**When the Kids Live at Home:
Coresidence, Parental Assets, and Economic Insecurity**

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ABSTRACT

This study uses National Longitudinal Survey of Youth 1979 cohort data from 1994 through 2012 (N = 16,108 person-years, 4,671 individuals) to investigate how coresidence with adult children influences asset levels among parents. It applies hybrid mixed effects regression models that partition between- and within-person variation to estimate parental savings and financial assets over time and across different households. The results suggest that coresidence with adult children led to decreases in parental assets and savings. In the years in which their children lived at home, parents held 24% less in financial assets and 23% less in savings compared to years when adult children were not present. By expanding previous research that shows a relationship between increasing economic insecurity, limited wealth, and the rise in coresidence among young adults, this study also offers broader implications for the interconnectivity of financial hardship across generations.

KEYWORDS

Coresidence; Family Economics; Inequality; Intergenerational Transfers; National Longitudinal Survey of Youth (NLSY)

INTRODUCTION

In recent decades, changing norms and expectations, as well as higher levels of economic insecurity, have elongated the transition to adulthood with younger adults now passing certain milestones like marriage and homeownership at much later ages than their parents (Seltzer & Bianchi, 2013). As a result, young adults in the United States have become more reliant on parents for financial and non-financial support throughout this transition, and many have been opting to reside within their parents' households for longer periods of time (Kornrich & Furstenberg, 2013). Coresidence or “doubling up” has been particularly widespread among millennials, the youngest cohort of adults born in the 1980s and 90s, due, in part, to their rising debt levels and precarious employment situations (Bleemer et al., 2014; Detting & Hsu, 2014; Wiemers, 2014). Although coresidence and other types of parental support can help to improve the economic situations of young adults, the continued reliance of adult children on parents could potentially have lasting effects for parental resources and economic wellbeing, which warrants additional research into the consequences for parents. More specifically, questions remain as to whether coresidence stands out as a type of parental support with stronger effects on parental resources than other types of planned wealth transfers.

To address this situation, I study coresidence among millennial young adults over age 18 and their parents who, in many cases, were born during the later years of the post-WWII baby boom. Instead of simply studying situations of the children, I investigate how coresidence with adult children might influence the financial assets and savings of these late baby boomer cohort parents. In doing so, I address the following research questions: How might continued coresidence with adult children affect parental assets and parents' levels of economic security more broadly? How do parental assets fluctuate when adult children live at home, and how do

coresidential households compare to those with adult children living outside the home or at school?

Although research on the implications of coresidence for young adults has been growing, few, if any, studies have examined the consequences of coresidence for the parents. This study addresses this gap in research by using longitudinal data from the 1979 cohort of the National Longitudinal Survey of Youth (NLSY79; <http://www.bls.gov/nls/nlsy79.htm>) to investigate changes in assets and savings over time. In particular, I use hybrid mixed effects models to parse out the within- and between-person asset effects of adult children living in the household. The within-person effects compare parental assets and savings in the years where adult children are present to the years where they are not, and the between-person effects compare average asset differences between individuals who do and do not live with their adult children. This allows me to examine differences across individuals, controlling for key factors that include income, education, and family structure, and to study changes within individual assets and savings over time net of unobserved individual-level characteristics.

I specifically focus on how adult children in different living situations -- those currently present in the household, those not present but who usually reside in the household, those who live at school, and those who are not present in the household -- influence whether parents report any financial assets and savings and their total financial assets and savings. These variables reflect a family's capacity to save and the effects of changes in day-to-day expenses, two central components of economic security that are likely related to the presence of adult children in the household and elsewhere. Among parents of adult children, I expect that the presence of children in the household will have the strongest negative effects on savings because of the costs associated with children living at home.

My results support this expectation. Across models, coresidence with adult children, much more than having adult children living elsewhere, was negatively associated with financial assets and savings among parents. In the years in which their children lived at home, parents held 24% less in financial assets and 23% less in savings compared to years when adult children were not present. Given that households with adult children generally have lower assets than those without, my findings help to illustrate how much of this transfer of wealth occurs when adult children are living at home.

This study contributes to research on life course transitions, intergenerational inequality, and economic insecurity by showing how continued housing assistance for adult children limits parental resources. By combining broader perspectives that acknowledge the complexities of intergenerational inequality with theories related to life course transitions and economic insecurity, I am able to highlight the interconnectivity of assets, debt, and financial hardship across generations. Moreover, the recent rise in multigenerational living arrangements, as more young adults have been moving into their parents' homes to deal with rising economic insecurity, makes this topic particularly relevant. Debt, particularly in the form of student loans, presents one factor as to why many young adults have been moving home (Bleemer et al., 2014). When this also creates financial hardship and reduces parental assets through their continued support, economic insecurity spreads from adult children to their parents. Therefore, to complement studies that have focused on the pathways extending from parent resources to child wellbeing, this study demonstrates how disadvantage can move in the other direction, stretching from adult children to their parents.

BACKGROUND

Changing Life Course Transitions and Increasing Economic Insecurity

With the growth of divorce, cohabitation, and single parenthood, family demographers have long since moved beyond a uniform model for the family life cycle (Cherlin, 2010). Most acknowledge that the pathways to adulthood have also become quite varied for young adults since the 1960s. Many of these young adults no longer engage in a linear progression through major life course transitions, such as leaving the parental home, obtaining a full-time job, marrying, and having children of their own (Sironi & Furstenberg, 2012). Instead, the transition to adulthood and independence has lengthened with increased education, housing, and transportation costs (Furstenberg, 2010; Goldscheider & Goldscheider, 1999a, 1999b; Swartz, 2008, 2009). These trends are also associated with the spread of economic insecurity, which refers to the "risk of economic loss faced by workers and households as they encounter the unpredictable events of social life" (Western et al., 2012, p. 342).

In addition to addressing the relationship between risk and changing life course transitions among young adults, studies of economic insecurity often place families and households at the center of stratification processes to demonstrate how economic wellbeing depends on the social context within which an individual is embedded (Western et al., 2012). Family dynamics become central to individual wellbeing in this model, similar to Elder's (1985, 1994) linked lives principle, which ties individual life trajectories to family and household members (Macmillan & Copher, 2005). The stagnation of wages since the 1970s and a declining social safety net, spurred by cuts to government spending and policies, such as the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), have all

contributed to increasing economic insecurity, which is felt by individuals and their family members (Cancian & Haskins, 2014; Hacker, 2006; McCloud & Dwyer, 2011).

This situation is particularly relevant for the millennial generation, whose members are currently between the ages of 13 and 33. Millennial young adults, as a cohort, have been experiencing greater economic insecurity than their parents, which has been motivating the rise in coresidence among this group (Sironi & Furstenberg, 2012). They face lower wages, fewer available jobs, and higher rates of unemployment (Taylor, 2014). In addition to these labor market factors, millennial young adults are more indebted than previous generations with a larger proportion of debt coming from student loans and non-secured debt (Dwyer, McCloud, & Hodson, 2011; Houle, 2014). This has affected life course transitions, such as marriage and parenthood, among youth who are waiting longer to attain these milestones (Addo, 2014; Bozick & Estacion, 2014; Dettling & Hsu, 2014; Nau, Dwyer, & Hodson, 2015). Increasing economic insecurity is also associated with coresidence with parents at the state- and individual-levels (Mykyta & Macartney, 2010; Wiemers, 2014). Because family member trajectories are linked I expect that this less secure path into adulthood will also influence outcomes for parents as financial insecurity is passed up from the younger generation.

Intergenerational Support and Coresidence in Parental Households

Both the elongated transition toward adulthood and the rise in economic insecurity largely coincide with increased parental support and the growth of coresidence among parents and adult children. As a result of these combined factors, parental support for and spending on young adult children has risen over time (Kornrich & Furstenberg, 2013). It now presents an important, perhaps even necessary, component for children's wellbeing where approximately

one-third to one-half of adult youth living independently have received financial support from their parents (Fingerman et al., 2012; Settersten & Ray, 2010). In supporting their children into adulthood, parents offer material assistance through the transfer of money, goods, and housing (Schoeni & Ross, 2005; Seltzer & Bianchi, 2013). Many pay for schooling and its associated costs (Rauscher, 2016) and some even use their home equity to finance higher education (Lovenheim, 2011). Parents also provide time and attention, especially in the form of unpaid childcare (Folbre, 2012), moral encouragement, and advice (Swartz, 2008). With these many types of financial and non-financial transfers, housing is just one of the ways in which parents provide support for their adult children.

Coresidence between adult children and their parents has become much more common since the 1980s. Today, young adults remain in their parents' homes for longer than in the past, and they are also more likely than ever to move back into parental homes after leaving (Fry & Passel, 2014; Taylor, 2014). In 2015, 55% of young adults between the ages of 18 and 24 lived with their parents, representing an 11% increase in rates of coresidence since 2005 (U.S. Census, 2015). Among young adults aged 25 to 34, there was a 40% increase in the proportion living in parental homes since 2005; ten years later 15% of young adults in this age group resided with their parents (U.S. Census, 2015). In addition, using 1997 NLSY cohort data, Dey & Pierret (2014) found that even though 90% of young adults had moved out of their parents' homes for at least three months by age 27, 55% had also moved back home by the same age. These findings mirror earlier studies, which estimated that approximately 40-50% of young adults returned home after their initial departures (Aquilino, 1996; Goldscheider & Goldscheider, 1999b; Swartz, 2009).

