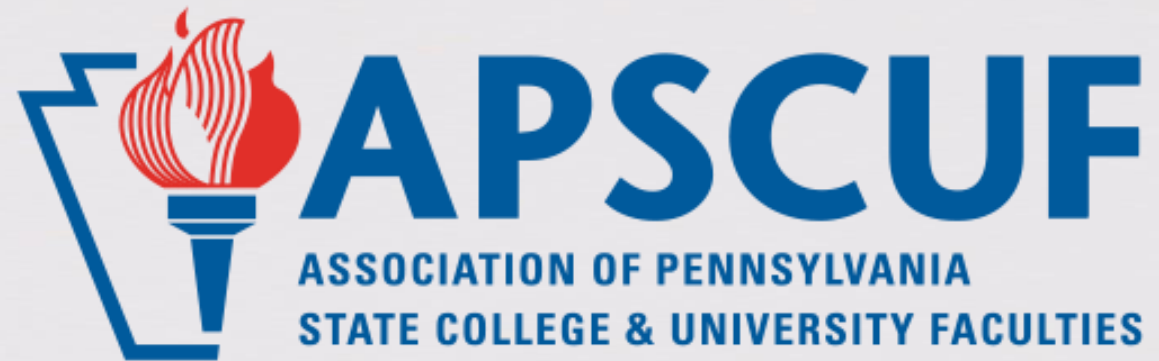




 **MORNING CONSULT**



POLLING PRESENTATION

August 2020

METHODOLOGY AND AUDIENCE DEFINITIONS



Methodology: *This poll was conducted between June 2-June 8, 2020 among a national sample of 415 PA student loan borrowers in repayment. The interviews were conducted online. Results from the full survey have a margin of error of plus or minus 5 percentage points.*



Borrowers: *Borrowers were excluded from the sample if they indicated that they were currently students. All other borrowers were included and, thus, the sample includes borrowers with \$0 payments, borrowers who were behind on their payments or in default, and borrowers who were making regular monthly payments.*

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KEY POINTS

- 1 Nearly a quarter (23%) of PA borrowers report they are required to work from home by their employer. However, 38% report their hours have been reduced and/or been laid off or furloughed.
- 2 People of color (51%) are disproportionately experiencing decreases in household income.
- 3 Sixty-percent of PA borrowers report they are only just able to cover their monthly expenses but would have trouble with an unexpected emergency.
 - People of color are 15-points more likely than the mean (60%) to report they can cover their monthly expenses but would have trouble with an unexpected emergency.
- 4 A third (33%) report having been contacted by a debt collector in the past 12 months.
- 5 A third of PA borrowers (35%) are not aware the CARES Act impacted their loans, and 25% of those report they were 'not aware at all.'
- 6 Nearly two-thirds of borrowers, across the political spectrum, strongly support reducing student loan debt by \$20,000 and eliminating student loan interest for all federal loans.

COVID-19: FINANCIAL IMPACT

Nearly a quarter (23%) of PA borrowers report they are required to work from home by their employer. However, 38% report their hours have been reduced and/or been laid off or furloughed.

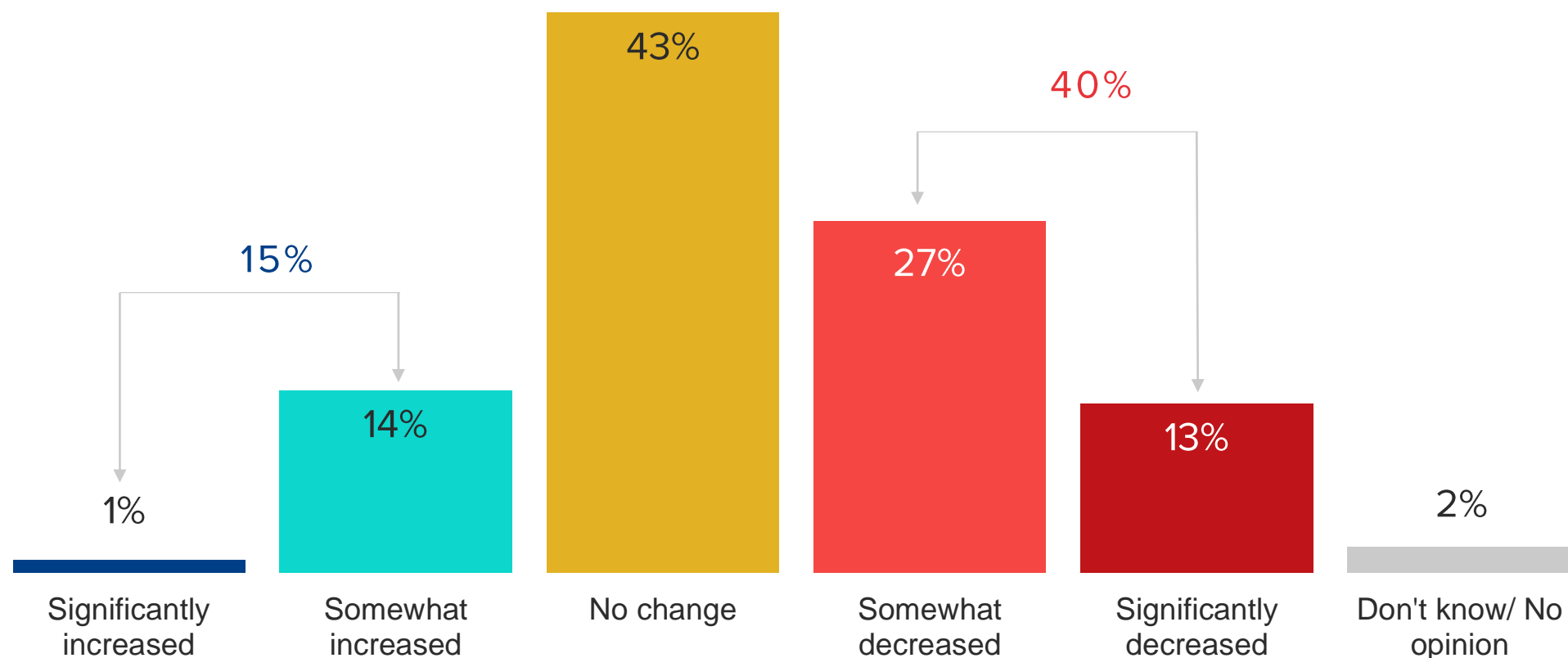
Switching gears slightly, how much, if at all, has your work life changed since the onset of the coronavirus (COVID-19) pandemic?



COVID-19: FINANCIAL IMPACT

Forty percent of PA student loan borrowers report a decrease in their household income since the onset of COVID-19. Additionally, 43% report no change in their household income.

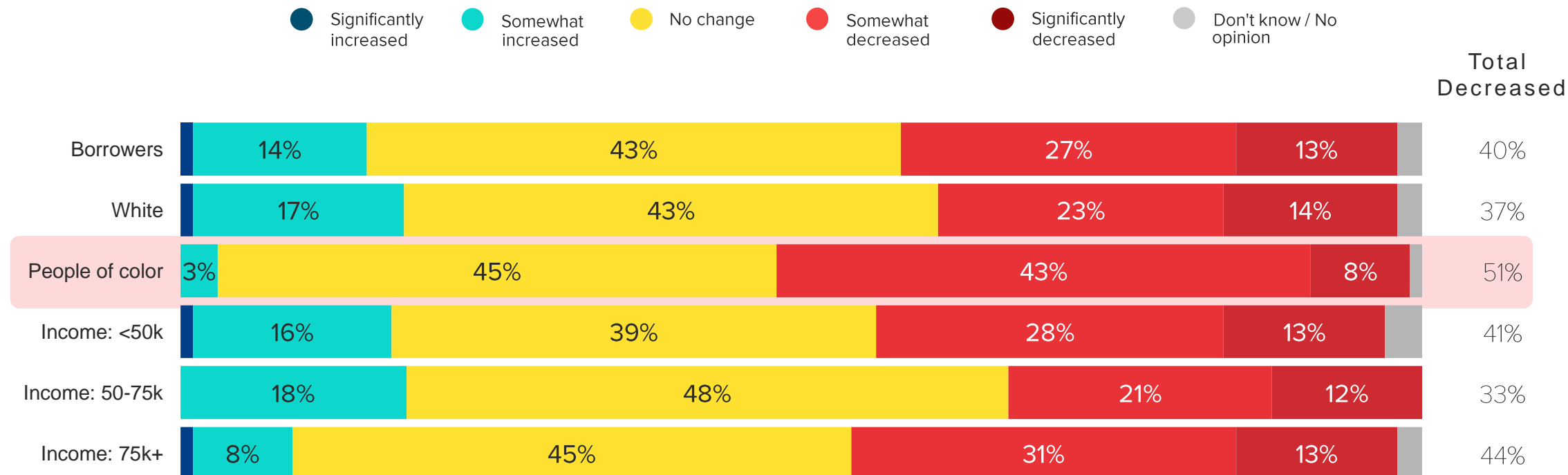
Thinking about the monthly income of your household, including everyone in your home, how much has your household income changed since the onset of the coronavirus (COVID-19) pandemic?



