

# The LGBTQ+ Financial Landscape

2022 Insights study



# Welcome

Over the past two decades, the LGBTQ+ community has made significant strides in advancing equality. Yet, advances in financial equity have been slow to materialize, partly due to a lack of actionable and consistent data.<sup>1</sup>

The U.S. Bank *LGBTQ+ Financial Landscape* insights study aims to help organizations, advocates and the community itself gain a greater understanding of the financial challenges experienced by LGBTQ+ individuals.

With this goal in mind, in July 2021, U.S. Bank commissioned Culturintel to analyze 16.9 million open-source data points and Collage Group to conduct a survey. This research collectively explored distinctions within the context of intersectionality to ensure that insights reflect the vast diversity of the community.

Although we know that achieving financial independence and security is a goal for most people, we found that it has an especially unique meaning and importance in the LGBTQ+ community – the ability to live life by your own rules.

We understand that our industry has an important role to play in meeting the financial needs of LGBTQ+ consumers and are committed to helping every customer achieve their financial aspirations. By sharing these insights, we hope to help financial institutions identify actions that will accelerate financial equity.



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# Executive summary

While research into the experiences and needs of LGBTQ+ individuals and communities has grown over the past couple of decades, studies that focus on financial topics have been limited. With this report, U.S. Bank seeks to add to the conversation by uncovering barriers as well as identifying actionable outcomes for organizations and advocates – and the community itself – that focus on empowering and developing solutions for LGBTQ+ people.

U.S. Bank commissioned a review of 16.9 million data points of open-source, peer-to-peer online conversations about finances. Based on what we learned from the unsolicited and authentic voices of the community, we formulated questions. Our partners then conducted an online study with 1,258 respondents who self-identified as LGBTQ+ and a comparison group of 311 who self-identified as non-LGBTQ+.

- ▶ **The Human Rights Campaign (HRC) Foundation** served as a peer reviewer for this report.
- ▶ For full details on the two studies, **please view the Methodology section** at the end of this report.

This project aims to address one of the biggest challenges in LGBTQ+ research: comparing differences across specific groups within LGBTQ+ populations (e.g., transgender vs. queer vs. lesbian, etc.). Analyzing such an incredibly diverse group as a whole can overlook the many important distinctions within this group. Following a growing body of literature about the financial disparities faced by the transgender community, as well as the first-ever study to examine queer identity in a U.S. nationally representative sample (which focused on larger demographic differences),<sup>2</sup> this study aims to add to the conversation by looking into the finances of each subsegment of the LGBTQ+ community, where sample size deems it feasible, and bring to light the most pressing financial barriers faced by each. However, due to the sample sizes for queer and transgender individuals, results from those two groups should be used for directional purposes only.

In reviewing data about LGBTQ+ individuals, we acknowledge the importance of intersectionality and note that gender, race, religion, physical ability and other factors play a part in some responses related to discrimination.

This report helps build an understanding of the needs, goals and challenges of the LGBTQ+ community. Companies must also listen to their LGBTQ+ customers and employees through existing channels, such as employee engagement surveys and customer insights analytics. By continuing to learn and listen, we'll gain the insight needed to take actions that support lasting change.

## LGBTQ+

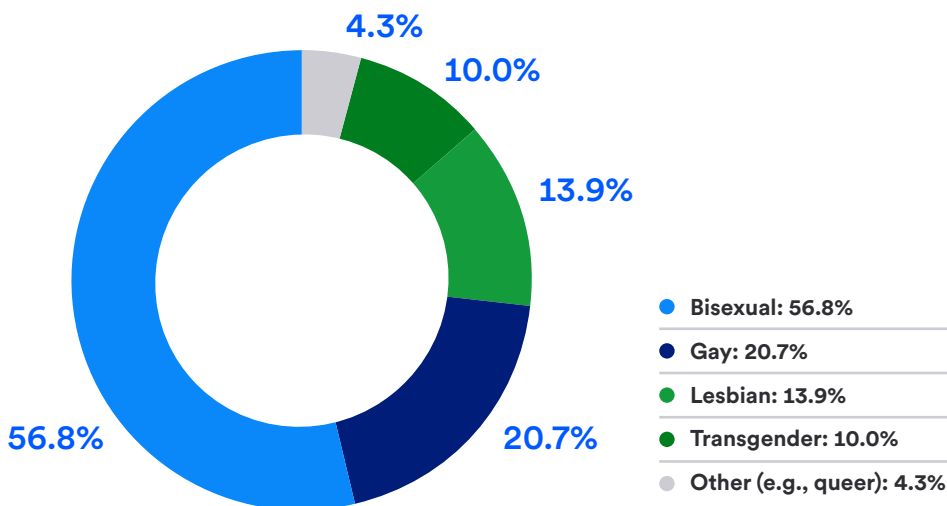
Throughout this report, we use the term LGBTQ+, with LGBTQ reflecting the identities lesbian, gay, bisexual, transgender and/or queer, and the + reflecting that this research (as well as the research that is cited) is inclusive of all additional non-cisgender and/or non-straight identities. When citing additional studies, we occasionally use abbreviated terms (e.g., LBT) to refer to just the subset group included in that study's population.



# Introduction

The U.S. Census Bureau’s latest Household Pulse Survey states that 8% of U.S. adults identify as LGBTQ+.<sup>3</sup>

Using 2021 data, Gallup found that an estimated 7.1% of U.S. adults identify as LGBTQ+ and this year issued a breakdown of identities within the LGBTQ+ community:<sup>4</sup>



While these subgroups share some similar experiences, discussing all LGBTQ+ people collectively without recognizing those differences that exist within subgroups can be problematic. In addition, intersectionality adds to the complexity of experiences.