Even with increasing rates of coresidence, parental support does vary with the needs and

circumstances of the children (Schoeni & Ross, 2005; Swartz et al., 2011). Parents tend to increase their assistance for young adult children who experience adverse events, such as job loss, divorce, and illness (Fingerman et al., 2009, 2012; Smits, van Gaalen, & Mulder, 2010). Children whom parents deem as more “deserving,” especially students enrolled in university studies, also tend to receive greater support (Fingerman et al., 2009, 2012; Seltzer & Bianchi, 2013; Swartz et al., 2011). This means that asset-declines in coresidential households might stem from supporting children as they deal with financial hardship or as they work towards upward mobility.

Additionally, the amount and type of assistance provided differs across families (Schoeni & Ross, 2005). Parents with higher incomes and education provide more overall resources to their children, but coresidence is more common among low-income and racial minority families who lack other resources to share (Fingerman et al., 2015; Hardie & Seltzer, 2016; Seltzer & Bianchi, 2013). Beyond the need to share resources, higher rates of coresidence among racial minority and immigrant families also stem from cultural preferences (Albertini & Kohli 2013; Hardie & Seltzer, 2016; Kamo 2000; Van Hook & Glick, 2007). In these situations, coresidence might not necessarily drain parental resources, as increased support and coresidence are more normative occurrences. Thus, whereas the components of and reasons for support might vary across families, most young adults now receive some form of parental assistance in their transition to adulthood.

Benefits and Drawbacks of Coresidence

As one of the major forms of parental support, coresidence can offer a variety of benefits, including resource pooling, emotional comfort, and monetary savings for young adults (Bianchi et al., 2007; Glick & Van Hook, 2011; Swartz, 2009). For instance, using Fragile Families and

Wellbeing Study data, Pilkauska, Garfinkel, and McLanahan (2014) found that mothers in doubled-up households saved an average of \$4,000 per year on rent compared to other mothers with similar characteristics, and they saved \$4,600 per year compared to what they paid when they were not doubled-up. This does not include additional savings associated with economies of scale in larger households, either. Extended household living arrangements have also been particularly important to disadvantaged and economically vulnerable groups that include single parents, young adults, and racial minorities (Glick & Van Hook, 2002), which explains why members of these groups are more likely to double up (Mykyta & Macartney, 2010).

Although it is often complicated to untangle the reasons as to how extended households form (Cohen & Casper, 2002), coresidence with adult children most often occurs due to the needs of the children (Aquilino, 1990; Choi, 2003; Smits et al., 2010; Ward, Logan, & Spitze, 1992). For instance, although both generations' support needs mattered in Smits, van Gaalen, and Mulder's (2010) study of coresidence in the Netherlands, the needs of the children still outweighed the needs of the parents in coresidential decisions. Economic situations matter greatly in these decisions. In Seltzer, Lau, and Bianchi's (2012) vignette study, participants were also more likely to describe coresidence as desirable in times of financial hardship.

Regardless of the child's experiences of economic hardship, this type of parental support is generally expected, even with elongated transitions to adulthood (Goldscheider, Thornton, & Yang, 2001; Yelowitz, 2007). The goal of independence for young adults then becomes a joint enterprise, where parents take on the struggles of their children (Swartz et al., 2011). Having parental help can be incredibly beneficial for young adult children, but parents also provide resources at a cost to their own financial wellbeing, especially if they are already in precarious financial situations (Settersen & Ray, 2010; Swartz et al., 2011). Under such circumstances,

extending aid to struggling family members can burden those who supply resources, limiting savings and overall wealth.

Wealth, Assets, and Intergenerational Inequality

Research on intergenerational inequality and mobility in sociology has traditionally studied how individuals' labor market positions relate to those of their parents, while attempting to determine intergenerational correlations for income and patterns of association for class positions across generations (Blau & Duncan, 1976; Erikson & Goldthorpe, 1992, 2002). More recently, Mare (2011) and others (Pfeffer, 2014) have argued for a broader view of mobility processes, which considers the complex social relations that exist across multiple generations, as well as the many components of class position. I combine this perspective with theories related to life course transitions and economic insecurity in order to highlight the bi-directionality of financial hardship and family support in relation to wealth, assets, and savings. I also seek to address the larger implications of continued parental support for adult children.

Wealth transfers are an integral component of intergenerational inequality and mobility processes. There is much evidence to demonstrate how intergenerational processes related to inheritance pass down advantages and disadvantages through families (Avery & Rendall, 2002; Spilerman, 2000; Wolff, 2002). Inheritances in the form of financial and non-financial intergenerational transfers directly link economic positions across generations, providing the children of wealthier parents with an advantage over other families (Spilerman, 2000). Even though much inequality exists in parents' ability to support children and transfer wealth, parents with the means to do so often make a series of planned wealth transfers to their adult children throughout the life course (Fingerman et al., 2015; Hardie & Seltzer, 2016; Seltzer & Bianchi,

2013). These parents might pay for higher education and provide gifts for certain life events, such as weddings and graduations, and down payments for new homes. Coresidence, however, is an event that is not always planned for that can lead to added and unexpected daily costs.

Supporting children into adulthood is expensive, and even more costly for youth who live at home. Living with adult children directly inflates consumption costs within the household, as food and utility bills increase. Parents can also become responsible for paying additional bills incurred by their adult children. Using earlier PSID data from 1988, Schoeni and Ross (2005) estimated that the average family spent approximately \$4,500 to \$5,000 per year supporting youth between the ages of 18 to 34 who lived at home, but for youth living independently, family support averaged between \$1,000 and \$1,700 per year. In such situations, the negative effects of coresidence should be most apparent in changes in parental assets, especially within financial and liquid assets, as parents draw on savings to make ends meet.

Previous studies indicate that support for adult children will likely lead to decreases in parental wealth, but more recent data are needed to better gauge the magnitude of these effects, determine whether relationships hold net of other covariates, and study the types of assets that might be affected. Although the effects of coresidence on total wealth may take time to appear, as families take on new debts and sell assets, the effects on liquid assets should be more immediate. For these reasons, I expect that coresidence with adult children will be associated with decreases in parental assets and savings in the years where adult children are present in the household compared to the years where they are living elsewhere. I also expect the declines to be largest for the years when adult children are present, as opposed to the years where they reside elsewhere or at school.

It is important to note that the consequences of coresidence are not necessarily bad for all parties involved. Supporting adult children through financial and non-financial transfers can drain parental savings, but it also likely improves the economic situations of these children. Norms regarding nuclear family households and preferences for independent living make living with parents a less desirable option (Amato et al., 2007; Fingerman et al., 2015), but coresidence still presents a variety of benefits, including increased economic security for the guest parties (Swartz, 2009). This further implies a bi-directionality to processes of intergenerational inequality. Although parents can pass on assets to improve situations for their adult children, this process can also work in the opposite direction, compounding disadvantage for parents who support their struggling children into adulthood, many of whom are increasingly in debt themselves (Bleemer et al., 2014; Dettling & Hsu, 2014).

METHOD

Data

I use data from the 1979 National Longitudinal Survey of Youth to study the relationship between coresidence with adult children and parental assets. The NLSY79 cohort is a stratified sample of 12,686 respondents who were between 14 and 22 years old when first surveyed in 1979. These respondents consist of members of the later baby boomer generation, born between 1957 and 1964. The on-going survey interviewed respondents annually from 1979 through 1992, and biennially from 1992 through 2012. In addition to containing ample information on demographics, family transitions, employment, and education, the survey has also collected wealth information from respondents since 1985, which it further expanded and revised in 1994 to cover more specific forms of assets and debt.

Because I focus on financial assets and savings, I rely on seven survey waves for 1994, 1996, 1998, 2000, 2004, 2008, and 2012, which are the years where the NLSY collected asset data. In creating this time restriction, I also removed most of the military and low-income oversamples, which the survey stopped re-interviewing in 1985 and 1991. This reduced my sample to 9,289 individuals. I then restricted the sample to individuals who reported living in their own dwelling in order to ensure that I only included households where the adult children moved in with a host respondent. Studies of household transitions often have trouble determining which household members are guests and which are hosts (Cohen & Casper, 2002) and which respondents are in charge of household decision-making (Steele, Clarke, & Washbrook, 2013). In these relationships, hosts, who have some sources of independence, have greater resources than guests, who do not have homes of their own (Cohen & Casper, 2002). To primarily capture hosts, I excluded respondents living in their parents' households, dormitories, military barracks, prison, or other institutions, which reduced the sample to 9,200 individuals.

I next restricted the sample to respondents who were at least 33 years old and who were parents of at least one adult child age 18 and older, which included those who resided with a spouse or partner's children. After removing non-parents, missing data, cases with assets greater than \$2 million, and individuals with only one observation, a sample of 4,761 individuals (or cases) and 16,108 observations (or person-years) remained. My data, therefore, take the form of an unbalanced panel sample in which the number of time periods may differ across individuals.

Outcome Variables

I examine four outcome variables related to total financial assets and savings, which allow me to determine how coresidence might affect wealth through the limiting of different

assets. Financial assets include the total value of stocks, CDs, tax-deferred savings, and regular savings in 2012 U.S. dollars. I then examine savings as a separate outcome measure because it is the most common financial asset that families invest in and have access to. Savings refers to the total monetary value of checking and savings accounts in 2012 dollars. My four variables include whether the respondent reported *any financial assets* and *any savings* and the respondent's *logged financial assets* and *logged savings*.