COVID-19: FINANCIAL IMPACT

Borrowers of color (51%) are disproportionately experiencing decreases in household income.

Thinking about the monthly income of your household, including everyone in your home, how much has your household income changed since the onset of the coronavirus (COVID-19) pandemic?



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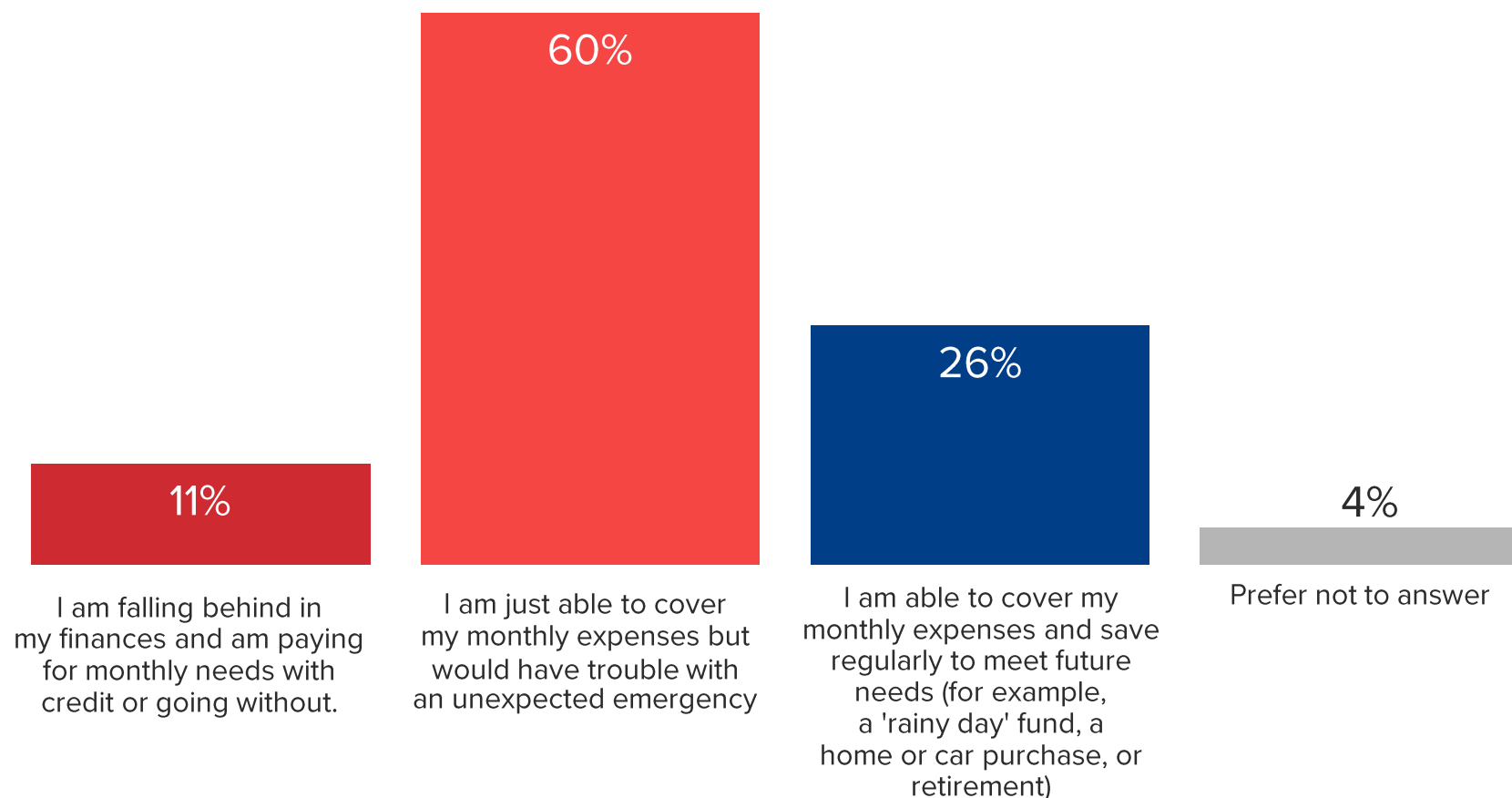
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Strong Support for Policy
Solutions

BORROWERS ARE STRUGGLING TO KEEP UP

Only a quarter of borrowers (26%) say that they save regularly to meet future needs, while almost three in four (71%) report they would have trouble with an unexpected emergency or are already falling behind in their finances.

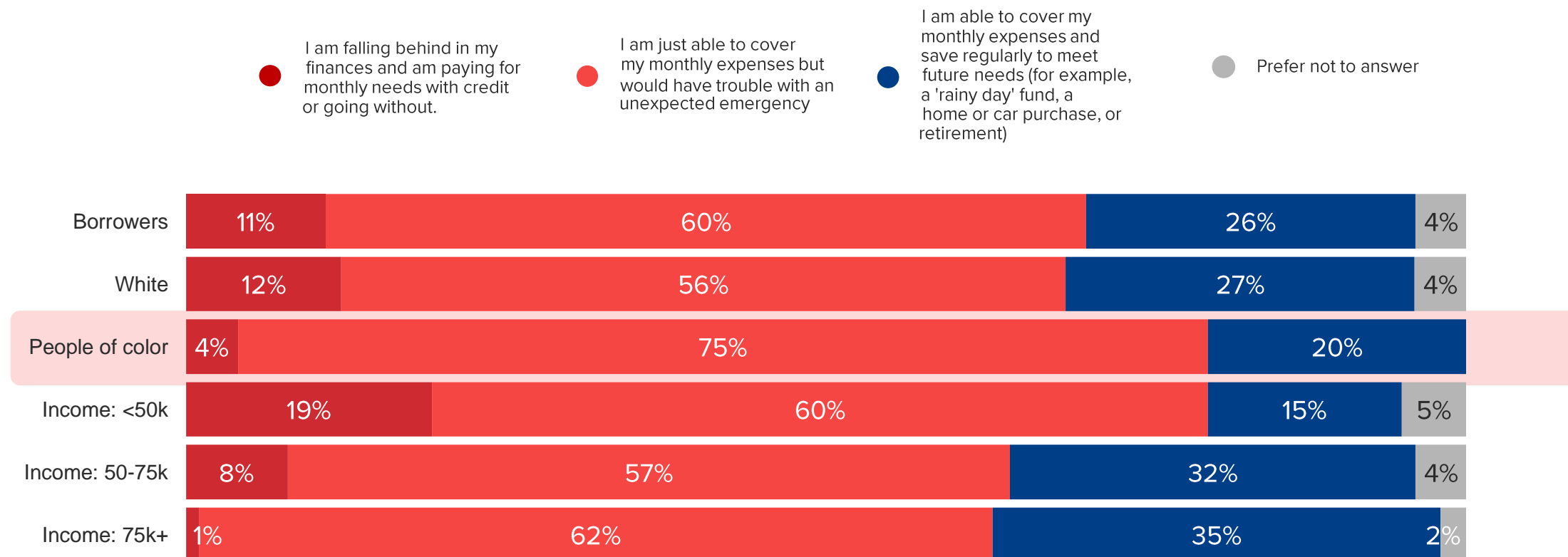
Which best describes how you feel about your finances?



BORROWERS ARE STRUGGLING TO KEEP UP

People of color are 15-points more likely than the mean (60%) to report they can cover their monthly expenses but would have trouble with an unexpected emergency.