Studying intersectionality related to finances and other topics is essential, and this report should be viewed alongside our [Building Black Wealth](#) and [Women and Wealth](#) insights studies. We do, however, also see value in acknowledging some of the experiences shared by the LGBTQ+ community as a whole that impact it financially. For example:

## BULLYING IN SCHOOLS

Bullying in K-12 schools has a huge impact on the emotional well-being of many LGBTQ+ individuals. Research shows that it can also have a financial impact, as some students drop out before graduation or stay in school but experience poor grades amid the stress – both scenarios that can have long-term financial impacts.<sup>1</sup> Other bullied students may choose to withdraw from public school and enroll in expensive private schools, causing family debt.<sup>1</sup>



## SOURCES

Throughout this report, we’ve used the following to indicate sources:

\* U.S. Bank survey (Collage)

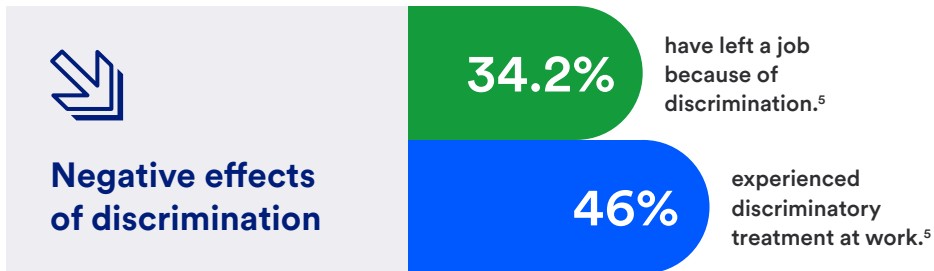
† U.S. Bank listening study (Culturintel)

<sup>1-24</sup> Additional research



### WORKPLACE DISCRIMINATION

LGBTQ+ individuals experience discrimination in the workplace in numerous ways, which compound to limit financial gains available to them relative to their cisgender/heterosexual peers. LGBTQ individuals report trouble getting hired and, once employed, are more likely to be excluded from work events, are less likely to be promoted and do not receive raises at rates comparable to non-LGBT employees.<sup>5</sup>



Transgender employees face the greatest levels of workplace discrimination. 43.9% of transgender employees believe they were not hired for a position because of sexual orientation/gender identity vs. 21.5% of cisgender LGB employees. They also report far higher rates of being fired.<sup>5</sup>

### WAGE DISCRIMINATION

LGBTQ+ adults earn 90 cents for every dollar earned by an American worker, and the wage gap is even larger for women, BIPOC individuals, and transgender men and women. Transgender women experience the largest wage gap, earning just 60 cents for every dollar.<sup>6</sup>

### HOUSING DISCRIMINATION

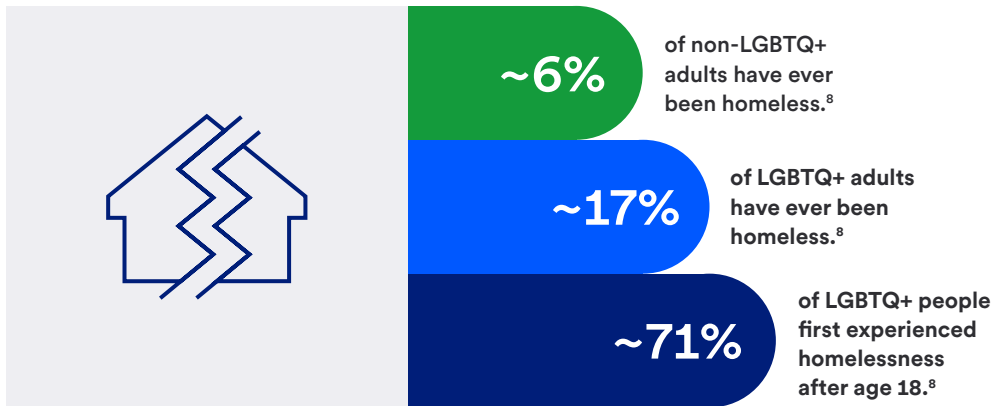
Housing costs can be prohibitive for many people. When discrimination occurs – be it refusing to rent or sell a house to someone, quoting higher rents to discourage renters or evicting current tenants – it can exacerbate the challenge, leading to higher housing costs and longer, more expensive housing searches.<sup>1</sup> While the U.S. Department of Housing and Urban Development (HUD) says the Fair Housing Act/Consumer Financial Protection Bureau covers sexual orientation and gender identity, there’s no formal law documented. Only 28 states and the District of Columbia cover both sexual orientation and gender identity in their discrimination laws.<sup>7</sup>



**Transgender women experience the largest wage gap, earning just**

**\$0.60**

**for every dollar earned by an American worker.<sup>6</sup>**



**HOMELESSNESS AND HOUSING INSTABILITY IN ADULTHOOD**

LGBTQ+ individuals, and transgender men and women in particular, are significantly more likely than their cisgender/heterosexual peers to experience homelessness and housing instability in their lifetimes. One study, by the Williams Institute, found that almost 17% of LGBTQ+ adults had ever been homeless, more than twice that of the general population (6.2%). For more than 71% of those LGBTQ+ adults who had ever been homeless, this first instance occurred during adulthood – potentially a result of having fewer economic resources available due to workplace, wage and/or financial institution discrimination, or less access to affordable housing as a result of housing discrimination.<sup>8</sup> Even among those who are not homeless, LGBTQ+ adults still often bear the burden of rising housing costs. LGBTQ+ people tend to gravitate to cities, which are more expensive to live in than the suburbs.<sup>9</sup>

**HOMELESSNESS AND HOUSING INSTABILITY IN YOUTH AND ADOLESCENCE**

LGBTQ+ youth are also significantly more likely to experience homelessness and housing insecurity. The same Williams Institute study found that one-fifth (20.2%) of those LGBTQ+ adults who had ever been homeless first experienced it before age 18, with an additional 8.6% experiencing homelessness both before and after age 18.<sup>8</sup> Underlying this increased risk is that many LGBTQ+ youth are either kicked out by families who disapprove of their sexual orientation and/or gender identity or choose to run away in order to avoid abuse, neglect and violence driven by the same family rejection.<sup>10</sup>

**BARRIERS TO SEEKING MEDICAL CARE**

Homophobic and transphobic discrimination from medical providers can lead LGBTQ+ individuals to choose to forgo preventive and acutely needed medical care in order to avoid discrimination – or to receive worse treatment when seeking care – resulting in poor or patchy preventive treatment that balloons into expensive costs later. In addition, LGBTQ+ individuals are uninsured at a higher rate, resulting in higher out-of-pocket costs.<sup>6</sup> Transgender women are most likely to be underinsured/uninsured.<sup>11</sup>





## FAMILY FORMATION

Many aspects of family formation, including partnering, parenting and passing on assets, carry additional paperwork, costs and complexities for LGBTQ+ adults. For example, LGBTQ+ people planning for children more often face adoption, surrogacy or IVF, which are costly.<sup>12</sup> LGBTQ+ individuals often have “chosen families” – meaning they choose friends to fill support roles that for others are filled by family members. Therefore, they may lack access to inheritances, assets, and/or financial or social support from families that have rejected them, as well as need to spend money on legal documents ensuring that medical directives and transfers of assets go to the desired people.<sup>9</sup> Alimony and property distributions are based on how long a couple have been married, not how long they have been cohabitating. Since marriage equality has only been legal throughout the U.S. since 2015, many divorcing LGBTQ+ couples are impacted.<sup>13</sup>






## chosen family:

LGBTQ+ individuals often have “chosen families” – meaning they choose friends to fill support roles that for others are filled by family members.

