

Public Benefits and Financial Aid Support Education Beyond High School and Long-Term Economic Well-Being for Low-Income Young Adults

Highlights and Recommendations for Higher Education Practitioners

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Education beyond high school is one of the most reliable paths to economic stability in the United States. Americans with college credentials are [more likely to be employed](#), have [higher earnings](#), [are less likely to use public benefit programs](#), and pay more into the economy [through taxes](#). Further, their children are more likely to [attend and complete college themselves](#). Federal public benefit programs were designed to provide immediate resources to meet people's basic needs and encourage work, but whether they also support educational investments—and lasting economic stability—has remained an open question. We investigated that question using nearly 30 years of longitudinal data, following young adults from low-income backgrounds¹ from their adolescence to approximately age 40 and examining how public benefit programs and financial aid shape their college experiences² and long-term economic well-being.

Key Findings

- 1. Public benefits—specifically the Earned Income Tax Credit (EITC) and Supplemental Nutrition Assistance Program (SNAP)—increase the likelihood that young adults from low-income backgrounds enroll in education beyond high school.** SNAP receipt increases enrollment odds by 63 percent and the EITC increases them by 36 percent.
- 2. Public benefits and financial aid shape educational pathways in distinct but complementary ways.** Public benefits facilitate enrollment and persistence; financial aid enables full-time engagement with education. Together, they function as a springboard to long-term economic self-sufficiency by making education beyond high school possible.
- 3. Receiving public benefits and financial aid while enrolled strongly predicts degree completion.** Each additional year of receiving EITC, SNAP, WIC (Special Supplemental Nutrition Program for Women, Infants, and Children), Medicaid, or housing assistance while in school is associated with 14 to 59 percent higher odds of earning a degree (depending on benefit and degree). Receipt of any type of financial aid is also strongly associated with degree completion.
- 4. Facilitated by public benefits and financial aid, degrees deliver substantial mid-life economic returns.** Earning a bachelor's or graduate degree is associated with \$18,400–\$40,600 more in annual income at approximately age 40; associate degrees reduce poverty and improve economic mobility without an income premium.

To learn more about the research and findings from this study, see our research [brief](#).

A note on context: The findings in this brief reflect a specific historical window. The largest share of participants in our study pursued education beyond high school in the early 2000s, a period that predates major changes to several of the public benefit programs examined here. Whether and how these changes have affected the capacity of public benefit programs to support educational investment among young adults from low-income backgrounds remains an open question—one that makes the underlying relationships documented in this study all the more important to understand.

¹ Specifically, we examine youth from economically disadvantaged backgrounds using an approach modeled on the target population for major safety net programs. We include respondents who: (1) lived, at age 17, in a household with income below 200 percent of the federal poverty level; (2) reported childhood receipt of any public economic benefit; or (3) had a teen mother.

² Throughout, we use “college” broadly to include certificates, associate, bachelor's, and graduate degree programs.

Research-Driven Practice Recommendations

Based on our analyses of nearly 30 years of data following young adults from low-income backgrounds, we recommend five actions that higher education institutions can take to support the sustained economic mobility of students from low-income backgrounds. For each, we provide an example of progress in this direction or a resource to support additional learning.

Actively connect students to public benefits.

Many eligible students do not receive SNAP, EITC, or other public benefits due to complex application processes and lack of awareness. For example, just one third of students potentially eligible for SNAP reported receiving benefits. Financial aid offices should provide benefits screenings and application assistance as standard practice. Data already collected through financial aid applications can, with student consent, be used to screen for public benefits eligibility and assist with applications. Schools can also pursue approval as a third-party SNAP Employment and Training (E&T) provider to help students meet SNAP work exemptions.



- ▶ *State and institutional examples of this coordination in action illustrate how colleges have built these connections into existing financial aid workflows (see page 6). The Kentucky Community and Technical College System's Kynect Benefits program, embedded on all community college campuses, is one model for how institutions can make benefits connection a standard part of student support services. To learn more, explore Trellis Strategies' toolkit for connecting college students with public benefit programs.*

Structure financial aid and communicate aid packages transparently to make sustained full-time enrollment financially feasible.

Students who enroll full-time are more likely to complete their degrees. Institutions can support full-time enrollment by prioritizing aid structures that are both sufficient and predictable across a student's full enrollment period—not just at entry. Aid that diminishes in later years may create financial shocks that push students toward reduced enrollment or stopping out at precisely the moment when momentum matters most. Institutions should be transparent with students about multi-year aid commitments upfront, minimize year-to-year variability in aid packages for students who remain in good standing, and build in proactive outreach when a student's aid eligibility is at risk of changing.



- ▶ *The University of Michigan's HAIL Scholarship—a rigorously evaluated program that provided low-income, high-achieving students with an early, unconditional four-year commitment of free tuition—demonstrated that predictable, multi-year aid guarantees more than doubled the likelihood that low-income students applied and enrolled. HAIL has since informed similar programs such as the University of Illinois's Illinois Commitment, which guarantees four years of covered tuition and fees for low-income in-state students.*

Invest in work experiences that build students' credentials *and* careers.

Many low-income students will work while enrolled in school. While [previous research](#) has shown that working intensively while enrolled can slow the path to graduation, our analyses show that working 20+ hours per week while enrolled is associated with an income premium at mid-life for some students (however, we cannot rule out that students who work intensively differ in ways that independently predict earnings). The quality of students' work experience also likely matters. Institutions can support meaningful work opportunities by expanding relevant work-study opportunities, apprenticeships, credit-bearing internships, and structured employer partnerships in students' fields of study—and by investing in the career advising that helps students identify and compete for work that will pay off. Schools can also pursue approval as a third-party [SNAP E&T provider](#), which allows them to structure qualifying work or training activities that simultaneously help students meet SNAP exemption criteria and build field-relevant experience.



- ▶ *Institutions can also design their own work programs. For example, the [CUNY apprenticeship program](#) allows community college students to earn college credit and a salary while gaining hands-on experience in tech or business, with opportunities for full-time employment after graduation.*

Expand support for students pursuing education part-time.

Many low-income students—particularly those who have children or heavy work obligations—will pursue education part-time regardless of available public benefits and financial aid. To support these part-time learners, institutions can offer flexible course scheduling (evening, weekend, virtual, and hybrid options) and flexible hours for advising and financial aid, and can set clear course sequencing that allows part-time progression.



- ▶ *The [Community College Research Center](#) documents how institutions can support part-time learners specifically through concentrated schedules (7- or 8-week terms, “mini-mesters”), multi-term registration that allows students to plan around work and family commitments, and priority registration for student parents. These relatively low-cost design changes can meaningfully reduce time to completion for students who cannot enroll full-time.*

Reduce administrative barriers to continuous enrollment.

Continuity matters. Institutions can simplify re-enrollment processes, provide proactive outreach to students who stop out, ensure clear credit-transfer pathways from certificates to associate to bachelor's degrees, and create bridge programs that maintain momentum across academic years and life transitions.



- ▶ *[Tennessee Reconnect](#) offers one model: A dedicated “Reconnect Navigator” serves as a single point of contact guiding stopped-out students through the entire re-enrollment process.*

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