STUDENT DEBT: THE HOLISTIC IMPACT ON TODAY'S YOUNG LAWYER

Selected Findings from the 2021 American Bar Association (ABA) Young Lawyers Division Student Loan Survey

American Bar Association
Young Lawyers Division

AccessLex Institute
Center for Legal Education Excellence®

ACKNOWLEDGEMENTS

The 2021 ABA YLD Student Loan Debt Survey is a collaborative effort between the American Bar Association Young Lawyers Division and the AccessLex Institute Center for Legal Education Excellence.

Austin Groothius, Kyle Fry, Aaron Sohaski, Kenneth Goldsmith, and Michael O'Neill from the American Bar Association, as well as Jennifer Schott and Fletcher Hiigel of AccessLex Institute, provided valuable contributions to the development of the 2021 Student Loan Debt Survey questionnaire and this report.

This report was authored by staff of the AccessLex Institute Center for Legal Education Excellence: Tiffane Cochran, Kelsey Risman, Nancy Conneely, Christopher Keenan, Joshua Jackson, and Domonique Edwards.

ABA AMERICAN BAR ASSOCIATION
Young Lawyers Division

AccessLex INSTITUTE®

Disclaimer: The views expressed herein represent the opinions of the authors. They have not been approved by the House of Delegates or the Board of Governors of the American Bar Association and, accordingly, should not be construed as representing the position of the Association or any of its entities. Nothing in this report, its findings, or its recommendations is to be construed as official policy, or as an endorsement of AccessLex Institute.

EXECUTIVE SUMMARY

In Spring 2020, the ABA Young Lawyers Division (YLD) and ABA Media Relations launched a survey to understand the impact of student loan debt on the personal and professional lives of relatively new lawyers—ABA members who had been licensed or graduated law school in the last 10 years. The results were illuminating—roughly half of the respondents indicated postponing or foregoing investing in their local community through purchasing a home and starting a family due their debt, over half reported having accumulated more than $150,000 in debt upon graduating law school, and 40 percent reported their student loan debt balance had actually increased since graduation, despite payments. The report revealed several other key insights, but also raised additional questions about the impact of student loan debt on the overall financial and emotional well-being of young lawyers.

To pursue these additional questions, we collaborated with AccessLex Institute to conduct another ABA YLD member survey in May 2021, targeting members under age 36 who earned a law degree or who were licensed in the last 10 years. Over 1,300 members representing attorneys and law school graduates in big law, solo practice, government, industry, non-profit settings, and JD-advantage positions, among others, completed the 44-item questionnaire. In addition to seeking information about the impact of student loan debt on their ability to reach traditional life milestones that previous generations regularly attained, we also posed questions meant to assess how student loan debt influences career decisions, overall financial stability, and emotional well-being. Additionally, we examined young lawyers' experiences and satisfaction with seeking financial advice and support, as well as their pre-law awareness of the cost and potential value of J.D. attainment.

In contrast to the 2020 survey, this year's survey was administered against the backdrop of the COVID-19 pandemic, subsequent and ongoing efforts to rebound from its negative impacts, and related events such as the temporary suspension of student loan payments, distance learning and remote bar examinations, as well as the reopening of businesses and other operations. Although the survey does not directly address or measure the impact of these events, it is likely they influenced the mindset of those responding to the questionnaire. Our analysis of the results showed that:

- Ninety percent of respondents borrowed education loans for their J.D. or prior degrees. Of those who borrowed, between 80-90 percent indicated their student debt has in some way disrupted the trajectory of their career or personal life, or negatively impacted their financial well-being. Most borrowers reported their debt caused them to weigh salary more heavily in their job selection than they anticipated upon entering law school.

- Borrowing levels varied by race/ethnicity. Black borrowers reported higher J.D. debt balances than any other racial/ethnic group and were most likely to report their current debt balance is higher now than at graduation. Like all borrowers with higher balances, most Black borrowers reported their balance grew because they were enrolled in an income-driven repayment plan where their payments did not cover the principal. However, Black borrowers were more likely than other racial/ethnic groups to cite faster than expected interest accrual or loans placed in deferment or forbearance as reasons for their balance growth.

- The perceived impact of debt varied by debt balance. Those with more than $100,000 in debt were more likely to report experiencing the negative effects of student loan debt.

- Most young lawyers who borrowed for their education report their debt has caused them to delay or forego pursuit of traditional life milestones that were commonplace in the past, such as purchasing a home, marriage, and starting a family. However, achievement of these milestones increases with time, suggesting that most decided to consciously delay these decisions.

- More than half of respondents reported feeling financially insecure, either some or all the time. While most young lawyers report they could find the money to cover a $1,000 financial emergency, Black, Hispanic/Latino, and Indigenous respondents were less confident in their ability to do so.

- About two-thirds of all respondents reported high or overwhelming stress over finances in general. Respondents with higher loan balances were more likely to show signs of stress – over 70 percent of those with $100,000-$200,000, and over 80 percent of those with over $200,000 reported high or overwhelming stress.

- Sixty-five percent reported their total student loan debt or monthly loan debt obligation has caused them to feel anxious or stressed, and a little over half reported it has caused them to feel regret or guilt. These percentages also increased for respondents who reported higher levels of debt, including a majority of those with debt over $100,000 who agreed that their loan obligation has caused them to feel depressed or hopeless.