# Defining financial success

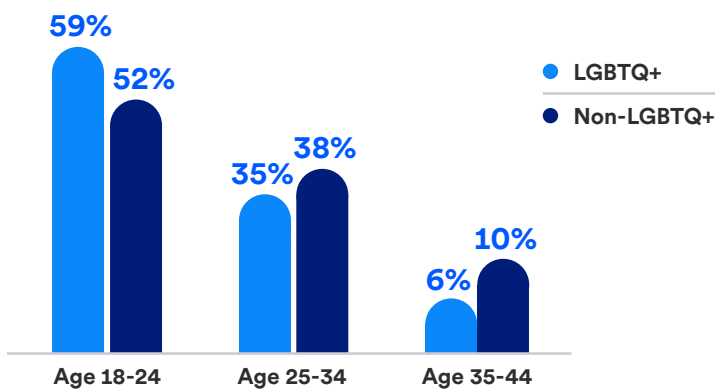
Our research demonstrates that LGBTQ+ adults are, on average, strong financial stewards, reporting lower debt, higher credit scores and more savings. They have both short-term and long-term financial goals, many of which are the same as those of non-LGBTQ+ adults. However, LGBTQ+ adults also have unique underlying motivations for their financial engagement, often tied to a desire, if not a need, to achieve and maintain financial stability in order to gain the independence and freedom to openly live as who they are. Financial institutions can help open the door to these opportunities when they build a relationship with this community and create environments where they have a cultural fluency in who LGBTQ+ people are and what their unique financial needs – and barriers – may be.†

## Compared to non-LGBTQ+ people in our study, LGBTQ+ individuals exhibit stronger financial stewardship.\*

	LGBTQ+	Non-LGBTQ+
 Have no debt or have manageable debt	69%	67%
 Have an excellent or very good credit score	60%	52%
 Say their spending was less than income in the past year	42%	33%

Underlying their financial gains is that, for many LGBTQ+ individuals, the need to achieve financial independence may potentially be driven by rejection and discrimination. Given the challenges many LGBTQ+ youth experience within their families and communities, they are often forced to become financially independent – meaning they do not rely on others for financial help – at a slightly younger age than non-LGBTQ+ people.\*

## Achieved financial independence




**LGBTQ+ adults achieve financial independence earlier in life – often due to circumstances.**





Reflecting the increased adversity that BIPOC LGBTQ+ youth, and transgender youth in particular, experience, 75% of LGBTQ+ Black respondents (vs. 57% of white respondents) achieved financial independence at age 18-24. Transgender respondents say they achieved financial independence at an average age of 23.5, which is slightly younger than all other segments.\*

LGBTQ+ adults also define the concept of financial success in subtly different ways than their non-LGBTQ+ peers. LGBTQ+ people are more likely (60%) than non-LGBTQ+ people (53%) to say “being or becoming rich is not a priority for me.”\* Yet the LGBTQ+ community discusses aspirational wants 30% more often than the overall population. Achieving financial liberation to live the life and lifestyle they want is extraordinarily important to them. Transgender respondents are especially yearning for financial independence and a life free from constraints.† LGBTQ+ adults view financial success as a signifier of empowerment and freedom and “financial independence as a prerequisite for being able to live life authentically.”<sup>13</sup> The U.S. Bank listening study confirms that “not relying on other people and living by my rules” is a key driver of personal freedom.

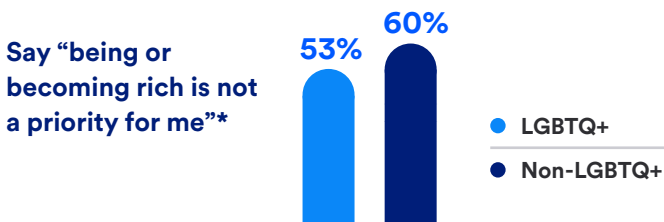


**LGBTQ+ people achieved financial independence at age 18-24.\***

**75%** Black respondents

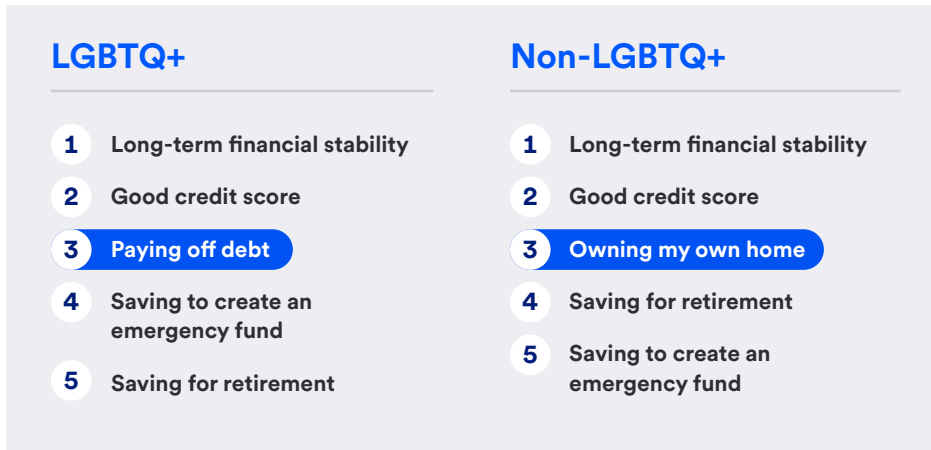
**VS.**

**57%** white respondents



The desire to obtain and maintain financial stewardship as a necessary step in living authentically is reflected in LGBTQ+ individuals' top priorities. When asked, "How much of a priority is each of the following financial goals for you?" respondents ranked the following goals highest.

Top five financial priorities\*



While the responses between LGBTQ+ and non-LGBTQ+ individuals are similar overall, it's notable that the former group notes paying off debt as a top-five priority while the latter notes owning their own home. This could be because LGBTQ+ youth acquire higher rates of student loan debt,<sup>14</sup> or because housing insecurity makes owning a home feel less attainable for LGBTQ+ individuals, especially BIPOC.<sup>15</sup>

For transgender respondents, 65% indicated gender affirmation was a financial goal\* – and it's a big one given that the average cost of related medical treatments can reach as high as \$100,000, depending on the type of medical or surgical care pursued.<sup>16</sup> While the number of companies offering healthcare benefits that cover gender-affirming and transition-related care has risen, it's still just 29% of U.S. businesses.<sup>17</sup> Among Fortune 500 companies, 66% offer transgender-inclusive health coverage.<sup>18</sup> For people without that coverage, the costs can be substantial, and even those who are insured can be denied coverage.<sup>16</sup> Few programs exist to help transgender individuals afford such costs.