The first column in Table 1 presents weighted descriptive statistics across person-years for the full sample. Across years, 80% of individuals reported some financial assets and 73% reported some savings. However, only 47% reported owned financial assets other than regular savings accounts and even fewer specifically reported owning any stocks or CDs. The average financial assets were \$75,000 and average savings were \$15,000. These variables also had respective median values of \$7,800 and \$1,700 across all observations, including those with zero assets and savings.

[Table 1]

Predictor Variables

My primary predictor variable measures the *presence of adult children* age 18 and older in the household. This variable, which I constructed using household roster information, includes biological and adopted children of the respondent or the respondent's partner and refers to adult children reported as currently living in the household. Between 1994 and 2012, 36-43% of parents reported the presence of adult children in the household each year, and the majority of individuals lived with their adult children at some point. Seventy-seven percent of parents spent at least one year residing with their adult children.

I also used questions related to the current residence of each child to better represent other living situations and potential levels of dependence on parents. I include a variable to account for whether the respondent has any *adult children who usually resided at home, but were not present* at the time of the interview. I also include a variable to indicate whether the adult child *usually resides "away at school"* to evaluate whether the costs of adult children might derive from schooling. Thus, my comparison or referent group is *households with adult children who are not currently or usually present and not at school*, which allows me to discuss how wealth varies for individuals with adult children in different living situations.

As shown in Table 1, which presents descriptive statistics by the presence of adult children in the household, 40% of observations had adult children present, 14% included adult children who usually resided at home but were not present, 6% had adult children residing at school, and 39% had adult children who were not currently or usually present or at school. Furthermore, parents with adult children present were often doing as well or better than those without adult children present. They reported higher earnings and were more likely to be married and employed than other individuals. These parents also appeared to hold more in financial assets and savings than those without adult children present. However, although average differences existed across households, questions remain as to how adult children affect assets over time within the same household.

Control Variables

I include time-varying covariates for demographic, employment, health, family, and regional variables to account for different explanations of wealth inequality. Because assets vary with age and household structure (Lupton & Smith, 2003; Spilerman, 2000; Yamokoski &

Keister, 2006; Zagorsky, 2005), I control for the respondent's reported *age* and *marital status*. I measure age in years and include a quadratic *age-squared* term in order to account for any non-linear relationships with assets. Marital status indicates whether the respondent was married (the referent), never married, or formerly married (separated, divorced, or widowed).

I further account for aspects of household structure by including variables for the *number of adults in the household* and the *number of biological or adopted children under 18 years of age in the household*. Although younger children likely have negative effects on assets, previous studies have presented mixed results for the relationship between young children and wealth (Grinstein-Weiss et al., 2008). Because family needs and living costs vary by location, I include an indicator variable for the respondent's residence in a *rural* area. I also control for the presence of *health limitations*, which could influence the respondent's ability to work, need to draw from savings, or propensity to ask for support from other household members.

In addition to demographic factors, education, employment, and income have generally shown a positive association with assets (Bricker et al., 2014; Semyonov & Lewin-Epstein, 2013). I therefore include measures for the respondent's *employment status* and *cumulative number of job gaps*, as well as the *combined total wage and salary income* of the respondent and the respondent's partner. Employment status is a categorical variable that indicates whether the respondent was employed full-time (referent), employed part-time, or not employed during the previous calendar year. I measure a respondent's cumulative number of job gaps lasting eight weeks or more using a categorical variable with the following categories: no job gaps (the referent); a single job gap; and two or more job gaps. I control for the respondent and spouse's *logged total earnings from wages and salary* from the previous year in 2012 U.S. dollars. This

variable includes income from tips, bonuses, and overtime pay in order to more accurately represent earnings.

In addition to its connections to wealth, education is also related to economic security, higher rates of marriage, and lower rates of multigenerational living (Cancian & Haskins, 2014; Kalmijn, 2013; Western et al., 2012). I therefore control for the respondent's *school enrollment status* and *education level*. Enrollment status is a dichotomous variable. I measure education as the number of completed years of schooling because that is how the NLSY collected education information. Finally, because homeownership is the largest component of wealth for most households (Spilerman, 2000), I also include a variable to indicate whether the respondent was a *homeowner*.

I include time-invariant covariates for the respondent's *sex*, measured as male or female, and *race/ethnicity*. Race/ethnicity is a categorical variable measured as non-Hispanic white (referent), non-Hispanic black, and Hispanic. These controls help to account for the lower asset levels and higher rates of coresidence among racial minority households, which stem from cultural preferences and broader barriers (Swartz, 2009). Because respondents with adult children likely had children at younger ages in this cohort sample, I also control for *age at first child*, which measures the age at which the respondent first became a parent. In addition to these time-invariant covariates, I also designate the *survey wave year*. The survey-year variable is an indicator variable with seven categories where the referent is the most recent wave (2012). I include this variable to account for any unobserved period effects.

Analytical Models

I use hybrid mixed effects (HME) models with fixed effects for time-varying covariates and random effects for time-invariant covariates to investigate asset disparities (Allison, 2009). These models take the form of random effects models that account for correlated disturbance terms for the same person over time by assigning each person a separate intercept (Allison, 2009; Gelman & Hill, 2007). I incorporate fixed effects for time-varying covariates within each model by expressing these variables as deviations from their person-specific means, which represent the within-person variation over years. I also include the person-specific means in order to provide estimates based on the average between-person variation, net of time-varying and time-invariant covariates. By incorporating both factors into each model, I am able to discuss the variation in assets for an individual in the sample (or the average of the average change in assets for an individual over time) as well as the variation in average assets across similar individuals. This allows me to control for unobserved, stable, time-invariant, individual-level characteristics, assess the effects of time-varying and time-invariant factors, and address selection into certain statuses (Allison, 2009). HME models, therefore, help to overcome the limitations of separate fixed and random effects models, but they provide estimates consistent with both procedures.

Equation 1 represents the general random effects model for continuous data, which I use to estimate an individual's total logged financial assets and savings at time, t . I also use a similar equation within a logit model to estimate whether an individual reported any financial assets or any savings at time, t .

$$\log(y_{it}) = \mu_t + \beta X_{it} + \gamma Z_i + \alpha_i + \varepsilon_{it} \quad (1)$$

where i indexes the individual respondent and t indexes yearly observations per individual. In this equation, μ_t represents the time-varying intercept, γZ_i represents vectors of the time-invariant coefficients and predictor variables, βX_{it} represents vectors of the time-varying coefficients and predictor variables, and ε_{it} is the error term that represents random variation at each point in time. These models assume that α_i , which is treated as a set of random variables with a specified probability distribution, is independent of all other variables in the model.

I then partition the within- and between-person variation through person-specific mean-centering of the time-varying predictors in equation 1 (Allison, 2009). For dichotomous variables the person-specific mean refers to the proportion of cases in the category coded as one. Equation 2 illustrates this process,

$$x_{it}^* = x_{it} - \bar{x}_i \quad (2)$$

where x_{it}^* represents the person-mean centered time-varying covariate, x_{it} is the original score for individual i at time t , and $\bar{x}_i$ represents the person-specific mean for individual i . I then incorporate both the person-specific deviations and means into my final model, as shown in Equation 3:

$$\log(y_{it}) = \mu_t + \beta X_{it}^* + (\gamma_1 \bar{X}_i + \gamma_2 Z_i) + \alpha_i + \varepsilon_{it} \quad (3)$$

Within this model, βX_{it}^* represents vectors of the within-person (fixed effects) coefficients and the person-mean-centered time-varying covariates, $\gamma_1 \bar{X}_i$ represents vectors of the between-person (random effects) coefficients and the person-specific-means of time-varying covariates, and $\gamma_2 Z_i$ represents vectors of the time-invariant coefficients and predictor variables. I also include an autoregressive disturbance term with ε_{it} to account for the correlation of errors within time series data.

RESULTS

Across my results, coresidence with adult children was negatively associated with parental assets, much more than the presence of adult children outside the household. Although, on average, parents who resided with their adult children did not hold lower assets than those who never resided with adult children, these parents saw their assets and savings decrease during the years in which their children lived at home. This indicates that much of the broader effects of adult children on assets are partly driven by the costs to supporting adult children within the parental household.

Financial Assets

Table 2 presents the results from HME models predicting any financial assets (Model 1) and logged total financial assets (Model 2) in relation to the presence of adult children inside and outside the home. This table divides results into within- and between-person coefficients in order to compare changes in individual assets over time and average asset differences across similar individuals.

[Table 2]

Beginning with the between-person coefficients in the bottom panel of Table 2, on average, there were no significant differences in financial assets between households who did and did not reside with their adult children, after accounting for income, education, and age at first child. This was true for situations where the adult child was currently at home or usually resided at home. However, households where the adult child usually resided at school generally had much greater assets than those with children residing elsewhere. On average, they were 14

percent more likely to report assets and held 5 times more in assets than individuals not residing with their adult children. This indicates that sending adult children "away to school" is likely a privilege only available to very wealthy households.

In terms of the within-person differences, financial assets varied over time in relation to the presence of adult children within the household, as shown by the coefficients in the top panel of Table 2. Compared to the years without adult children present, younger baby boomers were no less likely to report any financial assets when adult children lived in the household, net of unobserved time-invariant individual-level characteristics and time-varying covariates (Model 1). However, parents did hold less in financial assets when adult children were present in the household. Coresidence was associated with a decrease of 24.2% in financial assets (Model 2), but having adult children who usually lived at school did not lead to a specific decrease in assets during those years. This supports Schoeni and Ross's (2005) findings, which showed greater costs associated with providing for adult children living in the home.

