2026 Student Debt Report

According to recent research from Fidelity Investments[1], student loan borrowers are facing high levels of stress and delaying major life milestones due to their debt.

Nearly one third (32%) of those currently paying off student loans have delayed purchasing a home due to their debt, and the percentage is even higher among Gen Z and Millennial borrowers:

Delayed due to student loan debt	Total	Gen Z	Millennials	Gen X	Boomers
Traveling	47%	48%	50%	46%	33%
Purchasing a home	32%	37%	36%	23%	16%
Making a big-ticket purchase (outside of a home)	29%	25%	30%	33%	14%
Starting a family	20%	32%	20%	11%	2%
Changing careers	19%	25%	19%	15%	2%
Starting a business	17%	16%	20%	14%	8%

Borrowers are putting

22%

of their income toward student loan payments on average:

30% Gen Z	**21%** Millennials
19% Gen X	**11%** Boomers

41% of borrowers lose sleep or feel anxious about their finances at least weekly...

Daily	**16%**
Weekly	**25%**
Monthly	19%
2+ Per year	17%
0-1 Per year	7%
Never	16%

...and those who are paying back loans are **more likely to report a negative relationship** with their finances:

Money relationship	**Paying loans**	**Not paying loans**
Stressful	34%	31%
Obsessive	7%	2%
Intimidating	6%	2%
Healthy	15%	17%
Confident	13%	15%
Hands on	12%	14%
Relaxed	10%	12%

Two thirds (67%) of borrowers feel overwhelmed when it comes to their personal finances.

With federal student loan payments now fully reinstated after a more than 3-year pause, borrowers are facing renewed financial pressure. Many are struggling to adjust their budgets, navigate shifting repayment terms, and understand evolving forgiveness programs. Since the payment pause ended in the fall of 2023, **60% of student debt borrowers** are still not paying back their loans.[2]

Fidelity research shows offering student debt assistance can boost employee retention and can also be a powerful recruiting tool for those still paying off student loans.

If your employer offered a benefit to help you pay down your student loans, would you be more likely to:

I would...	Total	Gen Z	Millennials	Gen X	Boomers
Stay with that employer longer	45%	52%	47%	39%	21%
Increase your retirement contributions	17%	20%	15%	15%	25%
Both	38%	28%	37%	46%	54%

Fidelity's Student Debt Program offers an end-to-end solution to help employees pay down their debt, save for retirement, and build their overall financial wellness:

With Student Debt Direct, employers can make payments directly to employees' student loan service providers, saving employees precious time and money. Employers offering Fidelity's Student Debt Direct benefit have seen a 26% reduction in turnover.[3] Collectively, they've helped employees pay down over $700 million in principal and interest, cutting 3–4 years off repayment timelines.[4]

Fidelity's Student Debt Retirement product allows employees to earn employer contributions to their retirement accounts by paying off their loans. Since the launch of the offering in early 2024, those that received a benefit received an average of $1,900 in employer contributions based on their student loan payments.[5] This can make a meaningful impact on retirement savings and readiness. The average student loan borrower takes more than 10 years to repay their loans – if that individual received an employer contribution through the program for 10 years, that $1,900 annual contribution could grow to nearly $200,000 at retirement age.[6]

26%	$700M+	3-4 yrs	$1,900
reduction in turnover for employers offering Student Debt Direct	contributed by employers offering Student Debt Direct	on average cut from debt repayment timelines	annual contribution average per employee by employer

Fidelity customers can also use the Student Debt Resource Hub to explore options to reduce loan payments, pay off debt faster, or reduce lifetime costs. Customers who are eligible for Fidelity's Student Debt Direct or Student Debt Retirement products through their employer can also enroll through the Hub.

1 The study presents the findings of a national online survey, consisting of 747 U.S. adults, 18 years of age and older, who are currently paying back student loans. Generations as defined by Pew Research: Baby Boomers are individuals born between 1946 – 1964, Gen X are individuals born between 1965-1980, Millennials include individuals born between 1981 – 1996 and Gen Z includes individuals born between 1997 – 2012. Interviewing for this CARAVAN® Survey was conducted October 1-8, 2025 by Big Village, which is not affiliated with Fidelity Investments.

2 https://www.aei.org/education/less-than-half-of-student-borrowers-are-paying-their-loans

3 Fidelity analysis of over 200 Student Debt Direct clients, showed that employees taking advantage of the program had a turnover rate 26% lower than those who were eligible but not enrolled. Based off an analysis of all eligible employees across over 200 clients within the first two years of their employment. The turnover results were calculated between June 2023 – November 2023.

4 Fidelity internal data from August 2025.

5 Fidelity's Student Debt Retirement benefit as of 2024.

6 Fidelity record kept data, as of Q1 '25. The standard student loan repayment period is 10 years, which means participating in this benefit can result in multiple years' worth of contributions based on student loan payments. For example, assuming a 7% annual growth rate, an employee who receives this benefit over 10 years could accumulate $199,200 in retirement savings.

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Fidelity INVESTMENTS