

Cost of College Affects Enrollment Choices, Impacts Major Life Events

New study from Lumina Foundation and Gallup finds that seven in 10 student borrowers have delayed at least one significant life event because of their student debt.

WASHINGTON, D.C. — April 17, 2024 — Gallup and Lumina Foundation's newly released report, [*Cost of College: The Price Tag of Higher Education and Its Effect on Enrollment*](#), examines how cost bars and burdens Americans pursuing higher education. The study reveals that a majority of Americans (75 percent) believe a bachelor's degree is "extremely" or "very" valuable. However, cost is a major deterrent for many who wish to attain a degree or credential.

More than half (56 percent) of unenrolled adults say cost is a "very" important reason they are not pursuing an education after high school. Cost is not only discouraging people from enrolling, it is stopping students from completing their programs. In the most recent survey, 31 percent of enrolled adults have considered stopping their coursework within the last three months due to the cost of attendance.

For those who have taken out student loans, the financial burden can persist long after graduation or stopping out. Seventy-one percent of currently and previously enrolled student borrowers report delaying at least one significant life event, such as purchasing a home (29 percent) or a car (28 percent), because of their student debt. The study finds that even relatively small student loans will cause people to pause parts of their lives: Sixty-three percent of adults who borrowed less than \$10,000 have delayed at least one major life event because of their loans. Loan debt is also a factor in finishing one's education; 35 percent of students who stopped out of college say that loans prevent them from returning to complete their degree or credential.

"Attaining a college degree or credential should lead to a good job and living a good life; it's that simple," says Courtney Brown, Lumina vice president of impact and planning. "The fact that student debt is keeping them from that is a concern we need to take seriously," she added.

Despite concerns over cost, the study shows that many Americans do not know the true cost of a degree. Among all adults, nearly half underestimate the cost of a bachelor's degree by \$5,000 or more, and an additional 31 percent overestimate costs by the same margin. This lack of cost clarity could be a barrier for some people wishing to enroll. When told the actual cost of in-state attendance, half of never enrolled adults say they would be "much" or "somewhat" more likely to pursue a bachelor's degree.

"On one hand, Americans are citing cost as a primary barrier to entry, but on the other, they are unclear about what that cost truly is," says Stephanie Marken, Gallup senior partner and head of education research. "Higher education leaders need to bring clarity to the true cost of college to reduce confusion and provide a pathway for the millions of Americans who have considered, but not yet enrolled, in a postsecondary pathway."

About Lumina Foundation

Lumina Foundation is an independent, private foundation in Indianapolis committed to making opportunities for learning beyond high school available to all. We envision higher learning that is easy to navigate, addresses racial injustice, and meets the nation's talent needs through a broad range of credentials. We are working toward a system that prepares people for informed citizenship and success in a global economy.

About Gallup

Gallup delivers analytics and advice to help leaders and organizations solve their most pressing problems. Combining more than 80 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of employees, customers, students, and citizens than any other organization in the world.