In addition to the presence of adult children in the household, other family and household structure variables were also significantly associated with financial assets. Never married and formerly married individuals held less in assets than married individuals and, among those whose marital statuses changed throughout the survey, marriage was associated with greater assets in the years in which they were married. Across years, the number of adults and young children in the household did not present any significant effects on assets, net of other covariates, but, on average, households with more children present had fewer assets. This shows that the presence of adult children, not simply the presence of any children or additional family members in the household, specifically led to asset declines. It also demonstrates why the results of previous

research regarding the relationship between children and wealth (Grinstein-Weiss et al., 2008) have been so mixed.

Many other control variables were also associated with financial assets. Employment status, income, and homeownership presented some of the strongest between- and within-person associations. Racial and ethnic differences were also apparent. On average, non-Hispanic black parents and Hispanic parents were less likely than non-Hispanic white parents to own any financial assets. Asset levels were also 53% lower for black parents and 40% lower for Hispanic parents.

Savings

To expand on the findings in Table 2, Table 3 presents the results from HME models predicting any savings (Model 1) and logged total savings (Model 2) in relation to the presence of adult children inside and outside the home. This table divides results into within- and between-person coefficients in order to compare changes in individual savings over time and average savings differences across similar individuals.

[Table 3]

The results for models estimating savings in Table 3 mirror those estimating financial assets in Table 2. There were few significant differences in savings between households with and without adult children present in them, except in the case of households with adult children away at school. Total savings did, however, vary over time in relation to the presence of adult children within the household. Within-parents over time, households with adult children present were no

less likely to report any savings in the years when they were living with these children than in the years when they were not (Model 1), but parents did report less in savings when adult children were present (Model 2). Compared to the years without adult children, coresidence was associated with a decrease of 23% in savings, net of unobserved time-invariant individual-level characteristics and other time-varying covariates. Having adult children who usually resided at home but were not currently present did not lead to decreases in savings.

Other household structure variables, such as family size and marital status, were again associated with this outcome. In addition, the number of young children in the household was only significantly associated with between household savings. Finally, employment status, income, homeownership, race, and ethnicity were also associated with reporting any savings and the amount in savings. On average, non-Hispanic black parents held 65% less in savings than non-Hispanic white parents and Hispanic parents held 44% less.

DISCUSSION

Previous studies show that heightened economic insecurity and a more elongated transition to adulthood have increased the need for parental support among young adults (Schoeni & Ross, 2005; Sironi & Furstenberg, 2012; Wiemers, 2014). In this study, I extend this research to highlight how coresidence -- one of the most common forms of parental support -- can create negative consequences for parental assets and savings. Individuals who extended their households to their adult children experienced financial asset declines of 24% and savings declines of 23% in the years when adult children were present in the household, even after accounting for changes in family size. At the mean level of assets, approximately \$33,700 when

all variables were held at their means, this was equivalent to an \$8,100 decrease. For families with average savings of \$3,200, this was equivalent to a \$710 decrease.

Parents assist their adult children through different financial transfers for education and other expenses, including general gifts and inheritances; however, housing is the only resource that many have to offer, which factors into the rising rates of coresidence among parents and adult children (Seltzer & Bianchi, 2013). Previous studies show that unemployment and increasing debt levels among young adults are associated with the rise in multigenerational households (Bleemer et al., 2014; Wiemers, 2014). This study then demonstrates how coresidence with adult children, which most often results from the child's financial hardship, negatively affects assets and savings among the later-baby-boomer cohort. In assessing both outcomes, I was also able to highlight the type of asset -- savings in regular checking and savings accounts -- that is most affected by coresidence. Because savings are easier to access and fluctuate more than other assets, such as stocks and CDs, the effects of coresidence were more pronounced with this asset component. Importantly, savings are also the most common financial asset type across households.

Overall, my results provide support for coresidence with adult children as both a cause and a consequence of economic insecurity. Due to the use of cross-sectional data, most studies of household structure and assets have not been able to fully assess issues of selection into coresidence. For example, many are left asking the question -- does coresidence with adult children decrease assets or are less well-off households more likely to reside with their children? Unlike previous studies, the use of HME models allows for a better assessment of the relationship between certain factors. By analyzing between-person coefficients, I was able to discuss issues of selection and demonstrate differences across individuals controlling for key

covariates associated with assets. By also including within-person coefficients that controlled for all unobserved time-invariant individual-level characteristics, therefore studying changes within individual assets over time, I was able to show that living with adult children decreased assets and savings. Without counterfactual cases (i.e., outcomes for identical persons who never resided with their adult children) with whom I can compare asset outcomes, I cannot truly infer causality in my findings, but my results still offer strong evidence for such a relationship between coresidence and parental assets.

Although my use of longitudinal data and HME regression models helps to better identify between- and within-person differences, my analyses also have certain limitations related to data availability and modeling. Due to my use of NLSY79 data, my results primarily apply to baby boomer adults who were between 47 and 56 years of age in 2012. This limits the generalizability of my findings, but it does allow for a specific discussion of the relationship among millennials and baby boomer parents born between 1957 and 1964. My findings are particularly relevant in relation to literature on millennials' labor market struggles and changing life course transitions. Several recent studies have documented how escalating debt and economic insecurity have increased coresidence among millennials and their baby boomer parents. This study builds on those to demonstrate the consequences for parental assets.

Studying household dynamics also presents more general limitations. As noted by Steele, Clarke, and Washbrook (2013), it can be hard to determine who moves in with whom and what each household member's circumstances are. To help address these issues, my analyses focused on one individual within a household, even though I am interested in the broader relationship between household structure and assets. This helps to simplify the analyses while still providing information about variation across household structures. Restricting the sample to individuals in

their own dwellings, also helped to identify host parents and guest children, a key component in determining who moves in with whom. Still, it did not allow for a specific identification for why the children moved back into their parents' homes, what their financial situations were like, and whether they were enrolled in school, variables that would be an asset to a study such as this one.

Despite these limitations, this study offers multiple contributions to the literature on life course transitions, economic insecurity, parental support, and intergenerational mobility. Most previous studies of intergenerational mobility have focused on comparing occupational and class standing across two to three generations with the question of -- how are children doing compared to their parents and grandparents? Though informative, these studies do not always acknowledge the interdependences among family members and the instability of income and wealth across lifetimes. By combining this perspective with literature on life course studies and economic insecurity, I present a more complex process where the financial hardship of younger generations can create limitations for those above them.

Whether they live at home or not, raising children and supporting them into adulthood is expensive, even if this is part of a broader system of wealth transfers. According to supplemental analyses that included both parents and non-parents (available upon request), households with adult children living at home or residing elsewhere, with the exception of adult children living at school, held much less in savings and assets compared to those without adult children. On average, they held 59-72% less in financial assets and savings when compared to otherwise similar individuals without adult children.

Although differences between parents who did and did not reside with adult children were not significant once I accounted for age at first childbirth, the presence of adult children in the household drained parental resources among those who did extend their households and

likely delved into savings accounts to help aid their children in times of financial distress. This creates a dilemma for parents. Many want to help support their children, but extending support can be hard when it increases day-to-day consumption needs and limits personal assets. Members of this baby boomer cohort are also relatively young, which means that they will still need savings for retirement and their own living costs. Persistent norms of familialism, however, indicate that parents will likely continue to extend resources to their children, even if they must do so at their own expense.

Recent research has focused on the consequences of the recession and growing economic insecurity for millennial young adults, but the consequences are much larger than that. Troubles can spread across households and to parents, who are often expected to help their children and provide support in times of need. Parents generally give more support to their children than they receive, even in old age (Choi, 2003; Ward et al., 1992). Many also provide housing support to their children regardless of their relationship quality (Ward & Spitze, 2007), which is indicative of the strong norms surrounding expectations about parental support (Goldscheider et al., 2001; Yelowitz, 2007). However, extending support through housing and other means can also exhaust parental resources and limit savings, which shows that the intergenerational transmission of inequality does not just stem from parents to children. When adult children experience economic insecurity, this can also influence the economic wellbeing of their parents.

It is important to note that the financial transfers associated with coresidence might not result in a permanent drain on family resources. An alternative perspective could view the lost assets as an investment into the child's success. For instance, Sandberg-Thoma, Snyder, and Jang (2015) found that children with higher levels of education took longer to leave their parental homes, but they were less likely to return after moving out. In this situation, extended

coresidence helped to provide youth with additional resources to improve their financial situations, which could create benefits for parents later on. Any later reciprocity, however, depends on the children's abilities to improve their own situations. Overall, the long-term consequences for parents who continue to support their adult children remain unknown and will likely be an interesting topic for further investigation.

These results demonstrate a need for future studies on the pathways of intergenerational inequality, how they relate to changing life course transitions, and how this influences stability among parents. Studies of social mobility have primarily focused on the pathways from parents to children, with less research on how financial hardship among children can affect parents. This presents an important pathway that will likely become more relevant over time. Although baby boomers have accumulated more wealth than their parents (Keister & Deeb-Sossa, 2001), millennials will likely acquire less wealth than their baby boomer parents (Houle, 2014), and this study shows that their financial hardship can also influence the assets of parents.

