

## DEBT MANAGEMENT

### Credit Card Debt Increases By State

California, Texas, Florida and New York saw the biggest quarter-over-quarter spike in credit card debt, according to a new WalletHub survey.



(Image credit: Getty Images)

Americans now hold over \$1.2 trillion in credit card debt, adjusted for inflation, according to a recent report by WalletHub, a technology-based personal finance platform. That figure includes \$43 billion from the second-quarter of 2023 alone.

But the amount of credit card debt carried by individuals varies based on a number of factors, with people in certain states more indebted than others. That variation may reflect the different ways individuals have been impacted by inflation and rising interest rates, as well as the different levels of responsibility people show in terms of managing their finances.

WalletHub compared 50 states based on the most current consumer finance data from the Federal Reserve, TransUnion Credit Bureau and the Bureau of Labor Statistics (BLS). Some states led the way in racking up credit card debt in the second quarter, while others contributed less to the overall increase.

#### Ten states with highest household debt include California and Texas

The ten states with the highest household credit card debt — Q2 vs. Q1 of 2023 — are:

- California: \$9,796
- Texas: \$9,216
- Florida: \$9,053
- New York: \$8,964
- Illinois: \$8,046
- Pennsylvania: \$7,517

- Georgia: \$8,976
- Ohio: \$6,862
- New Jersey: \$9,468
- North Carolina: \$7,671

Falling right in the middle at #25 is Louisiana, with \$7,863.

### **Ten states with lowest household debt include Wyoming and Vermont**

The ten states with the lowest overall household credit card debt are:

- Wyoming : \$7667
- Vermont: \$7,162
- North Dakota: \$6,848
- South Dakota: \$6,857
- Alaska: \$10,142
- Delaware: \$8,252
- Montana: \$7,213
- Rhode Island: \$7,973
- Maine: \$6,827
- New Hampshire: \$8,171
- West Virginia: \$6,836

### **Average credit card debt per household jumps in 2Q**

The average credit card debt per household rose 7.9% to \$10,170 in the second quarter of 2023 from \$9,245 in the second quarter of 2022, according to a separate WalletHub study. That figure is still \$2,242 below the record, set in Q4 2007.

At the same time, the credit card charge-off rate — the percentage of defaulted credit card balances in comparison to the total amount of credit outstanding — increased by 11.92% during Q2 2023, finishing at 3.38%.

At the end of Q2 2023, consumers had almost \$43 billion in additional credit card debt. That is the second-largest Q2 increase ever.

**NYSUT NOTE: As credit card debt climbs — along with interest rates — now is the time to get your personal debt in check. And NYSUT members can get help from the NYSUT Member Benefits Corporation-endorsed Cambridge Credit Counseling program. Having helped consumers eliminate their debt for decades, the Cambridge Credit Counseling program offers NYSUT Members free, no-obligation debt consultations with one of their certified counselors. These counselors can help with things like consolidating credit card bills into one simple monthly payment. Find out how to get out of debt in a fraction of the time by [visiting the member website](#) today.**