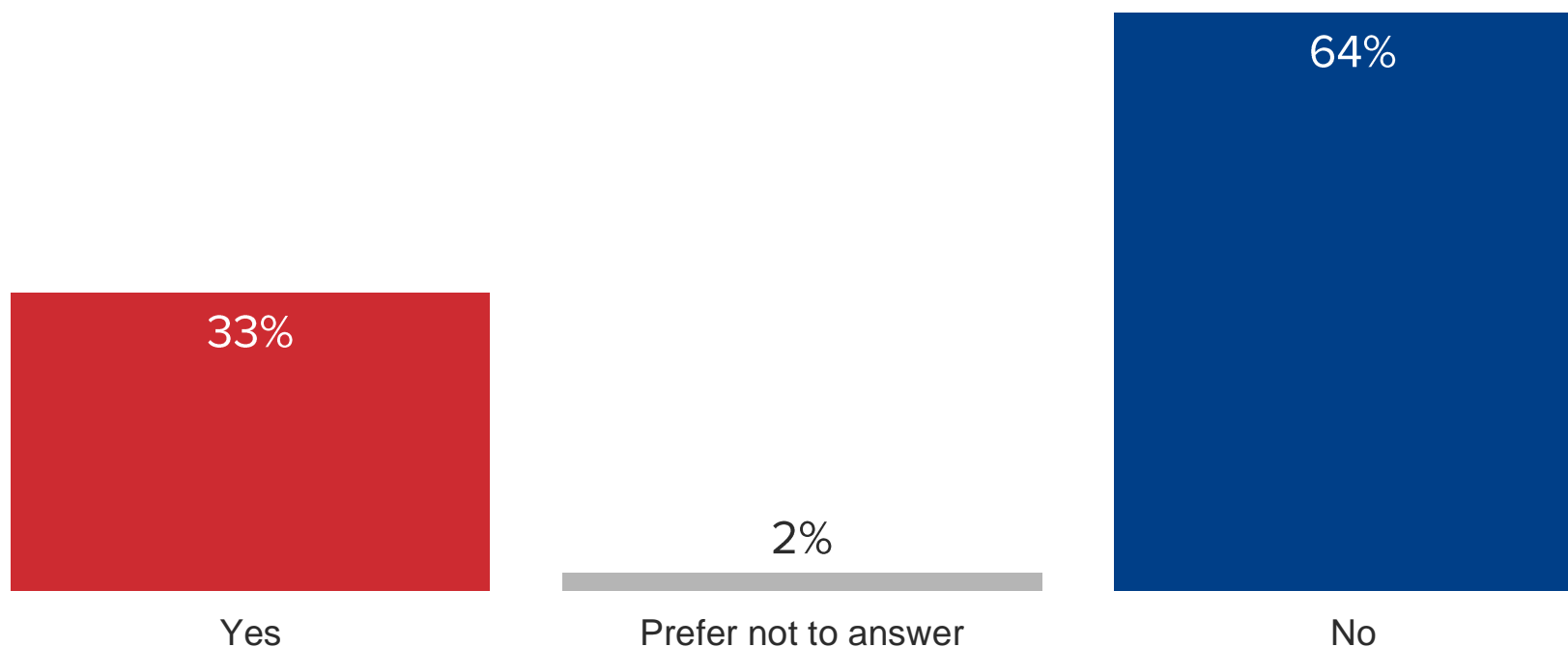
Which best describes how you feel about your finances?



BORROWERS ARE STRUGGLING TO KEEP UP

A third of borrowers (33%) report having been contacted by a debt collector in the past 12 months.

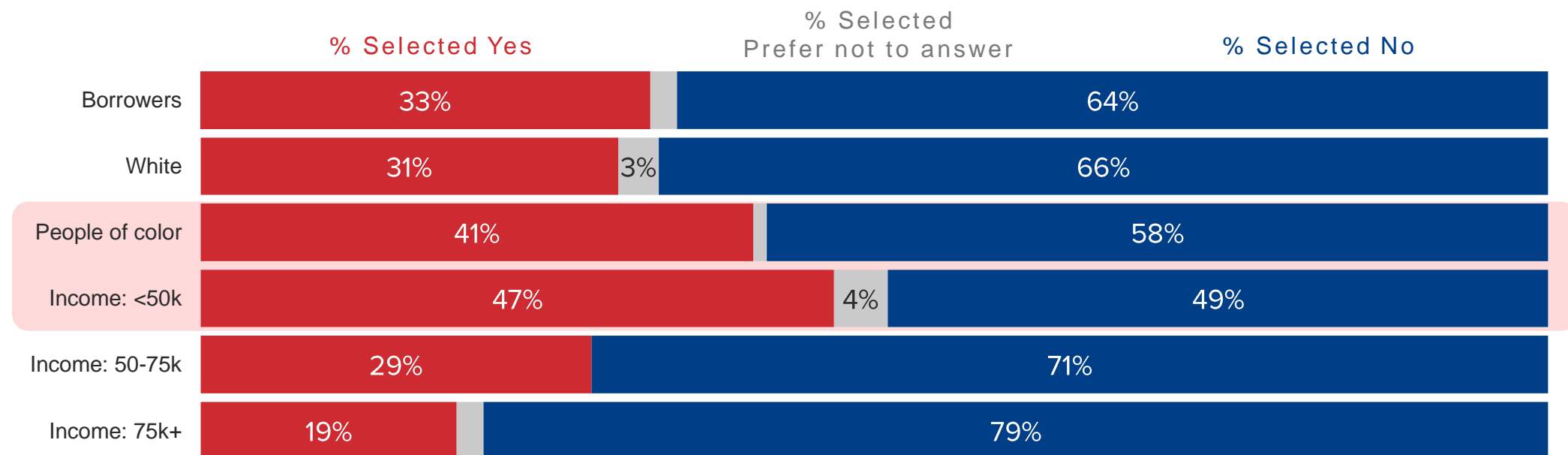
Have you been contacted by a debt collector in the past 12 months about a past due debt?



BORROWERS ARE STRUGGLING TO KEEP UP

Lower-income adults and people of color report being contacted by a debt collector at much higher rate than white or high-income adults.

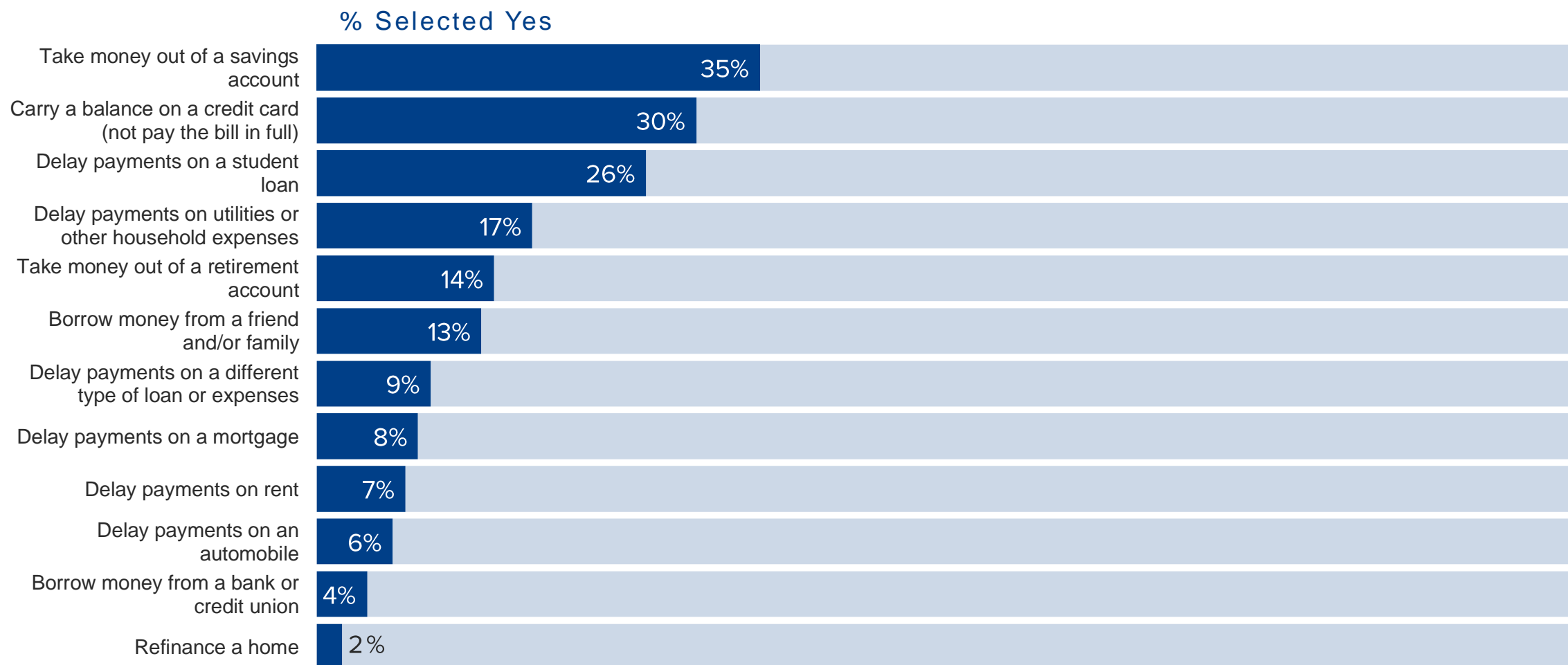
Have you been contacted by a debt collector in the past 12 months about a past due debt?