- The Public Service Loan Forgiveness (PSLF) program appears to effectively support young lawyers seeking to pursue careers in government, nonprofit organizations, and public service. Seventy percent of those pursuing PSLF report it allows them to work in their chosen profession, and 73 percent plan to continue working in public service after fulfilling their forgiveness term.

- Although a majority of respondents reported they lacked a clear understanding of the legal job market and the cost/debt associated with law school attendance prior to enrolling, 61 percent reported they would still pursue a J.D. if they could do it again and 55 percent would attend the same law school. However, rates of pre-law understanding and satisfaction with the decision to attend law school declined as debt balances increased.

These results demonstrate the need for greater understanding and improvement upon the career, financial, and well-being outcomes of law students and graduates who seek loans to finance their legal education. The complete report expands upon these highlighted findings and shares recommendations for how policymakers and legal education stakeholders can work to advance law school affordability and financial education among prospective and current law students.

TABLE OF CONTENTS

INTRODUCTION

Student loan debt may be the biggest challenge for young lawyers due to its impact on their ability to progress toward personal and professional goals. Last year, the American Bar Association (ABA) Young Lawyers Division (YLD) released its 2020 Law School Student Loan Debt Survey Report to illustrate the debt burden among young lawyers and the effects of student loan debt on their ability to achieve various life milestones, such as purchasing a home or getting married. The report found that 40 percent of respondents who borrowed reported their student debt had increased since graduating law school. It also found that nearly 60 percent of borrowers were delaying or foregoing taking a vacation, 56 percent were postponing or foregoing marriage, and 48 percent were delaying or foregoing having children due to their debt. These decisions not only affect the well-being and financial outcomes of law and other debt-laden graduates—they also affect the economic outcomes of society as a whole.

Although last year's report provided critical insight into the impact of borrowing on the lives of recent law graduates and licensed attorneys, it also raised additional questions about the reasons for balance increases after graduation as well as the impact of loans on career decisions, job satisfaction, and well-being. This 2021 report aims to answer those questions and provide more nuanced understanding of the impact of student loan borrowing on the career trajectory of young lawyers, their ability to reach major life milestones (e.g., marriage, purchasing a home), and overall financial and emotional well-being. Our findings are based on a 44-item questionnaire that we developed to address the following guiding questions:

- How prevalent is student loan borrowing among young lawyers? To what extent does student loan borrowing vary by race/ethnicity?
- How does student loan borrowing impact the career trajectory, personal lives, and financial and emotional well-being of young lawyers?
- To what extent do perceived debt effects vary by race/ethnicity, debt load, and year of law school graduation?
- To what extent do young lawyers report having had a clear understanding of the legal job market, implications of student loan debt, and their likelihood of academic and career success when they first entered law school? And how do they perceive the value of their legal education today?
- To what extent does pre-law understanding of the legal job market, student debt implications, and likelihood of academic and career success vary by debt load? And to what extent does valuation of the J.D. vary by debt load and year of law school graduation?

SURVEY & PARTICIPANTS

The ABA YLD administered the 2021 Student Loan Debt Survey over three weeks in April and May of 2021, targeting members aged 36 or younger and who graduated law school or were licensed within the last 10 years. AccessLex Institute received complete responses from over 1,300 young lawyers throughout the country and in various employment settings.

Demographic characteristics of survey respondents are presented in Table 1. Compared to the composition of the legal profession at large, the survey sample is over-representative of nearly all non-white ethnicities, as well as women. [1]

1 AM. BAR ASS'N, ABA NATIONAL LAWYER POPULATION SURVEY 4 (2021), https://www.americanbar.org/content/dam/aba/administrative/market_research/2021-national-lawyer-population-survey.pdf. Note that survey respondents are more representative of young lawyers and thus is not completely comparable to the 2021 ABA National Lawyer Population Survey.

Table 1
Demographic Characteristics of 2021 Survey Respondents

	ABA YLD Survey Respondents
Race/Ethnicity	
Indigenous	2.2%
Asian	4.2%
Black/African American	6.8%
Hispanic or Latino/a/x	17.4%
White/Caucasian	61.0%
Two or More Races	4.1%
Not Reported	3.5%
Gender	
Identify as male	40.1%
Identify as female	54.9%
Other	3.6%
Not Reported	1.3%
Age	
Under 28	16.9%
28-32	36.5%
33-36	26.2%
37-40	10.5%
Over 40	9.4%
Not Reported	0.40%
n	1,347

Additional descriptive characteristics are presented in Table 2. Roughly 42 percent of respondents graduated very recently—in 2018 or later. Most respondents (89 percent) are licensed attorneys; 78 percent are employed in full-time, long-term positions. Eighty percent of employed respondents hold positions requiring bar passage, and just over half are employed in private practice (large firm, small firm, or solo practice).

Employment status varies by race/ethnicity. White respondents, followed by Asian respondents, and respondents further away from law school graduation were most likely to be employed in full-time, long-term positions. A smaller portion of the sample (12.5 percent) are employed in contract or part-time positions. A higher proportion of Hispanic/Latino respondents are employed in contract or part-time positions, followed by Indigenous, Black, and Multiracial respondents. Indigenous respondents reported the highest rate of unemployment among observed racial/ethnic groups.