**\$100,000**

is the average cost of gender affirmation treatment.<sup>6</sup>

**65%**

of transgender people say gender affirmation is a goal.\*

**71%**

of U.S. businesses do not offer trans-inclusive health benefits.<sup>17</sup>

The intertwining of financial independence and LGBTQ+ liberation and affirmation is further reflected by the most impactful life events cited by LGBTQ+ individuals and their non-LGBTQ+ peers. While college graduation was cited by both groups, the other two most impactful life events for LGBTQ+ respondents were coming out and achieving financial independence – compared with marriage and childbirth for non-LGBTQ+ adults.

Most impactful life events\*

LGBTQ+



1. Coming out



2. College graduation



3. Achieving financial freedom

By identity



Lesbian

Marriage



Bisexual

Coming out



Gay

Coming out



Queer

Graduating from college



Transgender

Coming out

Non-LGBTQ+



1. Marriage



2. Birth/adoption of a child



3. College graduation

Beyond the top five priorities, the data shows us interesting differences in savings goals. For instance, when looking at the next five years, LGBTQ+ individuals are more likely than non-LGBTQ+ individuals to save for vacation and to grow a business. They are less likely to buy a car or home.\* Queer respondents rated saving for vacation as a slightly higher goal than other subgroups.\*

# Everyday challenges and barriers to financial success

Within the U.S. Bank study, respondents fell into the following income brackets:\*

	Under \$35K	\$35K-\$49.9K	\$50K-74.9K	\$75K-\$99.9K	\$100K+
<b>Non-LGBTQ+</b>	<b>21%</b>	<b>17%</b>	<b>18%</b>	<b>13%</b>	<b>31%</b>
<b>LGBTQ+</b>	<b>18%</b>	<b>11%</b>	<b>17%</b>	<b>26%</b>	<b>28%</b>
<b>Lesbian</b>	<b>19%</b>	<b>16%</b>	<b>14%</b>	<b>31%</b>	<b>20%</b>
<b>Gay</b>	<b>13%</b>	<b>7%</b>	<b>19%</b>	<b>30%</b>	<b>31%</b>
<b>Bisexual</b>	<b>24%</b>	<b>13%</b>	<b>17%</b>	<b>16%</b>	<b>30%</b>
<b>Transgender</b>	<b>20%</b>	<b>9%</b>	<b>19%</b>	<b>22%</b>	<b>31%</b>
<b>Queer</b>	<b>12%</b>	<b>5%</b>	<b>13%</b>	<b>45%</b>	<b>25%</b>

It's essential, however, to look at this data through a lens of intersectionality. Sexism, racism and age can all exacerbate an income gap. Though we do not have sufficient sample size to break down income brackets across LGBTQ+ subgroups, previous research suggests that many of the racial/ethnic disparities we see in the broader U.S. population are replicated among LGBTQ+ adults as well.

While 22% of LGBTQ+ adults in the U.S. live in poverty, compared to 16% of non-LGBTQ+ adults, the rates are highest among transgender adults (29%) and bisexual cisgender women (29%). Black (40%) and Latinx (45%) transgender people are most likely to live in poverty.<sup>6</sup> In comparison, 2020 estimates from the Census Bureau note that less than one in five Black (18.8%) and Latinx (15.7%) adults overall live in poverty.<sup>19</sup>

Taking these statistics together, we see how the structural stigma associated with the lived experiences of holding both a marginalized race/ethnicity and a marginalized sexual orientation/gender identity can intersect to further perpetuate economic disparities for BIPOC LGBTQ+ adults – and BIPOC transgender adults in particular.



**More likely to live in poverty**

**22%**

of LGBTQ+ adults in the U.S. live in poverty.<sup>6</sup>

**29%**

of transgender adults and bisexual cisgender women live in poverty.<sup>6</sup>

**40%**

of Black transgender and 45% of Latinx transgender people live in poverty – the highest rates of all groups.<sup>6</sup>

Lower incomes can lead to finance-related stress and anxiety, which in turn can have a big impact on mental health. In our studies, lower incomes underlie many of the factors cited by a majority (>50%) of LGBTQ+ respondents as impacting their ability to achieve financial success:\*

- Struggle to maintain savings (a self-defined category)
- Employment status
- Necessity to focus on immediate financial needs
- Existing debt
- Lack of financial confidence
- Lack of stable housing arrangement
- Lack of familial support
- Complications with shared assets of a partner/spouse
- Marital status

Transgender and queer respondents were most likely to call out employment status, food insecurity and poor mental health as impacting their ability to achieve their personal goals.\*

**Financial stress can lead to a lack of confidence for many individuals. The U.S. Bank listening study revealed the following subgroup distinctions:†**

### Lesbian

**18%** of financial wellness conversations among lesbians are about lack of confidence, self-esteem and the ability to improve due to fewer or no educational resources.

### Queer

Lack of financial confidence is discussed **1.5x** as much among individuals who identify as queer as in the overall LGBTQ+ community – **and nearly twice as much as in the general population.**

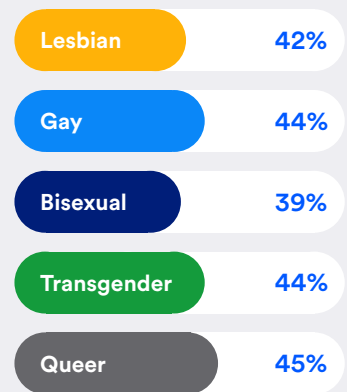
Stress isn't just related to income, however. When asked about discrimination in the financial services industry, a higher percentage of LGBTQ+ individuals (42%) than non-LGBTQ+ individuals (30%) reported feeling moderate or extreme stress due to this discrimination.\* This lack of comfort may result in underuse of banking services – not to mention the long-lasting effects of those actions, such as unwarranted loan denials.

### Gay

Gay men may struggle to live beyond their immediate basic needs and to balance their debt and aspirational wants. Immediate needs are discussed **1.8x** as much among gay men as in the general LGBTQ+ community.



### LGBTQ+ individuals feeling extreme or moderate stress from financial service discrimination\*



# Financial-related stress and the impact on mental health

Financial insecurity can also limit the ability to access and afford desired medical care, further perpetuating stress – and affecting health in general. Knowing that healthcare is a major cost for Americans in retirement and that the LGBTQ+ community sees it as an even larger stressor than the non-LGBTQ+ community, it’s crucial that the financial services industry make concerted efforts to help the LGBTQ+ community navigate this stressor and plan for the future.