On a policy level, my findings also indicate a need to consider broader household relationships when making decisions regarding social safety nets. This means acknowledging that parents are now supporting their children well into adulthood and adjusting policy to match. Recent healthcare policy revisions that allow children to remain on their parents' insurance plan until age 26 (Jacobs & Skocpol, 2015) include this consideration, but there is more that can be done. Focusing on families and households, not just individuals, would also help to improve the situations of individuals in other types of extended household situations where they may be caring for and supporting different relatives.

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Table 1. *Descriptive Statistics of NLSY79 Variables by Presence of Adult Children¹*

	Total		No Adult Children Present		Adult Children Present	
	Estimate	SE	Estimate	SE	Estimate	SE
N person-years	16,108		9,679		6,429	
Any financial assets ²	79.09	0.36	77.45	0.48	81.60	0.54
Mean	74,691.26	2,435.98	74,105.15	3,304.61	75,583.26	3,528.00
Median	7,778.00	352.56	6,684.86	374.37	9,966.00	610.92
Any savings ²	72.70	0.41	71.26	0.54	74.89	0.62
Mean	15,219.70	609.27	15,548.47	854.96	14,719.34	817.22
Median	1,667.03	102.72	1,430.00	77.55	2,000.00	79.34
Adult child age 18+ present, not usually at school	39.65	0.47	-	-	-	-
Adult child age 18+ not present or usually at school	60.35	0.47	-	-	-	-
Not present but usually resides at home	14.42	0.34	-	-	-	-
Not present and does not usually reside at home	39.48	0.47	-	-	-	-
Usually resides at school	6.45	0.25	-	-	-	-
Current marital status						
Married	63.99	0.45	58.94	0.60	71.68	0.65
Never married	7.41	0.20	8.10	0.27	6.36	0.27
Formerly married	28.60	0.43	32.96	0.58	21.95	0.61
Mean number of adults present	2.36	0.89	1.87	0.85	3.11	1.09
Mean number of children present	1.36	1.18	94.35	1.45	1.99	1.59
Mean total household income ²	68,529.90	660.62	65,160.17	858.88	73,658.22	1,027.37
Mean weeks worked	40.95	18.32	40.00	24.34	42.39	27.45
Employment status						
Employed full-time	69.46	0.44	68.06	0.58	71.59	0.69
Employed part-time	11.29	0.31	10.97	0.40	11.79	0.51
Not employed	19.25	0.37	20.97	0.49	16.62	0.55
Job gaps since age 20						
No job gaps	37.07	0.48	36.32	0.61	38.21	0.76
Single job gap	23.20	0.42	23.12	0.53	23.31	0.66
Two+ job gaps	39.74	0.47	40.56	0.60	38.48	0.73
Mean years of schooling completed (years)	12.85	2.15	12.83	2.80	12.88	3.34
Currently enrolled in school	2.83	0.15	2.70	0.19	3.02	0.25
Mean age (years)	45.23	5.32	45.22	7.02	45.25	8.13
Health limitation	13.23	0.32	13.98	0.42	12.11	0.49
Rural	31.97	0.47	33.10	0.60	30.24	0.73
Female	61.28	0.48	57.71	0.62	66.71	0.74
Non-Hispanic white	73.53	0.33	74.22	0.42	72.49	0.54
Non-Hispanic black ³	18.83	0.28	18.79	0.36	18.89	0.44
Hispanic origin ³	7.64	0.15	7.00	0.19	8.62	0.26

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = N = 16,108 cases and N = 4,761 individuals, weighted using NLSY sample survey weights

NOTES: ¹Estimates refer to percentages, unless otherwise noted. ²Earnings and assets in 2012 dollars. ³Due to oversampling in the NLSY, percentages of black and Hispanic respondents are larger than in the population.

Table 2. *Results of HME Models Predicting Any Financial Assets and Logged Financial Assets by Presence of Adult Children in the Household*

	Model 1 - Any Assets			Model 2 - Logged Assets		
	AME	b	SE	e ^b - 1	b	SE
Intercept		1.377	(0.234)	328.131	5.796***	(0.241)
<i>Time-varying Predictors</i>						
<i>Within-person Coefficients</i>						
<i>(Approximating Fixed Effects)</i>						
Adult child present, not usually at school	-0.022	-0.210	(0.107)	-0.242	-0.277**	(0.098)
Adult child not present but usually resides at home	0.001	0.011	(0.107)	-0.015	-0.015	(0.096)
Adult child usually resides at school	0.002	0.021	(0.191)	-0.096	-0.101	(0.142)
Number of adults present	0.003	0.032	(0.054)	0.078	0.075	(0.050)
Number of children present	0.005	0.049	(0.046)	0.015	0.015	(0.045)
Marital status (Ref: Married)						
Never married	-0.038	-0.370	(0.282)	-0.419	-0.543	(0.310)
Formerly married	-0.037	-0.356**	(0.114)	-0.456	-0.609***	(0.113)
Age	0.004	0.042*	(0.021)	0.067	0.065**	(0.022)
Age squared	0.000	0.002	(0.001)	0.002	0.002	(0.001)
Years of schooling completed	0.004	0.035	(0.063)	0.053	0.051	(0.065)
Currently enrolled in school	-0.024	-0.230	(0.181)	-0.145	-0.157	(0.164)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.014	-0.139	(0.362)	-0.183	-0.202	(0.361)
Two+ job gaps	-0.067	-0.639	(0.403)	-0.544	-0.786	(0.409)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.042	-0.406***	(0.113)	-0.273	-0.319**	(0.108)
Not employed	-0.068	-0.658***	(0.108)	-0.453	-0.603***	(0.107)
Household wage and salary income	0.007	0.071***	(0.013)	0.117	0.110***	(0.013)
Health limitation	0.011	0.102	(0.106)	-0.099	-0.104	(0.103)
Rural	-0.014	-0.136	(0.114)	-0.011	-0.011	(0.104)
Homeowner	0.070	0.677***	(0.092)	1.709	0.997***	(0.093)

Table 2. (cont.) *Results of HME Models Predicting Any Financial Assets and Logged Financial Assets by Presence of Adult Children in the Household*

	Model 1 - Any Assets			Model 2 - Logged Assets		
	AME	b	SE	e ^b - 1	b	SE
Between-person Coefficients						
<i>(Approximating Random Effects)</i>						
Adult child present, not usually at school	0.036	0.349	(0.182)	0.399	0.336	(0.190)
Adult child not present but usually resides at home	0.033	0.315	(0.238)	0.406	0.340	(0.240)
Adult child usually resides at school	0.139	1.334***	(0.352)	4.174	1.644***	(0.298)
Number of adults present	-0.008	-0.076	(0.085)	-0.021	-0.021	(0.091)
Number of children present	-0.018	-0.171***	(0.048)	-0.204	-0.228***	(0.050)
Marital status (Ref: Married)						
Never married	-0.065	-0.624***	(0.149)	-0.619	-0.964***	(0.168)
Formerly married	-0.067	-0.643***	(0.128)	-0.622	-0.972***	(0.137)
Age	0.002	0.020	(0.021)	0.039	0.038	(0.022)
Age squared	0.000	0.000	(0.003)	0.001	0.001	(0.003)
Years of schooling completed	0.021	0.205***	(0.021)	0.324	0.281***	(0.020)
Currently enrolled in school	0.000	-0.004	(0.366)	-0.175	-0.192	(0.364)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.010	-0.099	(0.127)	-0.214	-0.240*	(0.121)
Two+ job gaps	-0.048	-0.464***	(0.109)	-0.556	-0.812***	(0.107)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.042	-0.404*	(0.187)	-0.357	-0.442**	(0.189)
Not employed	-0.081	-0.782***	(0.181)	-0.363	-0.452**	(0.192)
Household wage and salary income	0.024	0.234***	(0.021)	0.393	0.331***	(0.022)
Health limitation	0.021	0.204	(0.168)	-0.310	-0.371*	(0.178)
Rural	-0.051	-0.495***	(0.111)	-0.448	-0.595***	(0.111)
Homeowner	0.172	1.656***	(0.111)	12.920	2.633***	(0.121)
Time-invariant Predictors						
Age at first child	0.004	0.043***	(0.013)	0.053	0.051***	(0.014)
Female	0.033	0.318***	(0.093)	0.318	0.276**	(0.094)
Non-Hispanic black	-0.087	-0.840***	(0.097)	-0.534	-0.763***	(0.102)
Hispanic origin	-0.061	-0.585***	(0.108)	-0.402	-0.513***	(0.111)
Year	X			X		
Pseudo R-Squared				.423		
Rho (ICC)	.423			.353		
AIC	12944			84133		
BIC	13328			84533		

*** p<.001, ** p<.01, * p<.05

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals

NOTES: Continuous variables (age, earnings, and grade) are grand mean centered. All models include covariates for the survey wave year. Within-person coefficients approximate fixed effects. Between-person coefficients approximate random effects. Model 1 is a logit model estimating whether the respondent reported any financial assets. "AME" refers to average marginal effects, which can be interpreted as a percentage point change in the presence of assets associated with a unit change in the predictor variable. Model 2 is a linear model estimating logged financial assets. (e^b - 1) can be interpreted as a percent change in assets associated with a one-unit change in the predictor variable.