BORROWERS ARE STRUGGLING TO KEEP UP

Common courses of action to manage expenses during COVID-19 include withdrawing money from savings (35%), carrying a balance on a credit card (30%), and delaying student loan payments (26%).

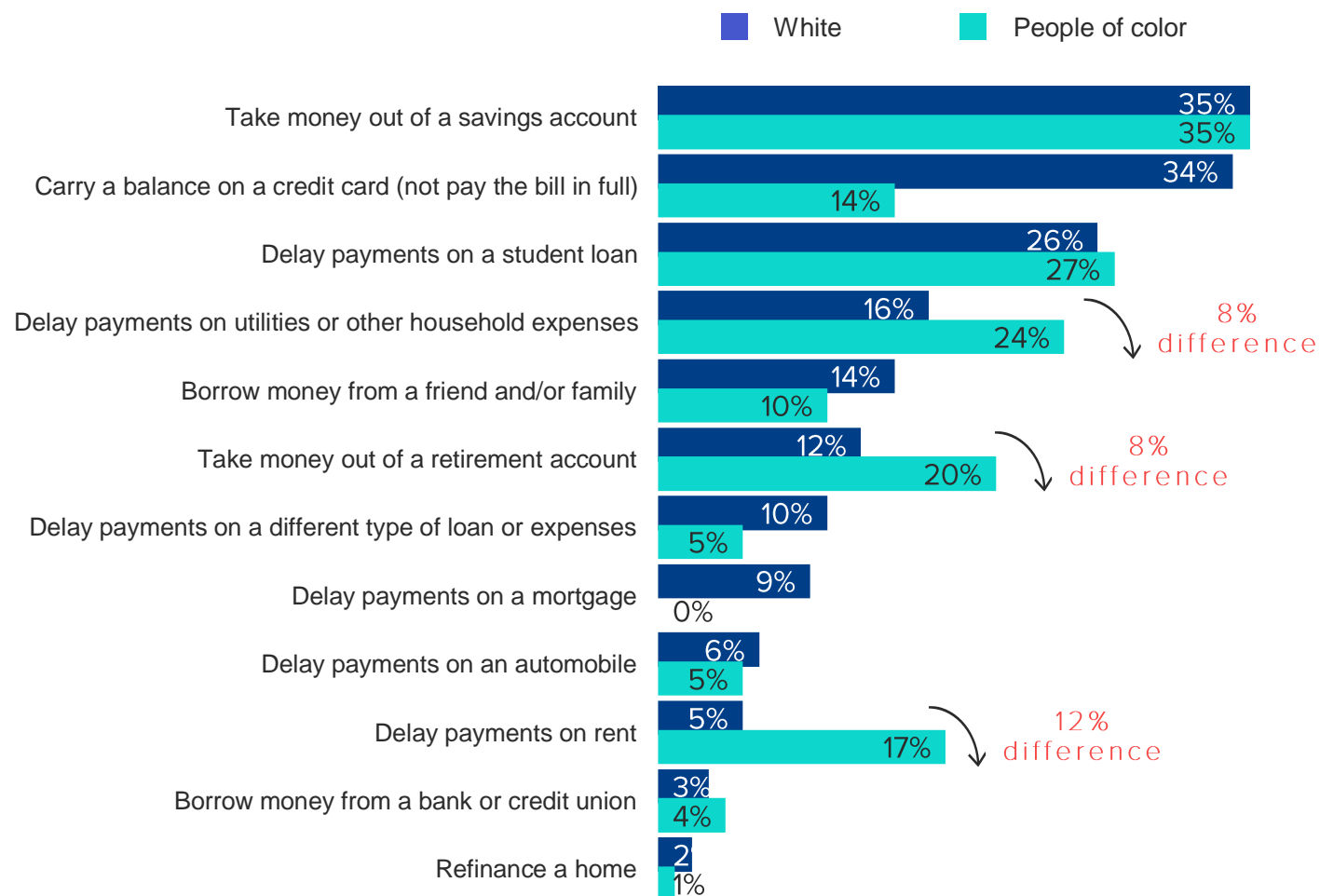
Switching gears slightly, how much, if at all, has your work life changed since the onset of the coronavirus (COVID-19) pandemic?



BORROWERS ARE STRUGGLING TO KEEP UP

Actions taken to manage expenses differs between white people and people of color, specifically when it comes to delaying payments on rent or utilities and taking money out of a retirement account.

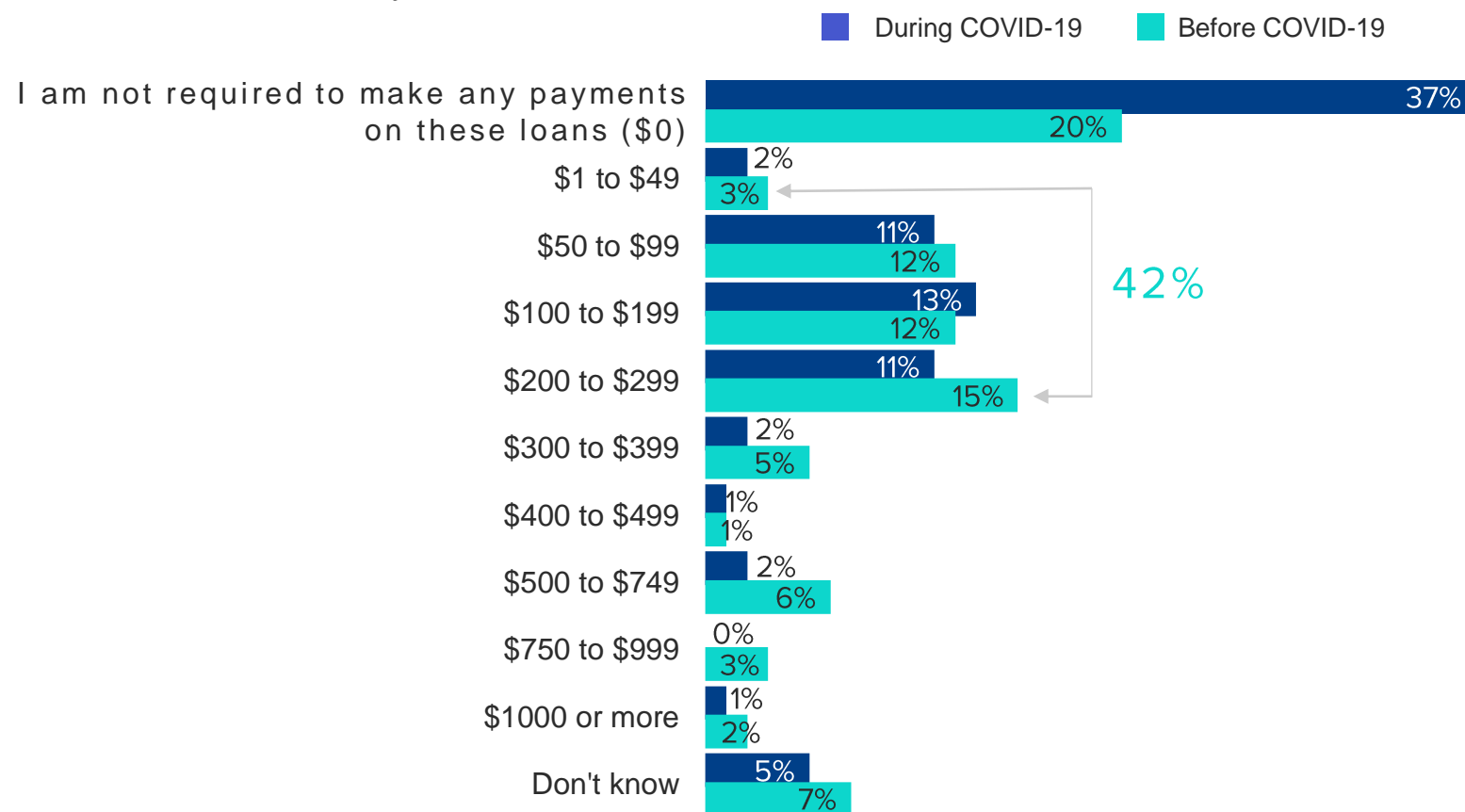
Please indicate which of the following actions your household might take to manage expenses during the coronavirus outbreak? Please select all that apply.



BORROWERS ARE STRUGGLING TO KEEP UP

Thirty-seven percent of borrowers actively report they are not required to make payments on their student loans right now. However, in a pre-COVID environment, forty-two percent of borrowers' report paying somewhere between \$1 and \$299.