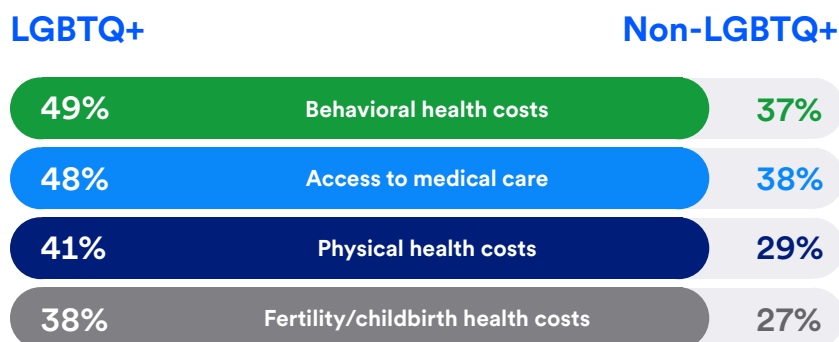
While financial insecurity can cause stress, poor mental health is also a major reason many people experience stress, both LGBTQ+ and non-LGBTQ+ individuals. Queer individuals were most likely to cite poor mental health as a cause of stress.\*

**Queer individuals were most likely to cite poor mental health as a cause of stress.\***

**63%**

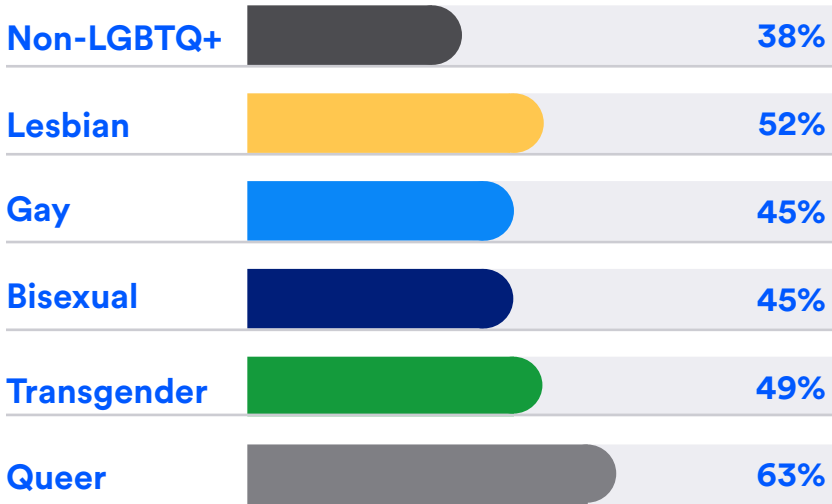
noted extreme or moderate stress related to access to medical care.\*

## Causes of extreme or moderate stress:\*



Queer individuals noted extreme or moderate stress related to access to medical care (63%) at a higher rate than other groups.\*

**Extreme or moderate stress related to medical care access:\***



This could reflect a higher need for these services among LGBTQ+ individuals, a lower ability to pay for them due to higher rates of poverty and lower rates of insurance, or a combination of both. LGBTQ+ people, on average, spend \$500 more in health costs per year than non-LGBTQ+ people.\* When faced with medical financial burdens, 40% of LGBTQ+ people would ask a family/friend for money (compared to 49% of non-LGBTQ+ people). Thirty-three percent would take on more credit card debt.\*

LGBTQ+ people also are more likely to have unique medical needs, particularly in relation to family formation – which may underlie the fact that more than a third of LGBTQ+ adults, vs. a quarter of non-LGBTQ+ adults, report fertility/childbirth-related health costs as a source of stress.<sup>12</sup>

U.S. Bank research also shows the unique roles that financial institutions can play in helping LGBTQ+ people reduce this stress, as well as achieve their goals around family formation. Of respondents who have expanded their families, 90% used credit cards and 37% used their 401(k)\* – both of which can be significant setbacks in achieving financial wealth. A majority of LGBTQ+ people (60%) said they desired children but didn't expand their families because they didn't feel financially ready or didn't have access to financing solutions.\*



**LGBTQ+ people spend:**

**\$500**

more in healthcare costs.\*

**60%**

of LGBTQ+ people aren't having the children they want because of lack of money.\*

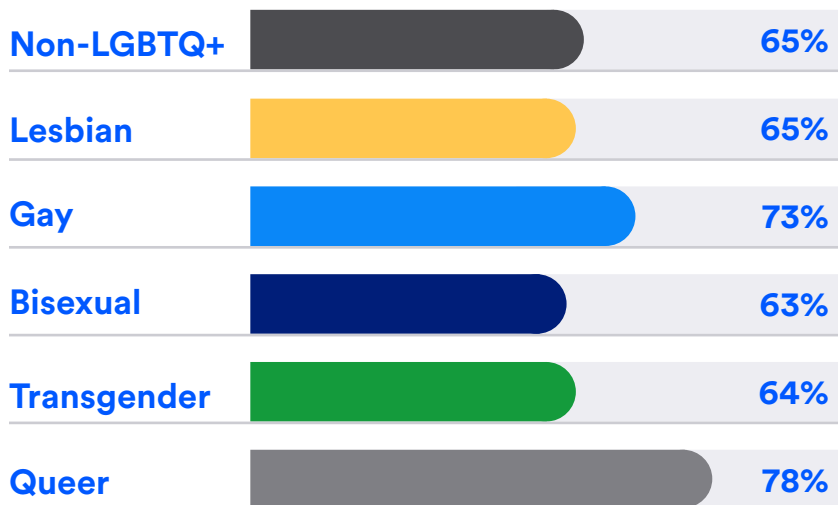
# Confidence in finances and approaches to achieving goals

LGBTQ+ people are highly engaged financial services customers who are financially prudent and optimistic about attaining their long-term goals. This aligns with a sense of resiliency often seen among LGBTQ+ individuals, many of whom learned at a young age that they needed to work hard to take care of themselves and/or achieve goals.