Salary at first job also varied slightly by race/ethnicity. The median first job salary ranged from $60,000 to $69,999 for Asian respondents, $40,000 to $49,999 for Multiracial respondents, and $50,000 to $59,999 for all other racial/ethnic groups. These differences, and the overall composition of the sample, provide important context for the findings that follow.

Table 2
Descriptive Characteristics of 2021 Survey Respondents

	ABA YLD Survey Respondents
Graduation Year	
Before 2013	23.6%
2014-2015	16.7%
2016-2017	17.1%
2018-2019	25.1%
2020-2021	16.7%
Did not receive J.D.	0.8%
J.D.-Required Job (Among those employed)	
Yes	79.9%
J.D.-Advantage	13.7%
Neither	6.4%
Employed Full-Time, Long-Term	
Asian	82.1%
Black/African American	74.7%
Hispanic or Latino/a/x	60.7%
Indigenous	50.0%
Two or More	71.6%
White/Caucasian	84.8%
Practice Setting	
Business / Industry	7.9%
Clerkship	3.0%
Government	12.2%
Private Firm, Large	20.5%
Private Firm, Small	30.1%
Public / Non-Profit	7.7%
Solo Practice	4.4%
Other	4.5%
Not Reported	9.5%
n	1,347

Borrowing and Debt Levels by Race/Ethnicity

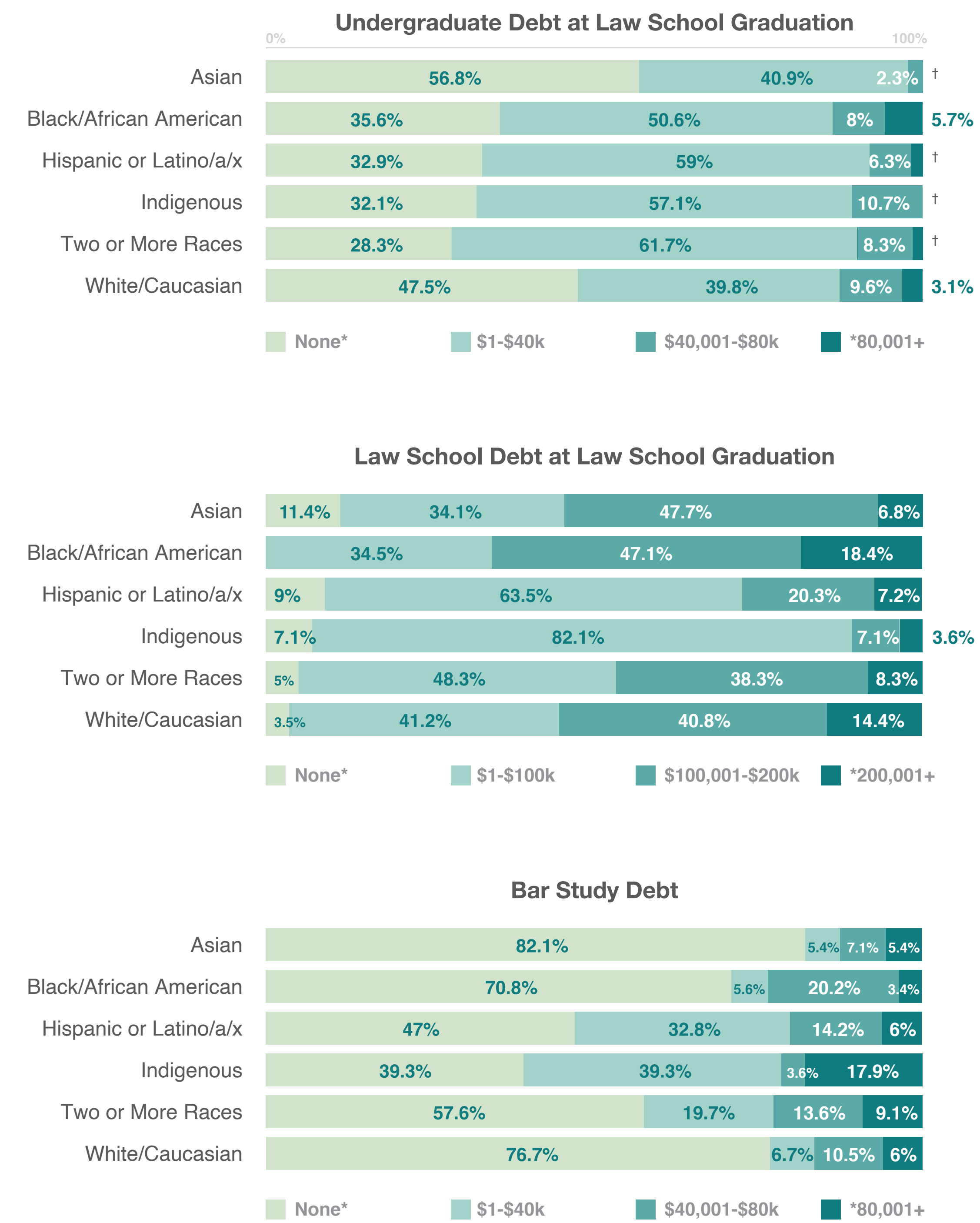
Student loan borrowing is prevalent among young lawyers represented in this study. Roughly 90 percent of respondents (n=1,219) borrowed student loans to finance their legal or prior education, owing an average of roughly $108,000 in J.D. loans and $130,000 in all loans combined at graduation.[2] This borrowing percentage is slightly higher than the U.S. Department of Education's most recent report that 71 percent of graduates who earned a J.D. in 2015-16 borrowed for law school, owing an average of $125,100 at graduation.[3]

