THE IMPACT OF INCARCERATION ON OLDER AMERICANS’ WORK AND RETIREMENT PLANNING

Incarceration has a significant and lasting impact on older Americans’ work and retirement experiences, according to a new study conducted by The Associated Press-NORC Center for Public Affairs Research.

Americans age 50 and older who report that they have been incarcerated at some point in their lives are more likely to have experienced unemployment in the recent past, to express anxiety about several aspects of retirement, and to have fewer sources of income for retirement than those who have not. In terms of retirement preparation, older Americans who have been incarcerated are four times more likely to say they don’t have any sources of retirement income at all.

In recent years, The AP-NORC Center has undertaken a series of major studies to explore the work habits of older Americans and the changing notion of retirement in the United States. The 2016 study uncovered inequalities in older Americans’ attitudes and behaviors related to retirement, based on income level. Incarceration in the United States is highly correlated with socioeconomic status, with Americans who have lower levels of educational attainment and racial minorities having a far greater likelihood of being imprisoned. According to the Bureau of Justice Statistics, 2.1 million people were incarcerated in the United States in 2015. This new analysis of the 2017 AP-NORC survey provides a rare glimpse into the lives of the previously incarcerated and


Three Things You Should Know About the AP-NORC Poll on Incarceration and Retirement

- Are more than twice as likely to have been unemployed in the last five years (43 percent vs. 16 percent).
- Express more anxiety about retirement (57 percent vs. 42 percent).
- Are less likely to have Social Security as a source of income during retirement (62 percent vs. 79 percent) but are more likely to have disability payments (31 percent vs. 14 percent).
reveals that incarceration has lasting impacts on employment opportunities and retirement outlook for older Americans.

The survey also reveals that incarceration affects the retirement outlook of older Americans who have not themselves been imprisoned but who have immediate family members who have served time in prison or jail. These older Americans with indirect experience with the penal system express more anxiety about retirement.

The AP-NORC Center, with funding from the Alfred P. Sloan Foundation, conducted 1,683 interviews with a nationally representative sample of adults age 50 and older using the AmeriSpeak® Panel. The sample includes 157 older Americans who have been incarcerated. Key findings from the survey, summarized below, offer a rare look at the effects of incarceration on older Americans’ work life and retirement outlook:

- One-third of those who have been incarcerated lost a job as a result of being imprisoned.
- Forty-four percent of those who have been incarcerated say that they have looked for a job in the past five years, compared with only 24 percent of those who say they have not been incarcerated.
- Fifty-seven percent of those who have served time in prison or jail say they are more anxious than excited about retiring, while 53 percent of those who have not been incarcerated say they are more excited than anxious.
- One in 4 adults age 50 and older who have been incarcerated say they have no retirement accounts at all, compared with just 5 percent of older adults who have not been incarcerated.
- Fifty-four percent of those who have served time in prison or jail say they are not confident their savings will last through the entirety of their retirement, compared with 37 percent of those who have not been incarcerated.
- About 1 in 3 Americans age 50 and older with a family member who has served time have had to borrow or withdraw money from a retirement plan, compared with 24 percent of those without a family member incarcerated.

**OLDER AMERICANS WHO HAVE BEEN INCARCERATED ARE MORE LIKELY TO HAVE SEARCHED FOR A JOB AND TO HAVE BEEN UNEMPLOYED IN THE LAST FIVE YEARS.**

Compared with older adults who say they have not served time in jail or prison, those who have are much more likely to say they have recently looked for work and to say they have been unemployed. Forty-four percent of those who have been incarcerated say that they have looked for a job in the past five years, compared with only 24 percent of those who say they have not been incarcerated. Similarly, those who say they have been to prison or jail are more than twice as likely as others to report that they have been unemployed at some point within the past five years (43 percent vs. 16 percent).
Incarceration is linked with higher rates of job seeking and unemployment.

![Bar chart showing the percentage of adults age 50 and older who have been incarcerated vs. those who have not for job searching and unemployment in the past five years.]

Questions: Have you searched for a job in the last five years or not? Have you ever served time in prison or jail, or not? Computed variable indicating whether the respondent has been unemployed in the past five years, based on multiple questionnaire items.

Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide

THOSE WHO HAVE BEEN INCARCERATED EXPRESS MORE ANXIETY ABOUT MANY ASPECTS OF RETIREMENT THAN THOSE WHO HAVE NOT.

Older Americans who have been to prison or jail tend to express more wariness about retirement than those who have not. Fifty-seven percent of those who have served time in prison or jail say they are more anxious than excited about retiring, while 53 percent of those who have not been incarcerated say they are more excited than anxious.

Those who have not been incarcerated have a more optimistic outlook about retirement than those who have served time in prison or jail.

![Bar chart showing the percentage of adults age 50 and older who are more excited or more anxious about retirement, with and without incarceration.]