Self-esteem and confidence are key positive drivers;<sup>†</sup> however, lower-income LGBTQ+ respondents are less confident in their ability to meet long-term goals.\*

Along with expressing confidence in meeting long-term goals, a majority express a willingness to take risks to achieve their financial goals. LGBTQ+ people are slightly more likely to agree with “I am comfortable taking risks to achieve my financial goals” (68% vs. 65%).\* Among LGBTQ+ adults, queer individuals expressed the highest level of comfort in taking risks (78%) followed by gay men (73%), lesbians (65%), transgender individuals (64%) and bisexual individuals (63%).\*

## Very comfortable taking risks to achieve their financial goals\*







LGBTQ+ individuals demonstrate a greater increase in willingness to discuss finances with others compared to non-LGBTQ+ individuals. In the past six months, 87% of LGBTQ+ adults, compared with 79% of non-LGBTQ+ adults, had “openly” discussed “financial matters.”\* However, LGBTQ+ and non-LGBTQ+ people are similar in that they both prefer to discuss financial matters with people they have a personal relationship with, rather than a bank employee.\* For example, both LGBTQ+ and non-LGBTQ+ people are most likely to discuss finances with friends or parents. Only about 1 in 5 people (21% of LGBTQ+ and 18% of non-LGBTQ+) say they spoke with a financial services provider or a bank employee.\*

**When finances are discussed with a positive perspective, some trends exist within subgroups:†**

**Lesbian**

Twenty percent of positive conversations focus on **future opportunities**, even while discussing barriers.

**Bisexual**

Bisexual people are motivated to achieve **balance and independent financial wellness**, and they are three times as positive about financial wellness as the LGBTQ+ community overall.

**Gay**

Eighteen percent of positive conversations focus on **possibilities**, split between having a range of options and quality of life.

**Queer**

Highly motivated to have **the lifestyle and future they want**, queer people are focused on what’s necessary to achieve these desires.

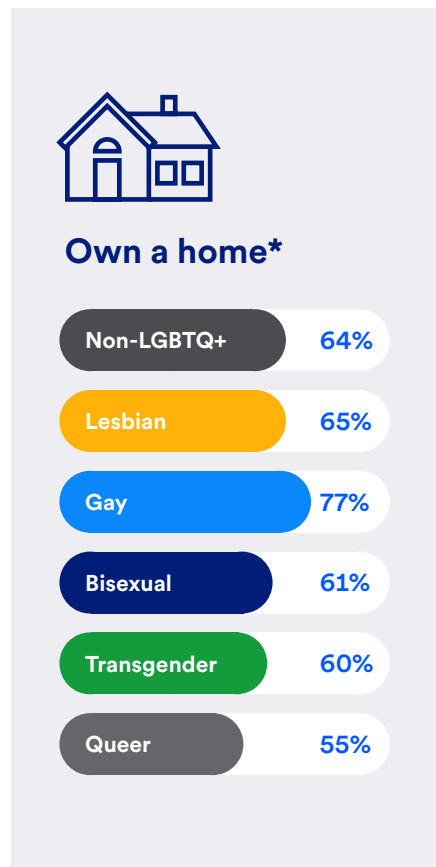


# Use of financial products

LGBTQ+ people are open to self-powered approaches to managing their finances but also adhere to expert advice. Respecting both approaches is key to enriching their personal finance journeys. Queer individuals (78%) are most likely to seek the advice of experts to make important financial decisions, and bisexual people are least likely to turn to financial advisors.\* LGBTQ+ individuals also use a wide range of financial products, though not necessarily as frequently as their non-LGBTQ+ peers.

Compared to non-LGBTQ+ individuals, LGBTQ+ individuals are less likely to have an employer-based 401(k) (32% vs. 36%) but more likely to have an investment/retirement account not through their employer (24% vs. 18%).\* In general, they use financial products at rates similar to non-LGBTQ+ individuals, and the top products they use are credit cards, savings accounts and checking accounts/debit cards.\*

Whereas one study showed that LGBTQ+ people are less likely to be homeowners (49% vs. 65%),<sup>20</sup> the U.S. Bank study found that LGBTQ+ home ownership rates were slightly higher (67% vs. 64%). Gay men showed the highest rate of homeownership (77%) of all respondents, while queer individuals showed the lowest (55%).\* This may, however, have been affected by additional factors, including age of respondents, geographic region and sample size. This is consistent with the Williams Institute’s analysis that says, “Ultimately, greater data and research are needed to fully understand homeownership rates among all LGBT people, including analyses by sexual orientation, gender identity, race and ethnicity, relationship status, location, and immigration status.”<sup>21</sup>





Despite LGBTQ+ respondents' higher credit scores,\* 52% of LGBTQ+ respondents said they had a difficult time getting a mortgage (compared to 38% of non-LGBTQ+).\* This parallels findings reported elsewhere that same-sex couples who apply for a mortgage are less likely to be approved.<sup>22</sup> Queer respondents were most likely (73%) to say they felt discriminated against by lenders due to their LGBTQ+ identity, yet they were also most likely (90%) to feel comfortable being “out” to their mortgage lender.\* This higher percentage of discrimination experienced could be because more people identifying as queer are out to their lenders, because they’ve worked with multiple lenders or because of myriad other reasons.

Transgender and nonbinary people face unique challenges when interacting with financial institutions (and other institutions). Having to utilize an incorrect name or gender while carrying out financial transactions is dangerous for transgender customers, and changing those things on financial accounts can be a costly, difficult process that often requires legal paperwork.<sup>9</sup>

When financial institutions allow people to use their chosen name on cards and accounts, sometimes bank databases don’t update information everywhere, meaning transgender customers see their deadname listed for some transactions.<sup>9</sup> Deadname refers to the birth name of a transgender person who has changed their name as part of their gender transition. Using this name can “resurrect past trauma and expose trans people to future harassment and violence.”<sup>23</sup>

**52%**

of LGBTQ+ respondents said they had a difficult time getting a mortgage.\*

**73%**

of queer respondents said they felt discriminated against by lenders due to their LGBTQ+ identity.\*

Online banking is one method of communication that can help avoid the trauma – and physical threats that could accompany it – associated with spoken references to a deadname that occur during in-person banking. While a deadname can still be used online, the risk of being outed to other customers who overhear it – and subsequent risk to personal safety – is removed. In addition, just having to interact live with someone about a deadname can be anxiety provoking and traumatic, even if the conversation goes well. This provides another strong reason beyond convenience for financial institutions to continue to build their online banking capabilities. Because most consumers are trending toward a preference for online banking,\* financial institutions that pursue these initiatives will address the needs of not just LGBTQ+ people but also a broader audience.

Name changes aren't just a challenge at the bank; they can also affect credit scores. When people change only their last name – a common practice in marriages or divorces – credit reporting agencies automatically update their credit file. However, when people change both first and last name, they often experience a drop in their credit score, signaling a built-in industry bias that works against financial equality for trans people.<sup>24</sup>

While on the surface it may seem that both non-LGBTQ+ and LGBTQ+ communities have access to the same financial tools and products, there are subtle and not-so-subtle ways in which the experience of accessing and utilizing these products differs. Financial institutions must make it a top priority to level the experience with initiatives that ensure LGBTQ+ individuals see themselves reflected in the professionals they work with – and are identified as they wish in person and via the digital experience.

