns, and illustrative quotes were selected to represent diversity across geography, gender, federal poverty level bands, and race/ethnicity.

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