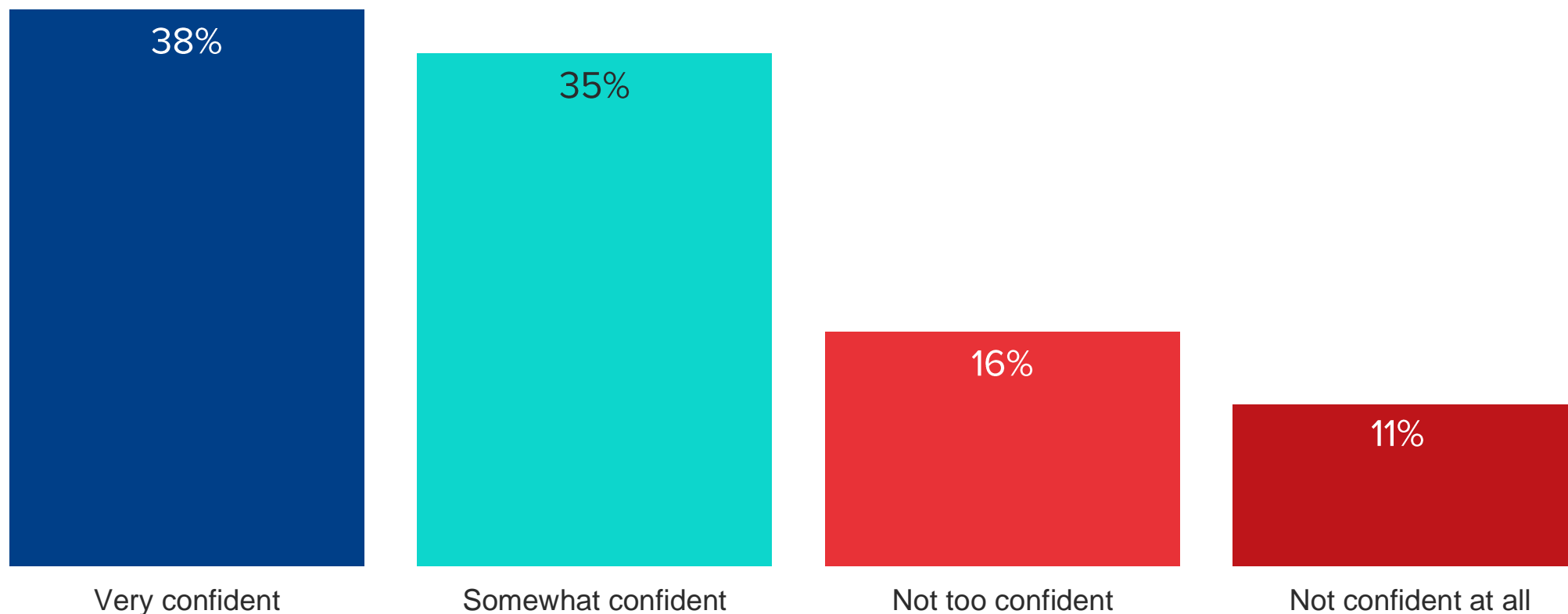
[Since] [Before] the coronavirus (COVID-19) pandemic approximately how much was the total monthly payment that you were required to make on the loans from your education?



BORROWERS ARE STRUGGLING TO KEEP UP

In June, only 38% of borrowers reported that they were very confident that they would be able to resume making payments as normal when the deferral period ends in October, while almost two in three (62%) expressed that they were not very confident.

How confident are you that you will be able to resume paying the same payments you were making before the coronavirus on your student loans in October?

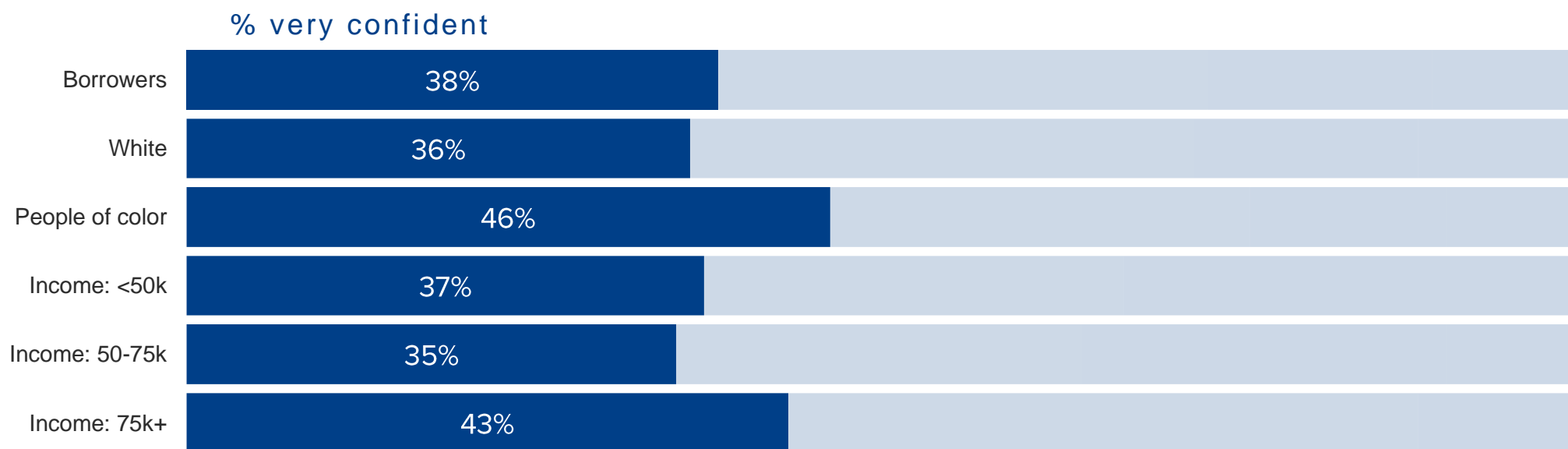


BORROWERS ARE STRUGGLING TO KEEP UP

Intensity in confidence most noticeably differs by income level and race. Forty-three percent of higher income-borrowers report they are very confident compared to 37% of lower-income borrowers.

Additionally is 10% difference between white and Black borrowers in reported very confident.

How confident are you that you will be able to resume paying the same payments you were making before the coronavirus on your student loans in October?



Lighter Shade = Somewhat confident + Not too confident + Not confident at all

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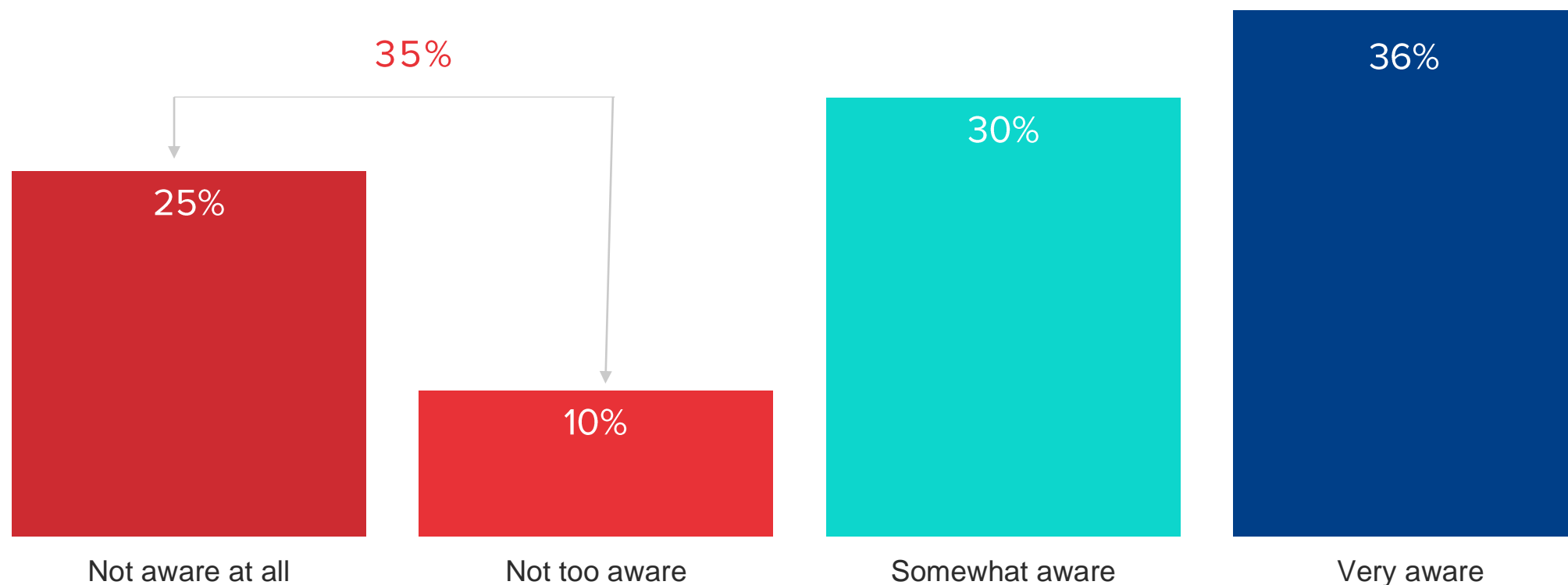
4 Macroeconomic Impact

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SERVICERS NOT PROVIDING CRUCIAL INFORMATION

A third of PA borrowers (35%) are not aware the CARES Act impacted their loans, and 25% of those report they were ‘not aware at all.’