## deadname:

**A deadname refers to the birth name of a transgender person who has changed their name as part of their gender transition. Using this name can “resurrect past trauma and expose trans people to future harassment and violence.”<sup>23</sup>**

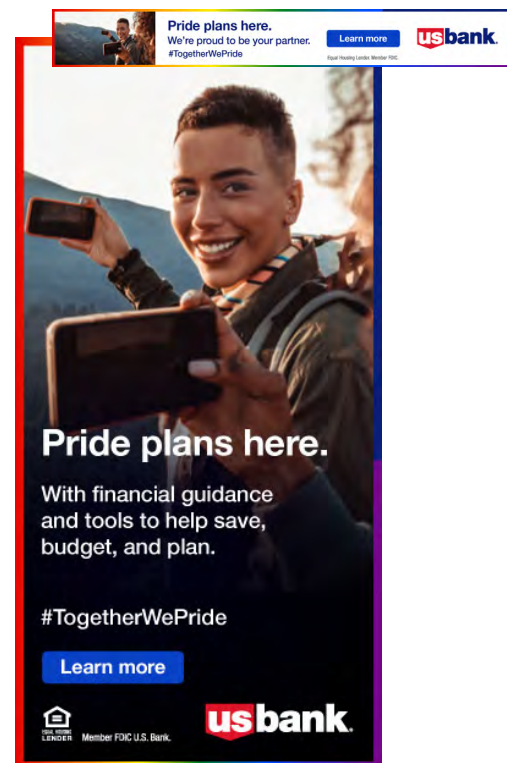


# Expectations and desires for organizations and companies

Helping others is an important value held by LGBTQ+ individuals. In particular, they express a strong desire to give back and support less-privileged members of the LGBTQ+ community.<sup>13</sup> Philanthropy is a higher goal for affluent LGBTQ+ individuals than for the general population.<sup>13</sup> As organizations and companies position their own corporate sponsorships and accolades, we must do so authentically, in a way that’s meaningful for the community.

Beyond the basics of accessibility and affordability, LGBTQ+ people value organizations that are community, philanthropy and relationship oriented.\* They want banks to focus not just on the affluent members of the community but also on those who are struggling.<sup>13</sup> Queer and transgender groups, in particular, note the importance of a bank’s commitment to philanthropy, and they identify LGBTQ+ rights as the most important cause to address.\*

Representation in the images they see and the people they meet matters. Almost 9 in 10 (88%) LGBTQ+ people appreciate seeing LGBTQ+ representation in advertising, and more than 8 in 10 (82%) appreciate seeing racial diversity when LGBTQ+ people are featured in advertising.



U.S. Bank #TogetherWePride campaign digital ads



“

**[It’s valuable to have] a financial professional who identifies as LGBTQ+ or who has experience working with LGBTQ+ clients to walk you through money issues, including retirement planning, that might be sensitive. Building a relationship with a trusted advisor who understands your financial circumstances also creates one less barrier between you and your goals.”**

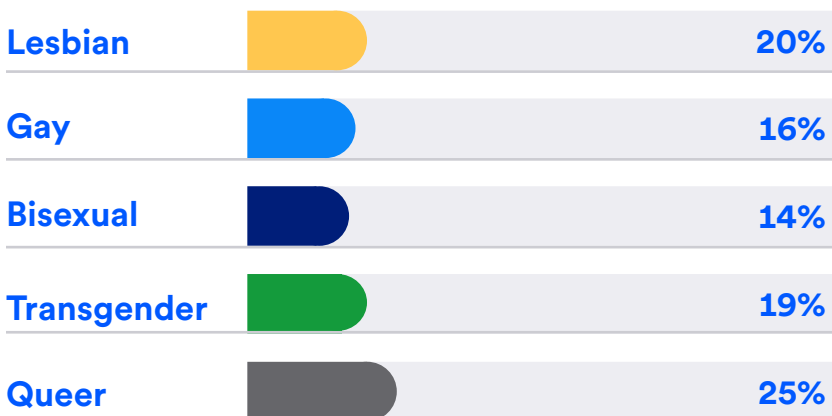
– Christian Tran, a Wealth Management Advisor for U.S. Bancorp Investments



Representation extends beyond outreach and advertising as well: A majority of LGBTQ+ individuals (63%) prefer to use a mortgage lender who is part of the LGBTQ+ community or an ally.\* However, this is an area where financial institutions are falling short. Though “employees/advisors I trust” is a top banking feature valued by LGBTQ+ individuals, only half indicate that it’s being adequately delivered by banks. Many don’t make their financial advisor aware of their LGBTQ+ identity (just 22% are aware), and only 17% of LGBTQ+ respondents say their financial advisor is aware and accepting.\*

**63%**  
of LGBTQ+ individuals prefer to use a mortgage lender who is part of the LGBTQ+ community or an ally.\*

**Financial advisor is aware and accepting\***



# Conclusion

While LGBTQ+ individuals demonstrate financial independence, stewardship and a desire to make smart financial decisions, the barriers they face can result in a lack of self-confidence, which makes achieving their goals even more challenging. For LGBTQ+ individuals who face additional discrimination due to gender, race or age, the barriers are compounded.

To be truly welcoming and serve the LGBTQ+ community, the banking industry cannot just talk about but also must take clear action to foster supportive, inclusive environments across touch points and services. These actions should empower LGBTQ+ individuals to be their authentic selves. The onus of creating a space for more transparent conversations about money lies with financial institutions and their community partners. And for more LGBTQ+ individuals to lean on their bank as a vested partner when they need assistance, much change is still needed. On a positive note, when banks do reach out to LGBTQ+ communities, this is popular with even non-LGBTQ+ customers. More than 80% of non-LGBTQ+ respondents (82%) appreciated seeing LGBTQ+ representation in advertising, and three-quarters (77%) appreciated seeing racially diverse depictions of LGBTQ+ people.\*





Banks, like any other group seeking to be an advocate and ally for LGBTQ+ individuals, must take lessons from what we know about the community as a whole. We must also continue to look at people as individuals – and consider intersectionality and personal experiences. The needs are deep, and the following thought starters are just one part of a much-needed continuing conversation.

