



44% of Undergrads With Student Loans Considered Dropping Out Due to Financial Burden of College

Nearly Half of Current Students With Federal Loans Anticipate Debt Forgiveness

July 14, 2022 (Seattle, WA) - According to a new survey from BestColleges.com, 44% of currently enrolled undergraduate students with federal and/or private loans have considered dropping out of school due to the financial burden of college. The survey of 409 current students with loans also found that a majority (55%) are confident they will be able to make student loan payments when they're scheduled to begin, based on their anticipated earnings after graduation. Nearly half (45%) of those with federal student loans anticipate at least some of their debt will be forgiven.

Click here for more information:

<https://www.bestcolleges.com/research/student-borrowers-consider-dropping-out/>

Two-thirds (66%) of student borrowers say they have had to make sacrifices in life to lessen the financial burden of college. Nearly half (45%) of current students with loans chose to attend college closer to home instead of farther away, and 43% chose a public college rather than a private college to reduce what they will owe after graduation.

About a third chose to take some online courses so they could more easily work (34%) and lived at home with parents/guardians rather than pursuing other housing options (34%). To shrink the price tag of their degree, nearly a quarter (23%) of students with federal and/or private loans said they chose to attend a community college first before transferring to a four-year college.

The overwhelming majority (94%) of current students who have used federal and/or private loans to pay for college have taken at least one step to lessen the financial burden of their education. Over half (52%) negotiated, compared, or declined excess financial aid packages in their award package. The same number (52%) also say they got a job or side hustle while in school.

Some current students with college debt also applied for private scholarships (38%), built up savings before or while attending (33%), and made payments towards student loans while in school (32%).

"Contrary to what is popularly believed — that college students don't know what they're getting into when they take out loans for college — our findings suggest that currently enrolled student borrowers not only understand how heavy the financial burden can be but are also doing what they can to reduce it," said Jessica Bryant, an analyst for BestColleges.com.

To pay for college, over half (55%) of student borrowers also say they've used grants and/or scholarships. Over a third will use their own savings or income (36%) and their parents' or family's savings or income (36%) in addition to loans. Slightly more than half (53%) of current students with loans say they are satisfied with the college-related financial decisions they have made.

Student borrowers attending predominantly white institutions (PWIs) are significantly more likely than those attending minority-serving institutions (MSIs) to say they've also used grants and/or scholarships to pay for college (61% vs. 44%). First-generation student borrowers are significantly less likely than student borrowers who have at least one parent with a degree to say they also used parent or family savings/income to pay for college (27% vs. 47%).

Methodology

The survey was conducted from May 31-June 3, 2022. Student respondents were fielded by Lucid LLC. Survey participants included 409 currently enrolled, first-time undergraduate students nationwide. Respondents were 18-26 years of age, enrolled at a college or university, and pursuing a bachelor's or associate degree. The respondents for the survey were screened by various quality checks, including systems like Relevant ID, and responses were manually reviewed to ensure consistency and accuracy.

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