The survey results also provide a glimpse into borrowing for bar exam preparation. Thirty percent of respondents reported borrowing a bar loan, adding an average of $8,785 in debt after graduation. Respondents of color reported higher rates of bar loan borrowing—over 50 percent of Hispanic/Latino and Indigenous respondents, 42 percent of Multiracial respondents, and 29 percent of Black respondents reported borrowing a bar loan compared to 23 percent of White respondents. Only 18 percent of Asian respondents reported borrowing a bar loan. However, these percentages do not account for respondents who may have applied for a loan but were denied. Failure to secure a bar loan could result in law graduates taking on unsecured education-related debt in the form of credit cards—22 percent of those who did not borrow a bar loan reported using credit cards to cover their bar preparation expenses.[4] Inability to qualify for a bar loan can also lead graduates to work while preparing for the bar exam, detracting from the time they have to study and lowering their odds of passing the exam on the first attempt. [5]

Overall, borrowing percentages and loan amounts varied by race/ethnicity across the education spectrum (Figure 1).[6] Asian and White participants were least likely to have undergraduate debt balances when they graduated law school. Black respondents were more likely to report high law school debt balances at graduation (>$200,000), while Hispanic/Latino and Indigenous respondents tended to borrow less for the J.D. degree than respondents of other racial/ethnic backgrounds.

2 Throughout this document "borrowers" refers to respondents who indicated they borrowed student loans in the pursuit of their undergraduate, law, or other degree(s).
3 ACCESSLEX INSTITUTE, LEGAL EDUCATION DATA DECK 23, 25 (2020), https://www.accesslex.org/sites/default/files/2021-01/AccessLex_Data_Deck_2020.pdf.
4 Respondents who reported not taking a bar loan were asked how they covered their bar preparation expenses. They could select multiple option from the following categories: personal savings, financial support/gifts from family and friends, employment during the bar preparation period, scholarship and grant aid, bar preparation support from future employer, credit cards, and other.
5 Aaron N. Taylor et al., It's Not Where You Start, It's How You Finish: Predicting Law School and Bar Success 21 (June 8, 2021), https://www.accesslex.org/research-and-data-tools-and-resources/its-not-where-you-start-its-how-you-finish-predicting-law.
6 Throughout this document tables and figures list some of these borrowers as having "no balance." This means the respondent either listed no amount or an amount of $0 when asked about their loan amounts at graduation from law school for a specific type of loan. Some examples of these instances include when a respondent had no balance for undergraduate loan amount they had: 1) debt from law school, but no loan was taken out for undergraduate school or 2) a respondent had debt from undergraduate school that they finished paying off before they completed law school.

Figure 1
Borrowing Levels Across the J.D. Education Spectrum, by Race/Ethnicity



*Among respondents who took out any loans to pay for a degree.

**Among respondents who took the bar exam.

†2 percent or fewer borrowers within category.

Note: Respondents who did not report their race or ethnicity are excluded.

Debt Repayment by Race/Ethnicity

Over 40 percent of borrowers have not been able to reduce their debt balance since graduating law school. Twenty-seven percent of respondents who borrowed student loans reported higher debt amounts compared to their balance at graduation, and another fifteen percent reported their balance was the same. Debt inflation varied by race/ethnicity (Table 3). Particularly, a majority of Black borrowers reported their debt balance is currently the same or higher than when they earned their J.D.

Table 3
Percent of Respondents Reporting Current Debt Balances Equal to or Greater Than Graduation Balance, by Race/Ethnicity

	Had More Debt	Had Same Debt
Race/Ethnicity		
Asian	13.6%	11.4%
Black/African American	43.7%	20.7%
Hispanic or Latino/a/x	19.8%	14.0%
Indigenous	17.9%	7.1%
Two or More Races	18.3%	11.7%
White/Caucasian	28.9%	15.5%
Not Reported	26.8%	14.6%
Total	26.9%	15.0%
n	328	183

To understand the reasons underlying debt balance increases, the survey asked borrowers with higher debt balances to select an explanation for the increase since graduation. The most selected explanations were:

- I am in an income-based repayment plan and my payments do not cover the principal (54.8 percent).
    - Among borrowers working toward Public Service Loan Forgiveness (PSLF), this explanation is even more common—69.4 percent for those pursuing PSLF compared to 48.3 percent among those who are not.
- Lack of growth in my salary/income (38.6 percent).
- My loans were placed into deferment or forbearance (38.2 percent).
- Interest on my loans accrued faster than I expected (34.1 percent).