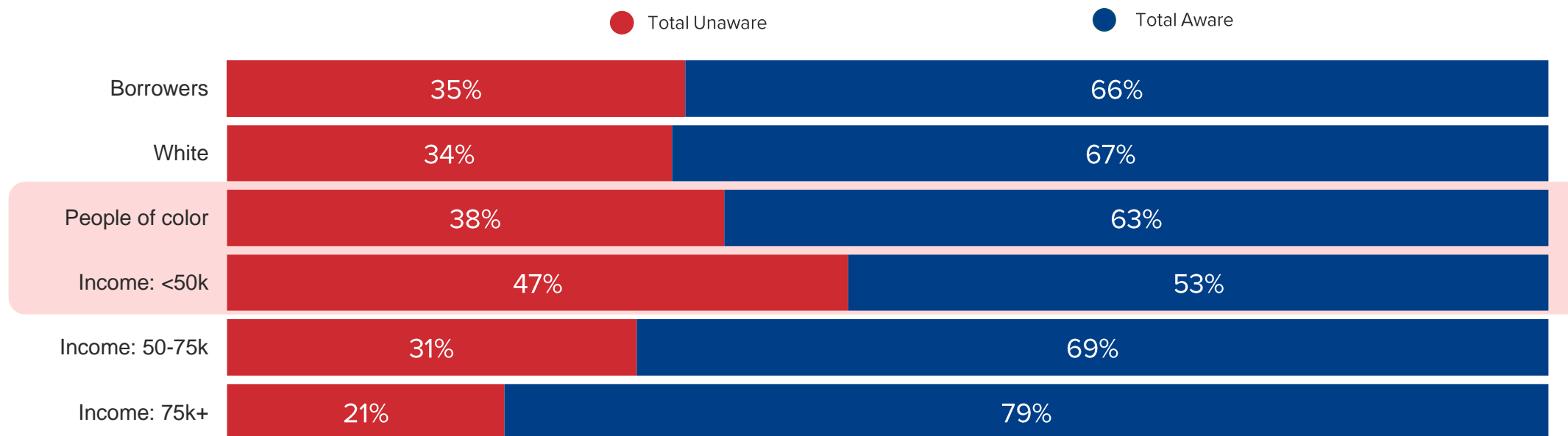
How aware are you that due to the passage of the coronavirus relief package, the CARES Act, by Congress that all federally held student loans have been automatically deferred with 0% interest; meaning you do not have to make payments on federal held loans until this October?:



SERVICERS NOT PROVIDING CRUCIAL INFORMATION

Low-income borrowers and borrowers of color report a higher unawareness of the CARES Act impact on their loans.

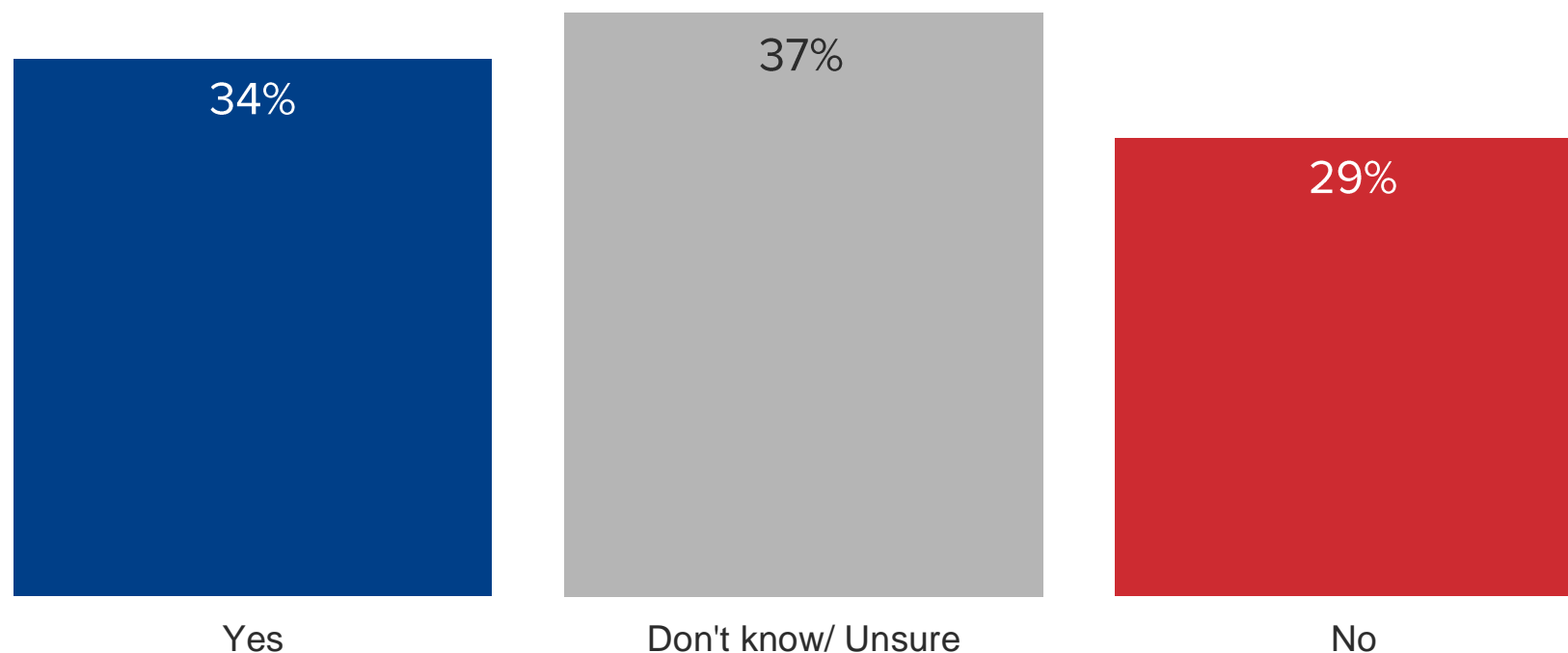
How aware are you that due to the passage of the coronavirus relief package, the CARES Act, by Congress that all federally held student loans have been automatically deferred with 0% interest; meaning you do not have to make payments on federal held loans until this October?



SERVICERS NOT PROVIDING CRUCIAL INFORMATION

Results indicate less consensus among respondents regarding whether they believe their own student loans are impacted by the CARES Act, with 34% responding in the affirmative.

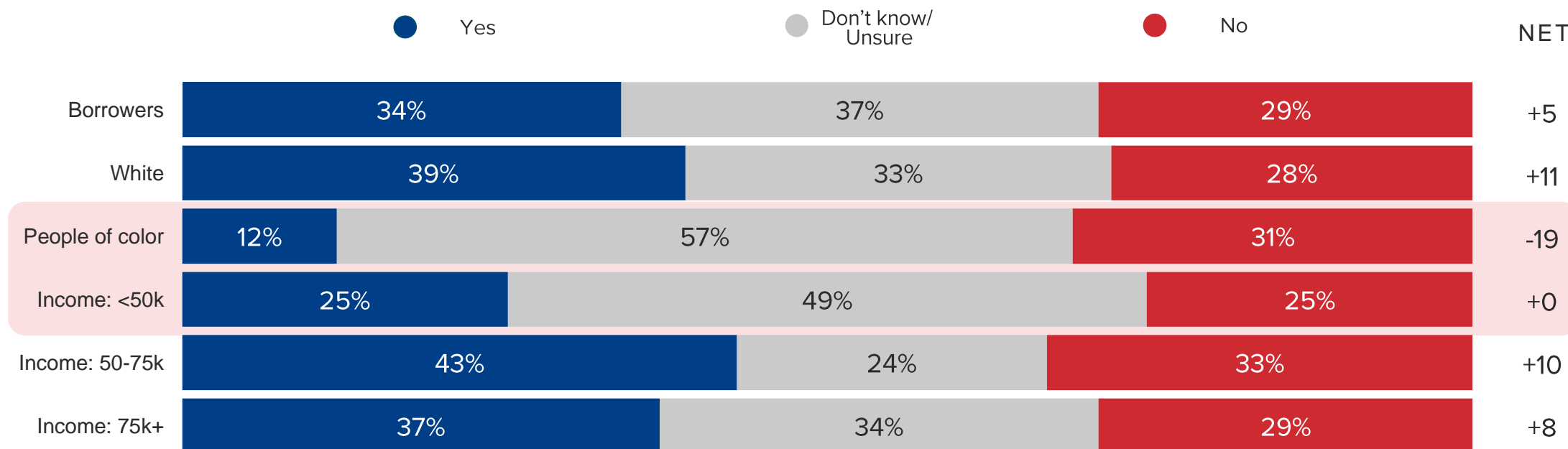
Based on what you know, have your student loans been impacted by the CARES Act?