Table 3. *Results of HME Models Predicting Any Financial Savings and Logged Savings by Presence of Adult Children in the Household*

	Model 1 - Any Savings			Model 2 - Logged Savings		
	AME	b	SE	e ^b - 1	b	SE
Intercept		1.187***	(0.215)		5.161***	(0.224)
<i>Time-varying Predictors</i>						
<i>Within-person Coefficients</i> (Approximating Fixed Effects)						
Adult child present, not usually at school	-0.025	-0.192	(0.099)	-0.230	-0.261**	(0.092)
Adult child not present but usually resides at home	-0.005	-0.035	(0.099)	-0.090	-0.094	(0.090)
Adult child usually resides at school	-0.007	-0.055	(0.163)	-0.138	-0.148	(0.133)
Number of adults present	0.000	-0.004	(0.051)	0.039	0.038	(0.047)
Number of children present	0.008	0.059	(0.043)	0.019	0.019	(0.041)
Marital status (Ref: Married)						
Never married	-0.010	-0.080	(0.271)	-0.199	-0.222	(0.284)
Formerly married	-0.045	-0.346***	(0.105)	-0.434	-0.570***	(0.105)
Age	0.004	0.029	(0.020)	0.047	0.046*	(0.021)
Age squared	0.000	0.002	(0.001)	0.002	0.002*	(0.001)
Years of schooling completed	0.011	0.088	(0.059)	0.057	0.055	(0.060)
Currently enrolled in school	-0.009	-0.070	(0.163)	0.017	0.017	(0.153)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.025	-0.191	(0.333)	-0.318	-0.383	(0.333)
Two+ job gaps	-0.066	-0.505	(0.372)	-0.479	-0.651	(0.376)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.033	-0.253**	(0.105)	-0.223	-0.253*	(0.100)
Not employed	-0.069	-0.528***	(0.102)	-0.418	-0.542***	(0.100)
Household wage and salary income	0.008	0.058***	(0.012)	0.076	0.073***	(0.012)
Health limitation	0.019	0.148	(0.101)	0.057	0.055	(0.096)
Rural	-0.015	-0.115	(0.105)	-0.074	-0.077	(0.097)
Homeowner	0.071	0.544***	(0.085)	1.181	0.780***	(0.087)

Table 3. (cont.) *Results of HME Models Predicting Any Financial Savings and Logged Savings by Presence of Adult Children in the Household*

	Model 1 - Any Savings			Model 2 - Logged Savings		
	AME	b	SE	e ^b - 1	b	SE
Between-person Coefficients (Approximating Random Effects)						
Adult child present, not usually at school	0.016	0.124	(0.168)	0.069	0.067	(0.177)
Adult child not present but usually resides at home	0.057	0.438	(0.218)	0.545	0.435	(0.224)
Adult child usually resides at school	0.137	1.056***	(0.301)	3.127	1.417***	(0.277)
Number of adults present	-0.015	-0.113	(0.080)	-0.098	-0.104	(0.085)
Number of children present	-0.018	-0.137**	(0.045)	-0.159	-0.173***	(0.047)
Marital status (Ref: Married)						
Never married	-0.090	-0.690***	(0.141)	-0.609	-0.939***	(0.156)
Formerly married	-0.092	-0.705***	(0.118)	-0.629	-0.991***	(0.128)
Age	0.003	0.024	(0.019)	0.038	0.038	(0.020)
Age squared	0.000	0.002	(0.003)	0.004	0.004	(0.003)
Years of schooling completed	0.024	0.182***	(0.019)	0.275	0.243***	(0.019)
Currently enrolled in school	-0.014	-0.106	(0.329)	-0.377	-0.474	(0.340)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.021	-0.160	(0.112)	-0.232	-0.265*	(0.113)
Two+ job gaps	-0.057	-0.439***	(0.098)	-0.518	-0.730***	(0.099)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.026	-0.199	(0.171)	-0.133	-0.143	(0.176)
Not employed	-0.080	-0.618***	(0.167)	-0.263	-0.305	(0.179)
Household wage and salary income	0.028	0.213***	(0.020)	0.300	0.263***	(0.021)
Health limitation	-0.005	-0.041	(0.156)	-0.433	-0.567***	(0.166)
Rural	-0.056	-0.430***	(0.101)	-0.426	-0.554***	(0.103)
Homeowner	0.190	1.466***	(0.102)	8.463	2.247***	(0.113)
Time-invariant Predictors						
Age at first child	0.005	0.039**	(0.012)	0.052	0.051***	(0.013)
Female	0.029	0.225**	(0.084)	0.125	0.118	(0.087)
Non-Hispanic black	-0.124	-0.952***	(0.089)	-0.646	-1.040***	(0.095)
Hispanic origin	-0.074	-0.566***	(0.098)	-0.435	-0.570***	(0.104)
Year	X			X		
Pseudo R-Squared				.376		
Rho (ICC)	.404			.357		
AIC	14971			81897		
BIC	15355			82297		

*** p<.001, ** p<.01, * p<.05

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals

NOTES: Continuous variables (age, earnings, and grade) are grand mean centered. All models include covariates for the survey wave year. Within-person coefficients approximate fixed effects. Between-person coefficients approximate random effects. Model 1 is a logit model estimating whether the respondent reported any savings. "AME" refers to average marginal effects, which can be interpreted as a percentage point change in the presence of savings associated with a unit change in the predictor variable. Model 2 is a linear model estimating logged total savings. (e^b - 1) can be interpreted as a percent change in assets associated with a one-unit change in the predictor variable.

SUPPLEMENTAL REVIEWER APPENDIX

I have included the attached Supplemental Appendix in order to further confirm the results presented in the full paper and to answer reviewer queries for additional analyses. In this appendix, I discuss (1.) my procedures for subsetting and restricting my final sample, (2.) additional descriptive statistics for key variables, and (3.) results from models that contained parents and non-parents within the sample.

This Appendix contains the following Tables and Figures:

- Table A1. Sample Subsets for NLSY79 Data 1994-2012
- Table A2. Unweighted Descriptive Statistics of NLSY79 Variables
- Table A3. Results of HME Models Predicting Any Financial Assets and Logged Financial Assets by Presence of Adult Children in the Household, Parents and Non-parents Sample
- Table A4. Results of HME Models Predicting Any Savings and Logged Total Savings by Presence of Adult Children in the Household, Parents and Non-parents Sample
- Figure A1. Presence of Adult Children in the Household by Year, NLSY79 Data 1994-2012
- Figure A2. Mean Financial Assets by Year, NLSY79 Data 1994-2012
- Figure A3. Mean Savings by Year, NLSY79 Data 1994-2012

1. *Sample Subsets*

In addition to a cross-sectional sample of 6,111 respondents, the NLSY79 originally included oversamples of 5,295 low-income, Hispanic, Latino, or black respondents and 1,280 respondents serving in the military. This provided a total sample of 12,686 individuals in 1979.

[Table A1]

As described by Table A1, I created the NLSY79 sample that I analyze in the paper in nine steps. First, I began with ten years of data from 1994-2012 for all 12,686 survey participants. I then removed non-interview cases for each of these years, which resulted in a sample of 17,621 person-years and 9,289 individuals. Most of the individuals lost at this step came from restrictions placed on the data by the survey. This resulted in the removal of most of the military oversample (1,079 individuals) because the survey stopped re-interviewing this group in 1985 and part of the low-income non-Hispanic non-black oversample (1,621 individuals) because the survey stopped re-interviewing this group in 1991.

I next restricted the sample to individuals who reported living in their own dwellings in order to better ensure that adult children were the "guests" and the parents were the "hosts" of each household. This reduced the sample to 72,425 person-years and 9,200 individuals. I then added an age restriction to better ensure that individuals were at least 15 years of age when they reported their first child, which reduced the sample to 67,643 person-years and 9,121 individuals.

The greatest restriction for my data occurred in my fifth step when I restricted the sample to parents with adult child age 18 and older. This led to a sample of 33,709 person-years and 6,645 individuals. I then removed additional years (2002, 2006, and 2010) where wealth data

were not collected, other missing data, and outliers on the wealth data (asset variables > \$2,000,000). Finally, I removed cases with only one observation present because at least two data points are necessary to assess within-person variation. This resulted in a final sample of 16,108 person-years and 4,761 individuals. I use this sample for analyses presented in the paper.

2. *Further Descriptive Statistics*

As a complement to the weighted descriptive statistics presented in Table 1 in the full paper, Table A2 presents unweighted descriptive statistics for the sample. Because the NLSY79 contains an oversample of low-income and racial minority households, the weighted estimates for assets, savings, and income in Table 1 are greater than the estimates for the unweighted estimates in Table A2. Weights also account for the different representation of racial minority groups in the sample, which is why unweighted descriptive statistics show a greater proportion of black and Hispanic parents in the sample than the weighted descriptives. Estimates for the percentages of adult children living inside and outside the household, however, are very similar across tables. Differences by other characteristics were also quite small when comparing results with and without sampling weights.

[Table A2]

In addition to this descriptive statistics table, I have also included three figures that depict trends in the percentage of children living at home (Figure A1), mean financial assets (Figure A2), and mean total savings (Figure A3) over time. These help to demonstrate how the variables

might change across survey years. They also present estimates for individuals instead of person-years.

[Figure A1]

[Figure A2]

[Figure A3]

Figure A1 shows that the percentage of parents living with adult children remained stable over the years of the survey. Between 1994 and 2012, 35-40 percent of households had adult children present in them each year. As shown in Figure A2, on average, households experienced asset growth through the recession and saw declines in 2012. However, savings grew at a slow but steady rate throughout the time period under consideration, which is highlighted by the trends in Figure A3.

