



Extreme Weather Has Impacted Majority of Americans' Wallets

57% believe that climate, extreme weather events and the environment will have a negative effect on their personal finances in the next decade

NEW YORK - October 2, 2023 - Extreme weather events (including hurricanes, tornadoes, wildfires, earthquakes, flooding, and heavy snow) have taken a toll on most U.S. adults' finances, according to a new Bankrate report. Almost 3 in 5 U.S. adults (57%) say they have incurred costs due to an extreme weather event over the past 10 years, while more than half (53%) said higher than usual electricity bills strained their finances this summer. Click here for more information:

<https://www.bankrate.com/insurance/severe-weather-financial-impact-survey/>

Looking Back: Impact of Extreme Weather Events in Past Decade

When asked what types of costs U.S. adults have incurred due to extreme weather events over the past 10 years, higher energy costs are the most common (32%), followed by spoiled food (for example, because of a power outage; 23%), home/property damage expenses (20%), lost income due to being unable to work (14%), car damage expenses (13%), medical bills (11%), evacuation expenses (7%), or some other cost (2%).

Regionally, those living in the South are most likely to say they have been impacted by extreme weather from a financial standpoint. Over the past decade, more than 3 in 5 Southerners (63%) say they have incurred costs due to extreme weather events, compared to 54% of both Westerners and Midwesterners, and 53% of Northeasterners.

“Unfortunately, extreme weather events are a significant drain on Americans' finances, and they seem to be getting more common,” said Bankrate Senior Industry Analyst Ted Rossman. According to a 2023 Bankrate study conducted by SSRS, only 43% of U.S. adults are able to pay for a \$1,000 emergency expense from their savings. It's easy to see how unexpected disaster costs can strain budgets and lead to expensive credit card debt and other financial challenges.”

[\(https://www.bankrate.com/banking/savings/emergency-savings-report/\)](https://www.bankrate.com/banking/savings/emergency-savings-report/)

Households Incurring Higher than Usual Electricity Bills

Overall, nearly 3 in 4 U.S. adults (72%) said they experienced higher than usual electricity bills this summer. Over half (53%) said higher than usual electricity bills strained their finances this summer, including 23% who say these bills significantly strained their finances and 31% who said they somewhat strained their finances.

More than half of the lowest-income households (59%; earning under \$50,000 annually) reported that higher than usual electricity bills strained their finances this summer (including 30% who said they significantly strained their finances). That is compared to 57% who earn between \$50,000 and \$79,999 per year (24% significantly), 45% who earn between \$80,000 and \$99,999 (16% significantly) and 43% who earn \$100,000 or more annually (12% significantly).

Additionally, nearly 4 in 5 Southerners (77%) noticed higher than usual electricity bills this summer, compared to Westerners (73%), Northeasterners (70%) and Midwesterners (65%). Furthermore, 59% of Southerners say higher electricity bills strained their finances this summer (28% significantly), versus 55% of Westerners (20% significantly), 47% of Northeasterners (21% significantly) and 46% of Midwesterners (18% significantly).

Future Impact of Extreme Weather Events

According to Money Management International, the nation's largest nonprofit credit counseling agency, the number of people who have come to them with financial hardships related to extreme weather is up 33% since 2019. Florida and Louisiana, specifically, are up 40% since then.

Over the next 10 years, 57% of U.S. adults believe that climate, extreme weather events and the environment will have a negative effect on their personal finances. That includes a third (33%) who believe the impact will be somewhat negative and 24% who believe it will be very negative. Just 9% anticipate positive effects on their personal finances as a result, while 34% do not expect to see a difference in their personal finances due to climate, extreme weather events and the environment.

Methodology:

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,302 U.S. adults. Fieldwork was undertaken on August 29-31, 2023. The survey was carried out online and meets

rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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