SERVICERS NOT PROVIDING CRUCIAL INFORMATION

Borrowers of color and lower-income borrowers are more likely to report they are unsure whether the CARES Act impacted their loans than white or higher income borrowers.

Based on what you know, have your student loans been impacted by the CARES Act?

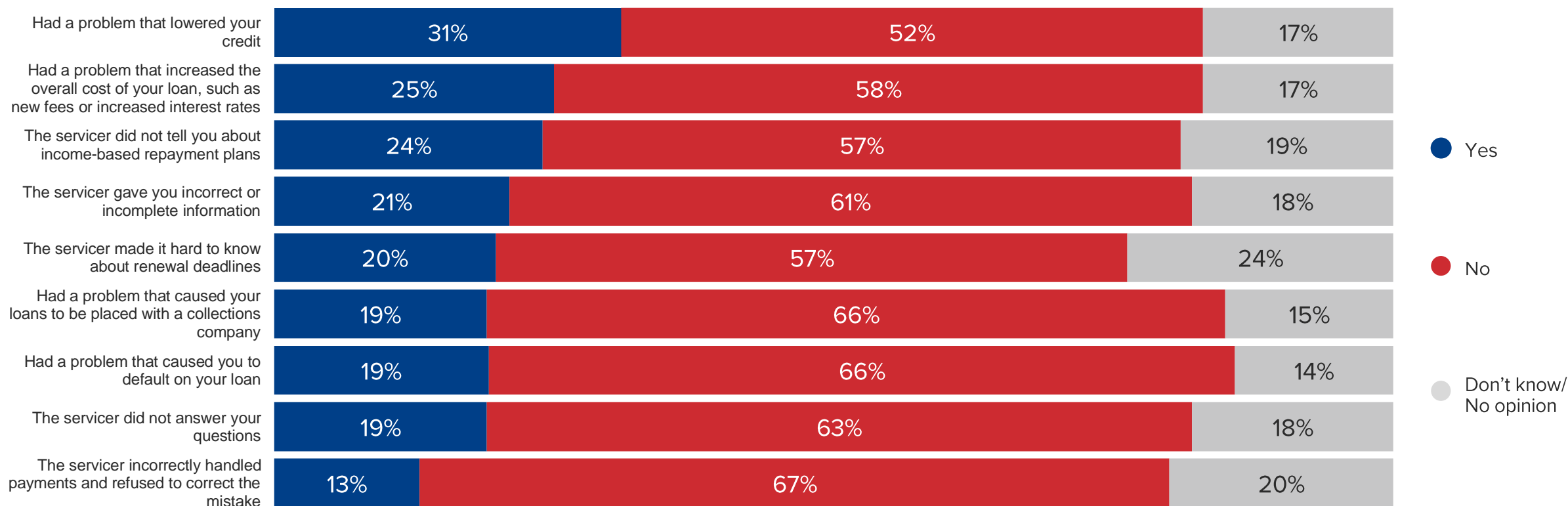


Net= Yes- No

SERVICERS NOT PROVIDING CRUCIAL INFORMATION

Thirty-one percent of borrowers report they've had a problem that lowered their credit. Additionally a quarter report they have had a problem that increases the overall cost of their loan and that a servicer did not tell them about income-based repayment.

Here is a list of situations some have had with their student loan payments. Has this problem ever happened in your experience with a student loan servicer?



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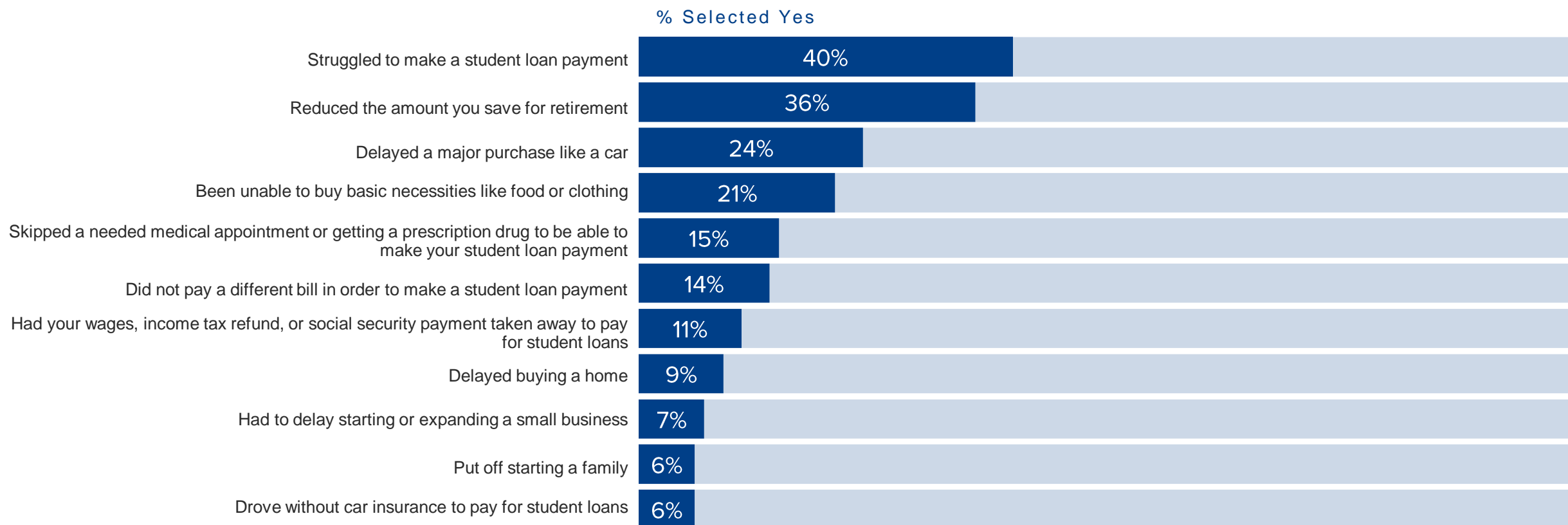
4 Macroeconomic Impact

5 Strong Support for Policy Solutions

MACROECONOMIC IMPACT

Among PA borrowers, 40% report struggling to make a student loan payment.