3. *Analyses for Parents and Non-Parents*

As a supplement to my analyses for parents with adult children age 18 and older (Tables 2-3 in full paper), I also present analyses for a broader sample that includes parents and non-parents. This sample is much larger and includes 37,898 observations and 8,099 individuals. Table A3 presents the results from HME models predicting any financial assets (Model 1) and logged total financial assets (Model 2) in relation to the presence of adult children inside and outside the home. Table A4 presents the results from HME models predicting any savings (Model 1) and logged total savings (Model 2) in relation to the presence of adult children inside and outside the home. The referent category across models is individuals (or person-years) without adult children.

[Table A3]**[Table A4]**

Beginning with the between-person results for financial assets in Table A3, on average, individuals with adult children present or not present in the household were 5 to 8 percentage points less likely to report any assets (Model 1) and held 59 to 73 percent less in total assets (Model 2) than individuals without adult children. Only individuals with adult children at school held more in assets than those without adult children.

In terms of the within-person differences, financial assets varied over time in relation to the presence of adult children within the household, as shown by the coefficients in the top panel of Table A3, but this was the only situation with significant negative effects over time.

Compared to the years without adult children, younger baby boomers were no less likely to report any financial assets when adult children lived in the household, net of unobserved time-invariant individual-level characteristics and time-varying covariates (Model 1). However, parents did hold less in financial assets when adult children were present in the household. Coresidence was associated with a decrease of 16.5 percent in financial assets (Model 2), but having adult children who usually lived in other situations did not lead to a specific decrease in assets during those years.

A similar situation was present for savings in Table A4. On average, individuals with adult children present or not present in the household were 6 to 10 percentage points less likely to report any savings (Model 1) and held 59 to 70 percent less in total savings (Model 2) than individuals without adult children. Individuals with adult children at school, however, held more in savings than those without adult children.

Savings also varied over time in relation to the presence of adult children within the household, as shown by the within-person coefficients in the top panel of Table A4, but this was the only situation with significant negative effects over time. Compared to the years without adult children, younger baby boomers were no less likely to report any savings when adult children lived in the household (Model 1). However, parents did have less in savings when adult children were present in the household. Coresidence was associated with a decrease of 16 percent in savings (Model 2), but having adult children who usually lived in other situations did not lead to a specific decrease in savings during those years.

Thus, these findings replicate and expand the findings presented in the full paper. They show that, on average, individuals with adult children have less in assets and savings than those without. However, much of these declines in assets over time are associated with years where adult children were living in the household.

Table A1. *Sample Subsets for NLSY79 Data 1994-2012*

	Person-years (observations)	Individuals (cases)	Notes
1. Restrict to 1994-2012	126,860	12,686	Beginning analyses with 10 years of data (1994, 1996, 1998, 2000, 2002, 2004, 2006, 2008, 2010, 2012) and full sample
2. Remove non-interview cases and parts of oversamples	79,621	9,289	Removing non-interview cases for 1994-2012 also resulted in the removal of most of the military oversample (1079 individuals) because the survey stopped re-interviewing this group in 1985 and part of the low-income non-Hispanic non-black oversample (1621 individuals) because the survey stopped re-interviewing this group in 1991
3. Restrict to own dwelling	72,425	9,200	Restricting sample to individuals who live in their own dwellings in order to better ensure that adult children are the guests and the parents are the hosts
4. Restrict to age 33+	67,643	9,121	Restricting sample to individuals age 33 and older in order to ensure that individuals were at least 15 years of age when reporting first child
5. Restrict to parents with adult children	33,709	6,645	Restricting sample to parents with adult children age 18+
6. Remove years where wealth data not asked (2002, 2006, and 2010)	20,713	6,506	Removing years where wealth data were not collected (2002, 2006, and 2010)
7. Remove other missing data	17,555	6,185	Removing missing data on all variables of interest
8. Remove outliers on wealth data (> 2,000,000)	17,522	6,175	Removing outliers on wealth data with savings or assets greater than \$2 million dollars (2012 USD)
9. Remove cases with only one observation	16,108	4,761	Removing cases with only one observation available because at least two data points are necessary to assess within-person variation

Table A2. *Unweighted Descriptive Statistics of NLSY79 Variables¹*

	Total	Adult Children Not Present	Adult Children Present
N person-years	16,108	9,679	6,429
Any financial assets ²	71.95	70.48	74.16
Mean	55,852.52	54,605.89	57,729.33
Median	3,337.00	2,861.00	4,267.00
Any savings ²	64.73	63.75	66.22
Mean	10,727.67	11,002.38	10,314.08
Median	800.00	715.00	1,000.00
Adult child age 18+ present, not usually at school	39.91	-	-
Adult child age 18+ not present or usually at school	60.09	-	-
Not present but usually resides at home	14.07	-	-
Not present and does not usually reside at home	40.84	-	-
Usually resides at school	5.18	-	-
Current marital status			
Married	55.92	51.41	62.72
Never married	12.28	12.94	11.29
Formerly married	31.80	35.65	25.99
Mean number of adults present	2.32	1.81	3.08
Mean number of children present	1.40	0.96	2.06
Mean total household income ²	57,946.23	55,111.88	62,213.39
Mean weeks worked	39.46	38.57	40.80
Employment status			
Employed full-time	67.76	66.58	69.54
Employed part-time	10.16	9.86	10.61
Not employed	22.08	23.57	19.85
Job gaps since age 18			
No job gaps	31.90	31.29	32.80
Single job gap	22.01	22.01	22.01
Two+ job gaps	46.10	46.70	45.19
Mean years of schooling completed (years)	12.61	12.62	12.60
Currently enrolled in school	3.14	2.94	3.44
Mean age (years)	44.82	44.79	44.87
Health limitation	14.21	14.99	13.03
Rural	25.51	26.46	24.08
Female	61.50	56.56	68.95
Non-Hispanic white	44.45	45.73	42.53
Non-Hispanic black	34.98	35.31	34.48
Hispanic origin	20.57	18.96	22.99

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals unweighted

NOTES: ¹Estimates refer to percentages, unless otherwise noted. ²Earnings, assets, and savings in 2012 dollars. ³Due to oversampling in the NLSY, percentages of black and Hispanic respondents are larger than in the population.

Table A3. *Results of HME Models Predicting Any Financial Assets and Logged Financial Assets by Presence of Adult Children in the Household, Parents and Non-parents Sample*

	Model 1 - Any Assets			Model 2 - Logged Assets		
	AME	b	SE	e ^b - 1	b	SE
Intercept		2.803***	(0.216)		7.212***	(0.203)
<i>Time-varying Predictors</i>						
<i>Within-person Coefficients</i> (Approximating Fixed Effects)						
Adult child present, not usually at school	-0.013	-0.152	(0.091)	-0.165	-0.181*	(0.074)
Adult child not present but usually resides at home	-0.005	-0.062	(0.077)	-0.069	-0.071	(0.062)
Adult child not present and does not usually reside at home	0.002	0.028	(0.088)	0.071	0.068	(0.075)
Adult child usually resides at school	-0.004	-0.045	(0.167)	-0.069	-0.071	(0.111)
Number of adults present	0.001	0.017	(0.039)	0.066	0.064	(0.034)
Number of children present	0.000	-0.006	(0.029)	-0.032	-0.033	(0.025)
Marital status (Ref: Married)						
Never married	-0.033	-0.396**	(0.148)	-0.355	-0.439***	(0.130)
Formerly married	-0.040	-0.475***	(0.077)	-0.522	-0.738***	(0.068)
Age	0.000	0.006	(0.015)	0.047	0.046***	(0.014)
Age squared	0.000	0.001	(0.001)	0.001	0.001	(0.001)
Years of schooling completed	-0.001	-0.014	(0.046)	0.018	0.018	(0.040)
Currently enrolled in school	-0.015	-0.175	(0.122)	-0.106	-0.112	(0.091)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.022	-0.257	(0.213)	-0.236	-0.269	(0.186)
Two+ job gaps	-0.025	-0.298	(0.243)	-0.373	-0.467*	(0.217)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.029	-0.347***	(0.077)	-0.266	-0.309***	(0.062)
Not employed	-0.051	-0.607***	(0.073)	-0.403	-0.515***	(0.063)
Household wage and salary income	0.007	0.084***	(0.009)	0.120	0.113***	(0.008)
Health limitation	0.016	0.189*	(0.076)	-0.015	-0.015	(0.066)
Rural	0.001	0.010	(0.071)	0.074	0.071	(0.054)
Homeowner	0.050	0.594***	(0.060)	1.146	0.763***	(0.053)

Table A3. (cont.) *Results of HME Models Predicting Any Financial Assets and Logged Financial Assets by Presence of Adult Children in the Household, Parents and Non-parents Sample*