These most common explanations indicate that income-based repayment plans may underpin most of the debt inflation experienced by borrowers. Federal income-based repayment plans are structured in a way that can result in a borrower's loan balance growing over time if their monthly payment amount does not cover the interest due. The interest is then added to the principal (capitalization), causing the balance to increase. Capitalization triggers include entering repayment, changing repayment plans, consolidating loans, leaving a period of deferment or forbearance, or default. Additionally, income-based repayment plans have repayment terms of up to 20 to 25 years, which means that more interest accrues over the life of the loan than in a standard 10-year plan. These issues are particularly acute for high-debt, low-income borrowers whose monthly payments may not be high enough to sufficiently cover the interest.

The relatively high response rates for "lack of growth in salary/income" and "interest on my loans accrued faster than I expected," together, may reveal a contingent of law school graduates who are seeing their debt grow because of unmet career or salary expectations. They also may imply a lack of financial education or appreciation for the total impact of carrying large amounts of debt prior to taking it on.

Quick Look at Non-Borrowers

The survey also examined non-borrowers to determine how they covered the cost of their legal education. Among the 14 percent of respondents who did not borrow for law school, most used scholarships, grants, personal savings or financial support from friends or family to cover their J.D. expenses (Table 4). Only 34 percent of non-borrowers reported financing their legal education with earnings from employment during law school, suggesting that those who do not use debt to pay for their J.D. are most often those of financial means or those who have familial or institutional financial support to pay for law school.

Table 4
Law School Financing Among Respondents Who Did Not Borrow Student Loans for J.D.

Financial support/monetary gifts from family or friends	68.1%
Personal savings	58.9%
Scholarship and grant aid	58.4%
Employment during law school	34.1%
Tuition reimbursement from employer	9.2%
Credit cards	7.6%
Other	8.6%
n	185

Note: Respondents may have selected more than one option.

Impact of Loans on Career Trajectory

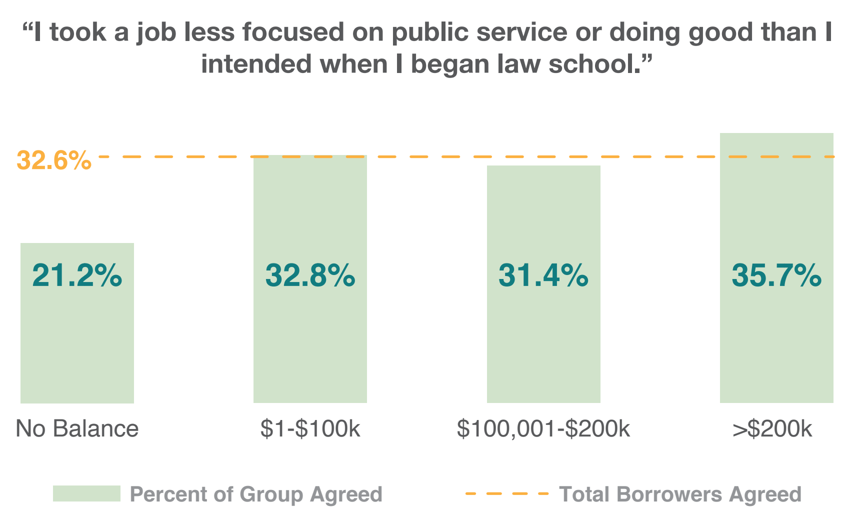
As last year's survey report demonstrated, education debt has far-reaching implications. An overwhelming majority of borrowers—roughly 80 percent—indicated their debt influenced their choice of job or career in some way. Most borrowers reported that salary factored more heavily into their job selection than anticipated (Table 5). Nearly a third of the sample indicated their position was less focused on public service or doing good than intended when they started law school.

Table 5
Percent of Borrowers Who Agreed Debt Impacted Their Career Trajectory, by Survey Item

Salary factored more heavily in my job selection than I anticipated when I began law school.	54.5%
I took a job that is less focused on public service or doing good than I intended when I began law school.	32.6%
Qualifying for loan forgiveness factored more heavily in my job selection than I anticipated when I began law school.	25.9%
I left the legal profession or opted not to work as a lawyer.	4.6%
Other	8.9%
None of these	18.1%
n	**1,219**

Some impacts on career trajectory varied by total loan balance at graduation. Notable among the variation is the relationship between overall student debt balance and taking a job less focused on public service than originally intended (Figure 2). Borrowers were more likely to agree their student debt diverted their intended career trajectory away from public service or doing good than individuals with no student loan debt.

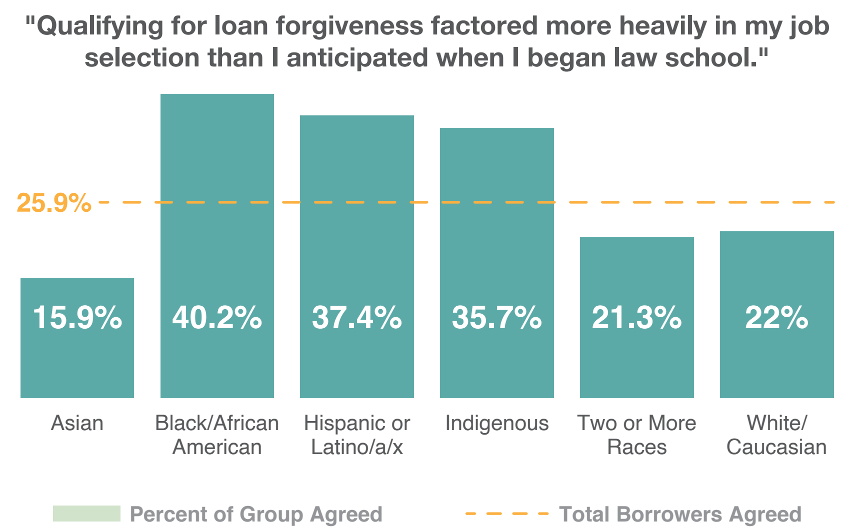
Figure 2
Percent of Borrowers Who Reported Detour from Public Service Due to Debt



> "I took a job less focused on public service or doing good than I intended when I began law school."