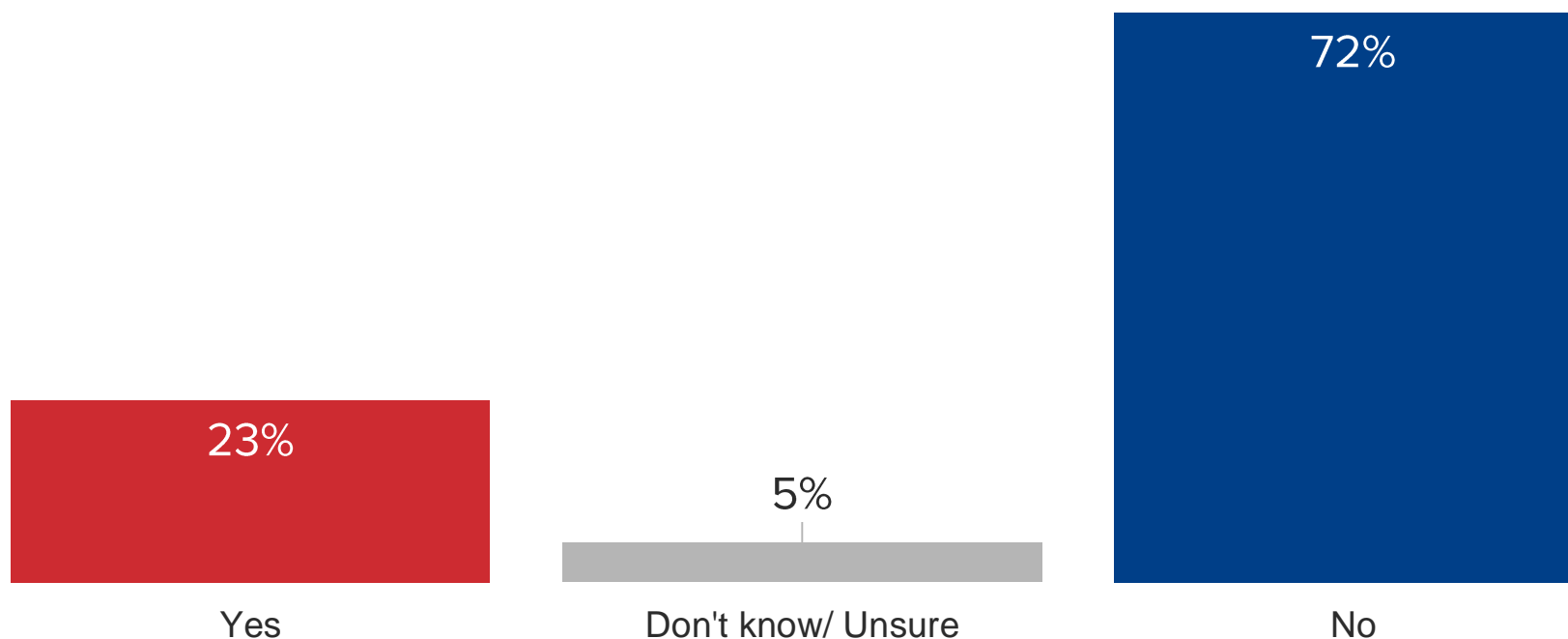
The following questions are related to the impact of your student loans. Have any of the following situations described below happened to you in the last 1-2 years due to student loan payments?



MACROECONOMIC IMPACT

Twenty-three percent of borrowers report knowing someone who has moved to take a job that will help them afford their student loan payments.

Do you know anyone in Pennsylvania who has moved in order to take a job that will help them afford their student loan payments?



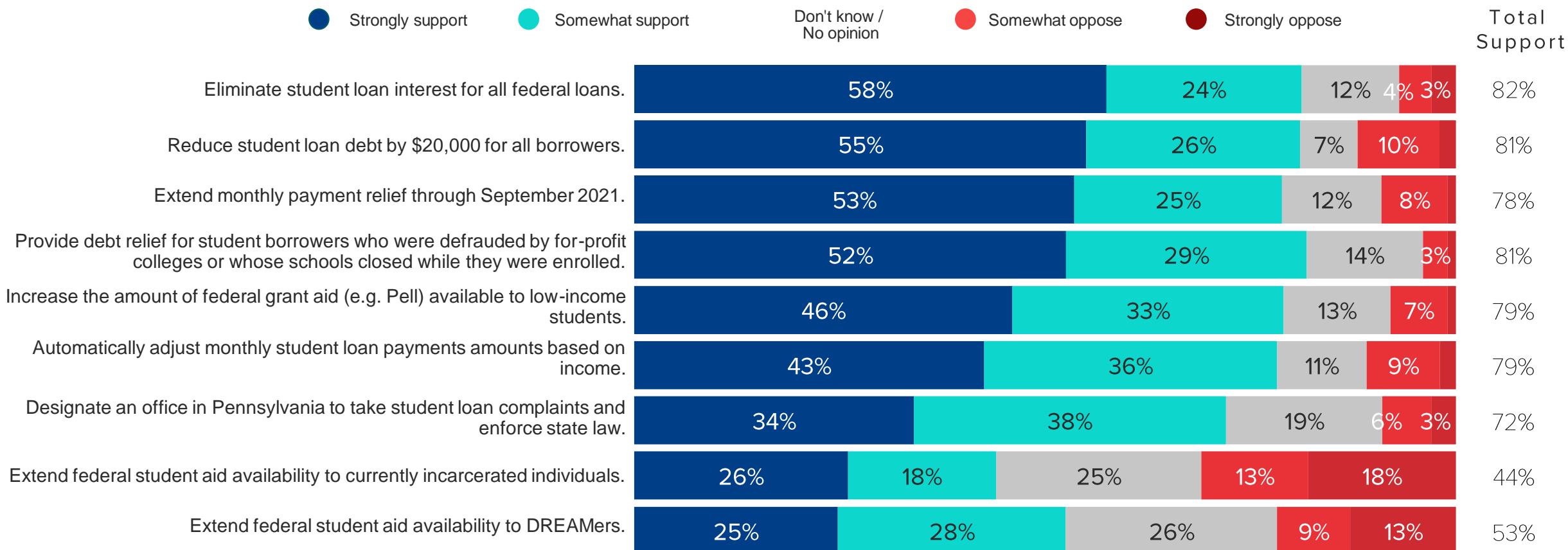
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STUDENT LOAN CRISIS: IMPACT AND SOLUTIONS

Nearly two-thirds of borrowers, across the political spectrum, strongly support reducing student loan debt by \$20,000 and eliminating student loan interest for all federal loans.

Here are some ideas that have been proposed by lawmakers. Do you support or oppose each of the following?

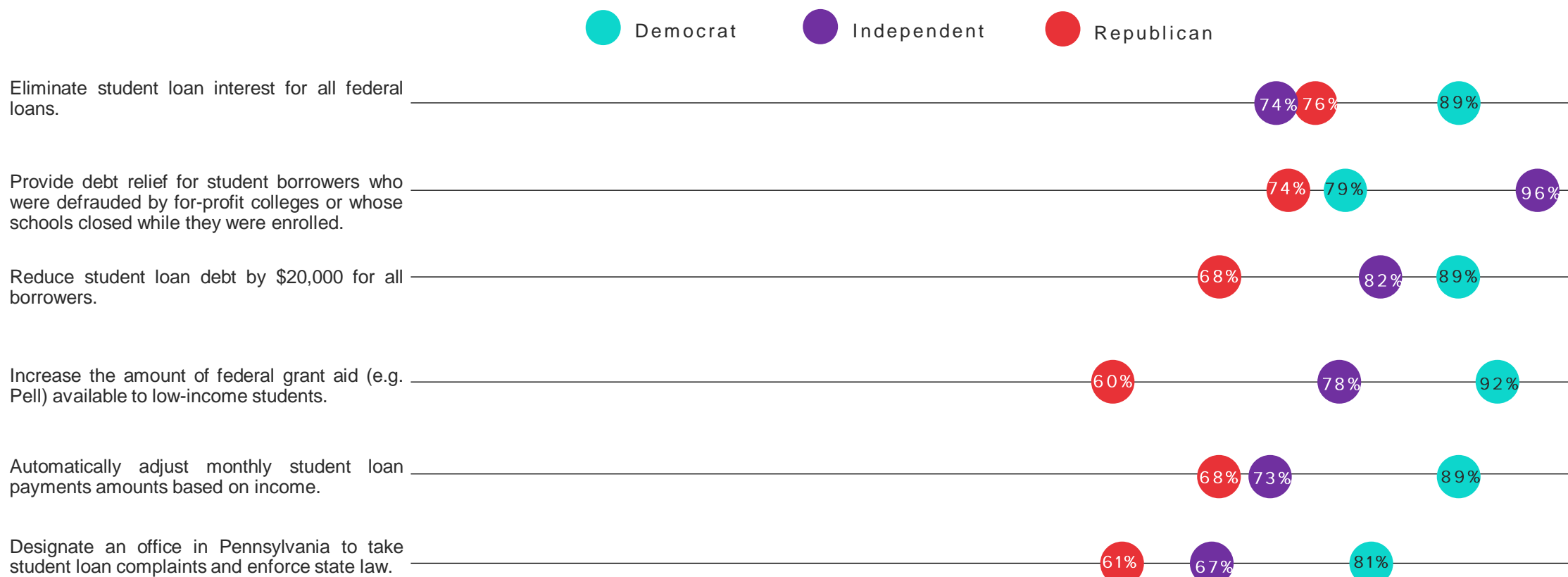


Total Support= Strongly support + somewhat support

STUDENT LOAN CRISIS: IMPACT AND SOLUTIONS

Support for the proposed policies varies in level by political party. There is bipartisan support for eliminating student loan interest for all federal loans, reducing student loan debt by \$20,000 for all borrowers, and other proposed policies.

Here are some ideas that have been proposed by lawmakers. Do you support or oppose each of the following?



STUDENT LOAN CRISIS: IMPACT AND SOLUTIONS

There is bipartisan support for extending monthly payment relief through September 2021. Democrats are more likely than Republicans and independents to support extending federal student aid availability to DREAMers and incarcerated individuals.

Here are some ideas that have been proposed by lawmakers. Do you support or oppose each of the following?