Questions: In general, would you say you feel more excited or more anxious about your retirement? Have you ever served time in prison or jail, or not?

Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide
This pattern of heightened anxiety levels among those who previously served time in prison or jail is consistent across several specific aspects of retirement. Those who have been incarcerated are more likely than those who have not to say they feel more anxious than secure when thinking about their ability to pay for major unexpected medical expenses, the amount of savings they have for retirement, their physical health, and being able to keep up with their mortgage, rent, or other housing payments.

**Older Americans who were previously incarcerated express more anxiety about finances and health during retirement than those who were not.**

![Bar chart showing anxiety levels]

**Questions:** When you think about the following aspects of retirement, do you feel mostly secure or mostly anxious? Have you ever served time in prison or jail, or not?

**Source:** AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide

**OLDER AMERICANS WHO HAVE BEEN INCARCERATED REPORT HAVING FEWER SOURCES OF INCOME FOR THEIR RETIREMENT. ONE IN 4 SAY THEY HAVE NO RETIREMENT INCOME SOURCES AT ALL.**

Both retirement planning and overall financial security can be particularly challenging for those who have ever served time, as they face hurdles that affect long-term savings and retirement on a number of fronts.

Older Americans who have served time in jail or prison are likely to have fewer income sources for retirement than their peers. Those who have been incarcerated are more likely to say they have no sources of retirement income at all (23 percent vs. 5 percent) They are also more likely than those who have not to say they have just one or two sources (51 percent vs. 39 percent), and less likely to say they have three or more sources (26 percent vs. 56 percent).

When it comes to specific sources of income for retirement, older Americans who have been incarcerated are over twice as likely as their peers to say they will rely on disability payments during retirement. They are less likely to say they will have most of the other sources the survey asked about, including Social Security, retirement accounts, a pension, income from the sale of physical assets such as real estate or a business, an inheritance, other savings, or other investments.
Older adults who have served time in prison or jail are more likely than those who have not to say they will rely on disability payments as retirement income.

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Have not been incarcerated</th>
<th>Have been incarcerated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disability payments</td>
<td>31</td>
<td>14</td>
</tr>
<tr>
<td>Income from a trust fund</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Other investments</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>An inheritance</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Other savings</td>
<td>11</td>
<td>37</td>
</tr>
<tr>
<td>Income from the sale of physical assets, such as real estate or a business</td>
<td>20</td>
<td>12</td>
</tr>
<tr>
<td>A retirement account like a 401k, 403b, IRA, or SEP plan</td>
<td>17</td>
<td>59</td>
</tr>
<tr>
<td>Pension</td>
<td>30</td>
<td>48</td>
</tr>
<tr>
<td>Social Security retirement income</td>
<td>62</td>
<td>79</td>
</tr>
</tbody>
</table>

Percent of adults age 50 and older with retirement income from each source

Questions: [If retired] Do you receive a pension, or not? We’re interested in any sources of income you have for retirement. For each of the following, please indicate if you have this source or not. How about...? [If not retired] Will you receive a pension, or not? We’re interested in any sources of income you have for retirement. For each of the following, please indicate if you have this source or not. How about...? Have you ever served time in prison or jail, or not?

Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide
Those who have been incarcerated are less financially secure, and 1 in 5 have family members helping to cover their regular expenses.

Those older adults who have ever been incarcerated express little confidence that their total retirement income will last throughout their lifetime. Fifty-four percent of those who have served time in prison or jail say they are not confident their savings will last, compared with 37 percent of those who have not been incarcerated.

A majority of adults age 50 and older who served time in prison or jail are not confident their retirement income will last the remainder of their life.

![Bar chart showing confidence levels among those who have and have not been incarcerated.]

Questions: How confident are you that your total retirement income will last through the remainder of your life? Have you ever served time in prison or jail, or not?
Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide.

As for day-to-day financial security, those who have been incarcerated are more likely to say that they have difficulty keeping up with their bills. Similarly, those who have served time in prison or jail are also about twice as likely to say they have family members helping with their regular expenses, such as providing housing or helping to cover other monthly expenses like utilities and groceries.
Older Americans who have ever being incarcerated are less financially secure than those who haven’t ever been incarcerated.

Questions: Do you have enough income to pay your bills or are you sometimes behind on payments? Do you currently have any family members helping you with regular expenses, including providing housing or helping to cover other monthly expenses like utilities and groceries, or not? Have you ever served time in prison or jail, or not?
Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide

OLDER AMERICANS WHO HAVE IMMEDIATE FAMILY MEMBERS WHO HAVE SERVED TIME IN PRISON OR JAIL ARE MORE ANXIOUS ABOUT RETIREMENT.