Debt effects on career trajectory also varied somewhat by race/ethnicity. Figure 3 illustrates that a higher proportion of Black/African American, Hispanic/Latino, and Indigenous borrowers reported placing greater importance on qualifying for loan forgiveness than originally anticipated. The reasons for these differences remain unclear—perhaps Black respondents weighed loan forgiveness more heavily due to the larger debt loads they carry to earn a J.D., or perhaps these Black, Hispanic/Latino, and Indigenous respondents gain greater awareness of loan forgiveness programs after enrolling in law school. Greater understanding of the cultural as well as financial reasons underlying differences in debt impacts could help refine and target interventions to support better post-J.D. career outcomes for all law school graduates.

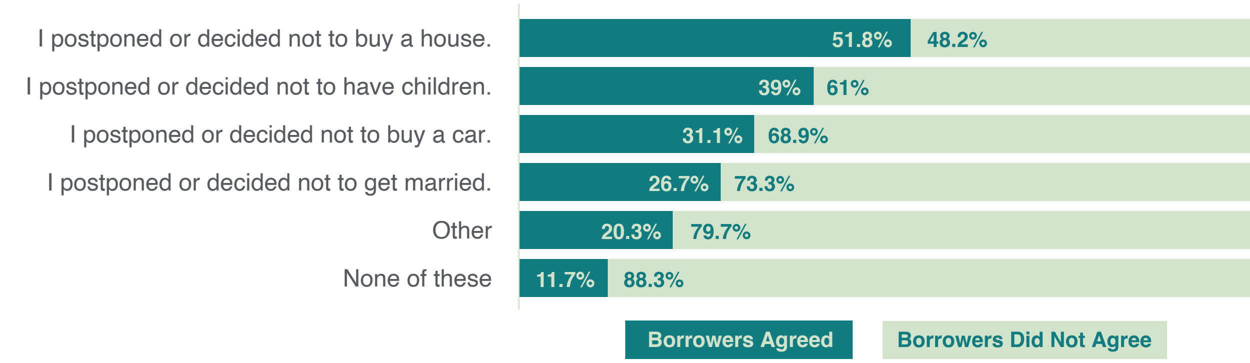
Figure 3
Percent of Borrowers who Reported Weighing Loan Forgiveness More Heavily Than Expected due to Debt



Impact of Loans on Major Life Milestones

Roughly 90 percent of borrowers indicated their debt had some impact on their advancement toward major life milestones. Around half of borrowers (52 percent) reported postponing or deciding not to buy a house and roughly 40 percent reported postponing or deciding not to have children due to their overall student debt load (Figure 4).

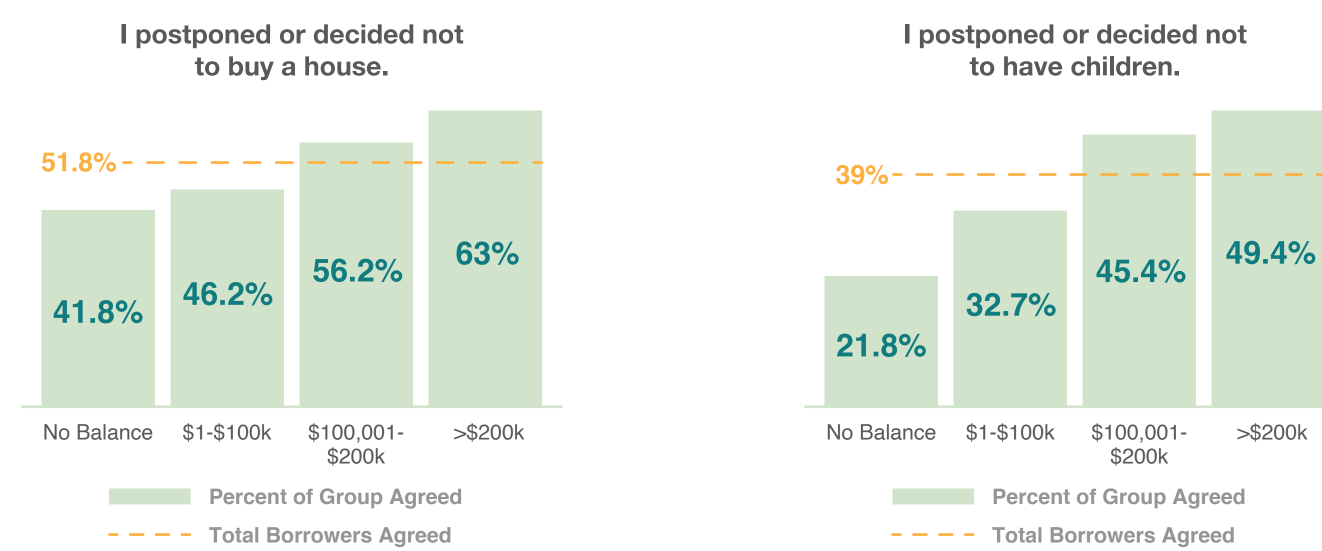
Figure 4
Percent of Borrowers who Reported Delaying or Foregoing Life Milestones Due to Debt, by Survey Item