## Lesbian

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Lesbians seek financial wellness to help them prepare for unexpected needs, expenses and choices.†

## Bisexual

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Having an ally to help them gain a sense of control over their finances is crucial to bisexual individuals.†

## Queer

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This group, to which many lesbian, gay, bisexual and transgender individuals also belong, wants guidance to increase financial literacy so they can boost confidence and achieve what they want. Queer individuals have been historically overlooked by financial organizations.†

## Gay

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While gay men seek financial representation less than other segments, they lack information. They need help managing debts and immediate needs.†

## Transgender

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Transgender people need financial guidance and support tailored to their specific needs, including assurance that their name and gender are appropriately documented. They also need assistance striving for more acceptance and opportunity.†



# Insights are driving action

Throughout this research, we've observed disparities between LGBTQ+ and non-LGBTQ+ individuals as well distinctions within the LGBTQ+ community itself. And we've continued conversations about how we can make an impact. The following six insights appear particularly salient as we challenge ourselves to do what's right: at work, in our communities and beyond.

## Insight

## U.S. Bank Action

**While many LGBTQ+ people wish to grow their families, many don't do so because they lack access to unique financial solutions.** The majority of those who expand their families use credit cards and/or their 401(k) to afford it.

- ▶ The U.S. Bank [Family Planning hub](#) brings together resources to help LGBTQ+ families navigate the processes of adoption, surrogacy, IVF and fostering. The hub offers educational content, access to goal coaches and information about loans that may help families fill funding gaps.
- ▶ Effective January 2023, fertility benefits at U.S. Bank apply equally to all employees seeking to create a family, ensuring that LGBTQ+ prospective parents are included.
- ▶ U.S. Bank employees are eligible for up to \$10,000/year reimbursement for adoption or surrogacy assistance.

**Despite having higher credit scores on average than non-LGBTQ+ individuals,** LGBTQ+ people have more difficulty getting a mortgage – resulting in lower rates of homeownership.

- ▶ As a founding partner and 2022 title sponsor of the LGBTQ+ Real Estate Alliance, we encourage ongoing engagement and participation among our mortgage sales team. We also look to the organization for thought leadership on issues key to LGBTQ+ homeownership.

**Lack of medical care access and the cost of medical care are highly stressful for the LGBTQ+ community.** More than half of individuals indicated extreme stress when confronted with medical care issues.

- ▶ U.S. Bank has been a leader in offering robust benefits for same-sex partners.
- ▶ Our health plan covers gender affirmation surgery, and we offer support for managers and coworkers to help them navigate a colleague's gender transition.

## Insight

## U.S. Bank Action

**The LGBTQ+ community achieves financial independence at a younger age. This is especially true for Black individuals.**

- ▶ We help LGBTQ+ individuals find an affirming space at all of our U.S. Bank branches. We also offer LGBTQ+ flagship branches in key neighborhoods: locations that emphasize engagement with local LGBTQ+ centers and artwork that reflects the community and employees who are part of the LGBTQ+ community.
- ▶ In 2017, we launched the Pride debit card as a way to inspire community members, especially youth, to participate in the financial system.

**LGBTQ+ individuals are slightly more comfortable taking risks to achieve their financial goals.** Gay and queer individuals report the most comfort with taking risks.

- ▶ As a national corporate member of the National LGBT Chamber of Commerce, we help small businesses and entrepreneurs achieve their goals. We also identify, develop and build strong business relationships with certified diverse suppliers.

**Whether being discriminated against in lending or being deadnamed while carrying out financial transactions, many LGBTQ+ individuals experience unequal and disrespectful treatment.**

- ▶ U.S. Bank has zero tolerance for any form of discrimination toward employees or customers, and we take extra steps to reinforce the protection of LGBTQ+ employees and customers who face greater levels of discrimination in society.
- ▶ Our policies give firm and clear instruction to all associates that chosen names and gender identities are to be respected at all times.
- ▶ U.S. Bank has supported HRC efforts by signing several open letters of support for the LGBTQ+ community.

# Qualitative study

The survey was fielded in the U.S. in July 2021 by Collage Group, a market insights agency, on behalf of U.S. Bank.

**The survey included 1,569 respondents.**

- 1,258 identify as LGBTQ.
- 311 non-LGBTQ+ respondents were included as a comparison group.
- All have at least a high school education.

**LGBTQ+ IDENTITY:**

- Lesbian: 25%
- Gay: 29%
- Bisexual: 37%
- Transgender: 3%
- Queer: 6%

**GENDER IDENTITY:**

- Man: 48%
- Woman: 47%
- Nonbinary/other: 5%

**RACE/ETHNICITY:**

- Asian: 4%
- Black: 13%
- Hispanic: 14%
- White: 81%

**AGE:**

- 18-24: 14%
- 25-34: 32%
- 35-44: 42%
- 45-54: 13%

**INCOME:**

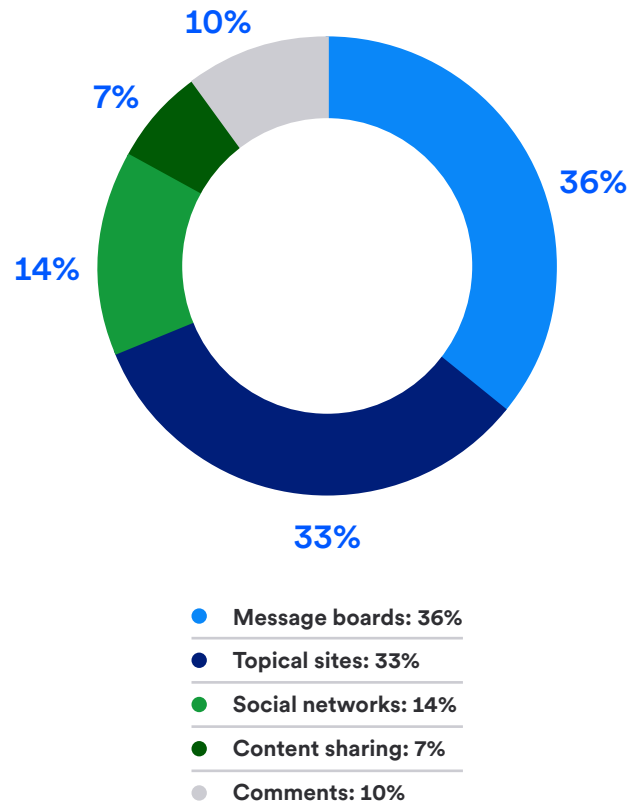
- <\$35,000: 19%
- \$35,000-\$49,999: 12%
- \$50,000-\$74,999: 17%
- \$75,000-\$99,999: 23%
- \$100,000+: 28%

# AI-powered listening study

Culturintel analyzed the overall digital discussions among people in the U.S. regarding financial wellness from January 1, 2020, to January 1, 2021.

**N= 21.2M**

- LGBTQ+: 1.9M
- Lesbian: 581.3K
- Gay: 447.2K
- Bisexual: 81.4K
- Transgender: 27.1K
- Queer/nonbinary: 13.3K



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