Incarceration not only presents financial difficulties for those who personally experience it, but also for their families. Older Americans with a family member who is incarcerated often lose a source of income from their family member, along with taking on a number of additional financial responsibilities, including court and attorney fees, phone charges, and visitation costs.7

Overall, 16 percent of Americans age 50 and older report having a parent, spouse, sibling, or child who has served time in jail or prison. And among those who have had an immediate family member serve time, 45 percent have provided financial assistance to their family member while they were incarcerated.

This extra financial burden brought on by an incarcerated family member is reflected in those older Americans’ feelings about actual preparedness for retirement. Those who have family members who have been incarcerated are more anxious about their retirement in general as well as the amount of money they have saved for retirement.

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Older adults with immediate family members who have ever served time in prison or jail are more anxious about both retirement in general and the amount of savings they have for retirement.

<table>
<thead>
<tr>
<th>Percent of Americans age 50 and older</th>
<th>More anxious about retirement</th>
<th>More excited about retirement</th>
<th>Mostly anxious about amount of savings for retirement</th>
<th>Mostly secure about amount of savings for retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a family member who has been incarcerated</td>
<td>49</td>
<td>40</td>
<td>55</td>
<td>65</td>
</tr>
<tr>
<td>Does not have a family member who has been incarcerated</td>
<td>43</td>
<td>49</td>
<td>48</td>
<td>33</td>
</tr>
</tbody>
</table>

Questions: In general, would you say you feel more excited or more anxious about your retirement? When you think about the following aspects of retirement, do you feel mostly secure or mostly anxious? Has anyone in your immediate family ever served time in prison or jail, or not? By immediate family, we mean your parents, your spouse, your siblings, or your children.

Source: AP-NORC Center poll conducted February 14 to March 13, 2017, with 1,683 adults age 50 and older nationwide

Older Americans who have had an immediate family member incarcerated are less likely to have a retirement account at all and are more likely to withdraw money from them for non-retirement expenses. Forty-two percent of those who have had a relative in prison or jail say they have a retirement account, compared with 62 percent who do not have a family member who has been incarcerated. About 1 in 3 Americans age 50 and older with a family member who has served time have had to borrow or withdraw money from a retirement plan, compared with 24 percent of those without a family member incarcerated.
ABOUT THE STUDY

Study Methodology

This survey was conducted by The Associated Press-NORC Center for Public Affairs Research and with funding from the Alfred P. Sloan Foundation. Data were collected using AmeriSpeak®, NORC’s probability-based panel designed to be representative of the U.S. household population. During the initial recruitment phase of the panel, randomly selected U.S. households were sampled with a known, non-zero probability of selection from the NORC National Sample Frame and then contacted by U.S. mail, email, telephone, and field interviewers (face-to-face). The panel provides sample coverage of approximately 97% of the U.S. household population. Those excluded from the sample include people with P.O. Box only addresses, some addresses not listed in the USPS Delivery Sequence File, and some newly constructed dwellings.

Interviews for this survey were conducted between February 14 and March 13, 2017, with adults age 50 and over representing the 50 states and the District of Columbia. Panel members were randomly drawn from AmeriSpeak, and 1,683 completed the survey—1,049 via the web and 634 via telephone. The sample also included oversamples of African American and Hispanic adults—332 African Americans and 308 Hispanics. In total, 157 respondents said they have personally served time in prison or jail, and 276 respondents said they have an immediate family member who has served time in prison or jail. Interviews were conducted in both English and Spanish, depending on respondent preference.

The final stage completion rate is 39.5 percent, the weighted household panel response rate is 34.4 percent, and the weighted household panel retention rate is 94.7 percent for a cumulative response rate of 12.8 percent. The overall margin of sampling error is +/- 3.0 percentage points at the 95 percent confidence level, including the design effect. Among subgroups, the margin of sampling error at the 95 percent confidence level is +/- 3.5 percentage points for African Americans and +/- 4.6 percentage points for Hispanics.

Once the sample has been selected and fielded, and all the study data have been collected and made final, a poststratification process is used to adjust for any survey nonresponse as well as any noncoverage or under- and oversampling resulting from the study-specific sample design. Poststratification variables included age, gender, Census division, race/ethnicity, and education. Weighting variables were obtained from the 2016 Current Population Survey. The weighted data reflect the U.S. population of adults age 50 and over.

All differences reported between subgroups of the U.S. population are at the 95 percent level of statistical significance, meaning that there is only a 5 percent (or lower) probability that the observed differences could be attributed to chance variation in sampling.

A comprehensive listing of the questions, complete with tabulations of top-level results for each question, is available on The AP-NORC Center website: www.apnorc.org. For more information, email info@apnorc.org.
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ABOUT THE ASSOCIATED PRESS-NORC CENTER FOR PUBLIC AFFAIRS RESEARCH

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- NORC at the University of Chicago is one of the oldest and most respected, independent research institutions in the world.

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