Forty-four percent of borrowers reported being homeowners, 45 percent reported being married, and 27 percent reported being a parent. Thirty percent of homeowners reported delaying their home purchase due to their student loan debt. Among non-homeowners, 69 percent reported delaying or foregoing buying a house due to their debt. Similarly, 37 percent of unmarried respondents and 45 percent of respondents without children directly attributed these life circumstances to their student loan debt. Nearly 15 percent of married respondents reported delaying marriage due to their debt, and 24 percent of parents delayed having children. Among borrowers who postponed or decided not to have children due to their total student loan debt, 83 percent did not have children at the time of the survey.

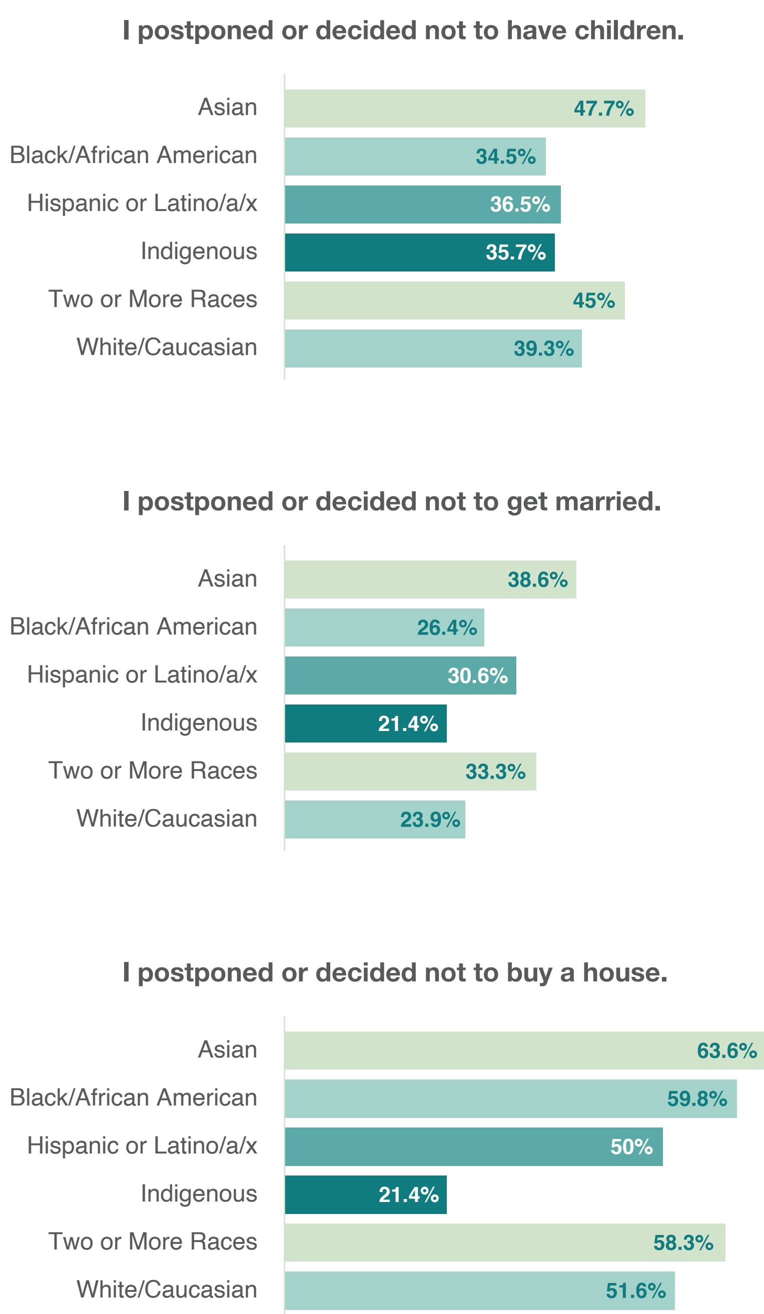
Delaying or foregoing life milestones becomes more prevalent as law school debt load increases (Figure 5). Particularly, those reporting more than $100,000 of law school debt at graduation were much more likely to report postponing or foregoing purchasing a home or having children due to their debt load.