	Model 1 - Any Assets			Model 2 - Logged Assets		
	AME	b	SE	e ^b - 1	b	SE
Between-person Coefficients						
<i>(Approximating Random Effects)</i>						
Adult child present, not usually at school	-0.046	-0.539***	(0.166)	-0.588	-0.886***	(0.167)
Adult child not present but usually resides at home	-0.051	-0.608***	(0.155)	-0.616	-0.956***	(0.161)
Adult child not present and does not usually reside at home	-0.087	-1.031***	(0.129)	-0.726	-1.294***	(0.134)
Adult child usually resides at school	0.045	0.537	(0.415)	2.060	1.118**	(0.360)
Number of adults present	-0.012	-0.136*	(0.065)	-0.076	-0.079	(0.068)
Number of children present	-0.011	-0.135***	(0.035)	-0.166	-0.182***	(0.035)
Marital status (Ref: Married)						
Never married	-0.058	-0.690***	(0.107)	-0.539	-0.774***	(0.109)
Formerly married	-0.068	-0.801***	(0.104)	-0.611	-0.944***	(0.107)
Age	0.002	0.022	(0.016)	0.060	0.059***	(0.015)
Age squared	0.000	-0.004	(0.002)	-0.004	-0.004	(0.002)
Years of schooling completed	0.022	0.263***	(0.015)	0.380	0.322***	(0.013)
Currently enrolled in school	0.004	0.046	(0.283)	-0.300	-0.357	(0.258)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.005	-0.064	(0.089)	-0.138	-0.149	(0.080)
Two+ job gaps	-0.043	-0.509***	(0.077)	-0.520	-0.734***	(0.071)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.028	-0.326*	(0.149)	-0.296	-0.351*	(0.140)
Not employed	-0.040	-0.478***	(0.143)	0.143	0.133	(0.137)
Household wage and salary income	0.023	0.274***	(0.018)	0.519	0.418***	(0.017)
Health limitation	0.019	0.219	(0.145)	-0.324	-0.392**	(0.147)
Rural	-0.055	-0.654***	(0.088)	-0.535	-0.767***	(0.083)
Homeowner	0.150	1.769***	(0.086)	14.635	2.750***	(0.088)
Time-invariant Predictors						
Age at first child	0.000	-0.003	(0.003)	0.001	0.001	(0.003)
Female	0.026	0.311***	(0.065)	0.233	0.209***	(0.062)
Non-Hispanic black	-0.088	-1.035***	(0.070)	-0.648	-1.045***	(0.070)
Hispanic origin	-0.054	-0.638***	(0.078)	-0.447	-0.593***	(0.077)
Year	X			X		
Pseudo R-Squared				.458		
Rho	.419			.377		
AIC	25775			190854		
BIC	26219			191316		

*** p<.001, ** p<.01, * p<.05

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to adults living in own dwellings. N = 37,898 cases and N = 8,099 individuals

NOTES: Continuous variables (age, earnings, and grade) are grand mean centered. All models include covariates for the survey wave year. Within-person coefficients approximate fixed effects. Between-person coefficients approximate random effects. Model 1 is a logit model estimating whether the respondent reported any financial assets. "AME" refers to average marginal effects, which can be interpreted as a percentage point change in the presence of assets associated with a unit change in the predictor variable. Model 2 is a linear model estimating logged financial assets. (e^b - 1) can be interpreted as a percent change in assets associated with a one-unit change in the predictor variable.

Table A4. *Results of HME Models Predicting Any Savings and Logged Total Savings by Presence of Adult Children in the Household, Parents and Non-parents Sample*

	Model 1 - Any Savings			Model 2 - Logged Savings		
	AME	b	SE	e ^b - 1	b	SE
Intercept		2.570***	(0.198)		6.583***	(0.193)
<i>Time-varying Predictors</i>						
<i>Within-person Coefficients</i> <i>(Approximating Fixed Effects)</i>						
Adult child present, not usually at school	-0.009	-0.086	(0.082)	-0.160	-0.175**	(0.071)
Adult child not present but usually resides at home	0.006	0.053	(0.071)	0.001	0.001	(0.060)
Adult child not present and does not usually reside at home	0.006	0.059	(0.080)	0.041	0.040	(0.071)
Adult child usually resides at school	-0.008	-0.073	(0.142)	-0.103	-0.109	(0.107)
Number of adults present	-0.001	-0.012	(0.036)	0.025	0.024	(0.032)
Number of children present	-0.001	-0.007	(0.027)	-0.025	-0.025	(0.024)
Marital status (Ref: Married)						
Never married	-0.024	-0.222	(0.138)	-0.253	-0.292*	(0.122)
Formerly married	-0.052	-0.485***	(0.070)	-0.506	-0.705***	(0.065)
Age	-0.001	-0.009	(0.014)	0.029	0.028*	(0.013)
Age squared	0.000	0.001	(0.001)	0.001	0.001	(0.001)
Years of schooling completed	0.003	0.027	(0.042)	0.012	0.012	(0.037)
Currently enrolled in school	-0.004	-0.040	(0.108)	-0.014	-0.014	(0.089)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.031	-0.292	(0.196)	-0.257	-0.297	(0.175)
Two+ job gaps	-0.032	-0.299	(0.225)	-0.275	-0.322	(0.204)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.019	-0.180*	(0.071)	-0.150	-0.163**	(0.060)
Not employed	-0.053	-0.498***	(0.068)	-0.349	-0.429***	(0.061)
Household wage and salary income	0.008	0.073***	(0.009)	0.100	0.095***	(0.008)
Health limitation	0.021	0.197**	(0.072)	0.058	0.056	(0.064)
Rural	-0.002	-0.016	(0.064)	0.008	0.008	(0.052)
Homeowner	0.051	0.478***	(0.055)	0.811	0.594***	(0.051)

Table A4. (cont.) *Results of HME Models Predicting Any Savings and Logged Total Savings by Presence of Adult Children in the Household, Parents and Non-parents Sample*

	Model 1 - Any Savings			Model 2 - Logged Savings		
	AME	b	SE	e ^b - 1	b	SE
Between-person Coefficients (Approximating Random Effects)						
Adult child present, not usually at school	-0.060	-0.564***	(0.155)	-0.590	-0.891***	(0.159)
Adult child not present but usually resides at home	-0.069	-0.644***	(0.146)	-0.603	-0.924***	(0.153)
Adult child not present and does not usually reside at home	-0.104	-0.971***	(0.122)	-0.701	-1.207***	(0.127)
Adult child usually resides at school	0.057	0.530	(0.369)	1.707	0.996**	(0.342)
Number of adults present	-0.023	-0.213***	(0.062)	-0.170	-0.186**	(0.065)
Number of children present	-0.013	-0.120***	(0.033)	-0.157	-0.171***	(0.033)
Marital status (Ref: Married)						
Never married	-0.074	-0.689***	(0.100)	-0.523	-0.741***	(0.103)
Formerly married	-0.086	-0.806***	(0.097)	-0.615	-0.953***	(0.101)
Age	0.002	0.022	(0.014)	0.053	0.052***	(0.014)
Age squared	0.000	-0.004	(0.002)	-0.004	-0.004	(0.002)
Years of schooling completed	0.026	0.240***	(0.013)	0.345	0.297***	(0.012)
Currently enrolled in school	-0.042	-0.394	(0.250)	-0.504	-0.702**	(0.245)
Job gaps since age 18 (Ref: No Gaps)						
Single job gap	-0.014	-0.129	(0.080)	-0.157	-0.171*	(0.076)
Two+ job gaps	-0.050	-0.468***	(0.069)	-0.485	-0.664***	(0.067)
Employment status (Ref: Employed full-time)						
Employed part-time	-0.015	-0.137	(0.136)	-0.095	-0.100	(0.133)
Not employed	-0.032	-0.301*	(0.131)	0.233	0.210	(0.130)
Household wage and salary income	0.027	0.255***	(0.017)	0.397	0.334***	(0.016)
Health limitation	-0.006	-0.053	(0.136)	-0.484	-0.662***	(0.140)
Rural	-0.056	-0.520***	(0.080)	-0.494	-0.681***	(0.079)
Homeowner	0.168	1.569***	(0.079)	9.898	2.389***	(0.083)
Time-invariant Predictors						
Age at first child	0.000	-0.003	(0.003)	-0.001	-0.001	(0.003)
Female	0.021	0.201***	(0.059)	0.077	0.074	(0.059)
Non-Hispanic black	-0.111	-1.039***	(0.065)	-0.681	-1.143***	(0.067)
Hispanic origin	-0.059	-0.552***	(0.071)	-0.420	-0.545***	(0.073)
Year	X			X		
Pseudo R-Squared				.408		
Rho	.404			.361		
AIC	30383			188408		
BIC	30827			188869		

*** p<.001, ** p<.01, * p<.05

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to adults living in own dwellings. N = 37,898 cases and N = 8,099 individuals

NOTES: Continuous variables (age, earnings, and grade) are grand mean centered. All models include covariates for the survey wave year. Within-person coefficients approximate fixed effects. Between-person coefficients approximate random effects. Model 1 is a logit model estimating whether the respondent reported any savings "AME" refers to average marginal effects, which can be interpreted as a percentage point change in the presence of savings associated with a unit change in the predictor variable. Model 2 is a linear model estimating logged total savings. (e^b - 1) can be interpreted as a percent change in assets associated with a one-unit change in the predictor variable.

Figure A1. *Presence of Adult Children in the Household by Year, NLSY79 Data 1994-2012*

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals

NOTES: Percentage of households with adult children age 18+ present by year. Estimates include sampling weights and 95% confidence intervals based on the calculated standard error.

Figure A2. *Mean Financial Assets by Year, NLSY79 Data 1994-2012*

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals

NOTES: Mean financial assets by year for parents of adult children. Estimates include sampling weights and 95% confidence intervals based on the calculated standard error.

Figure A3. *Mean Savings by Year, NLSY79 Data 1994-2012*

SOURCE: NLSY 1979 Cohort 1994-2012, full sample, restricted to parents of adult children living in own dwellings. N = 16,108 cases and N = 4,761 individuals

NOTES: Mean total savings by year for parents of adult children. Estimates include sampling weights and 95% confidence intervals based on the calculated standard error.