Figure 5
Percent of Borrowers who Reported Postponing of Foregoing Buying a Home or Having Children due to Debt, by J.D. Loan Balance at Graduation



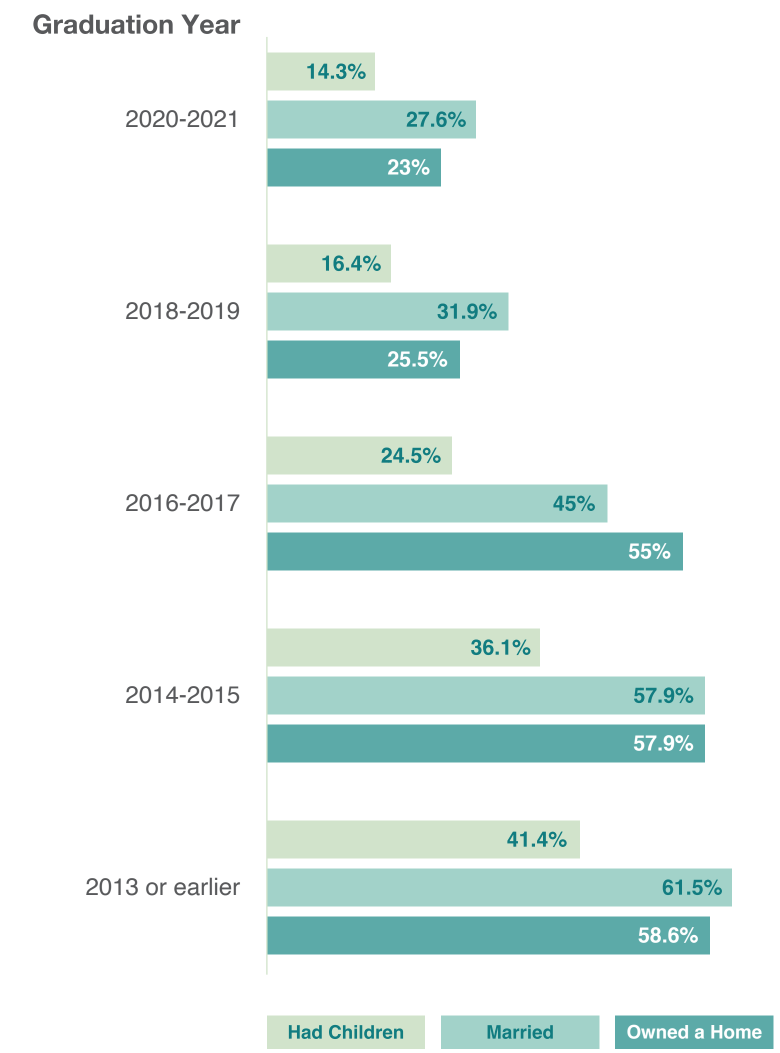
Debt effects on major life milestone attainment also varied by race/ethnicity (Figure 6). Asian respondents were most likely to have postponed or decided not to buy a house, get married, or have children because of their student debt.

Figure 6
Effects of Student Loan Debt on Major Life Milestones by Race/Ethnicity and Survey Item



For all respondents, the achievement of major life milestones increased as respondents were further away from law school graduation (Figure 7). This suggests that debt is more likely to postpone rather than prevent certain life goals as law graduates advance in age and their careers.

Figure 7
Percent of Respondents Reporting Attainment of Life Milestones by Year of Graduation and Survey Item



THE INFLUENCE OF DEBT ON FINANCIAL & EMOTIONAL WELL-BEING

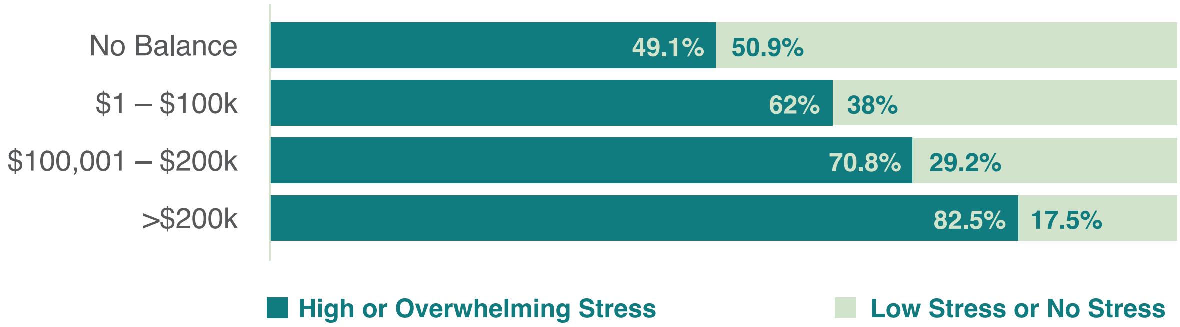
Debt and Financial Stress

In addition to delaying or preventing significant life events, we also found that student debt diminishes the day-to-day financial well-being of young lawyers. Over half of those surveyed, including those who did not borrow or reported no student debt at graduation, reported worrying about meeting monthly living expenses, inability to do the activities they would like, or living paycheck to paycheck, sometimes or all the time. While only 17 percent, 13 percent, and 23 percent of respondents reported experiencing these respective experiences all the time, rates were much higher among those with J.D. loan balances exceeding $200,000.

Thirty-seven percent of borrowers with $200,001 or more in law school debt report “just getting by financially” all the time.

Similarly, we found that roughly 67 percent of all respondents reported high or overwhelming stress over finances in general, but 82 percent of those with more than $200,000 in law school debt reported the same. Overall, rates of reported stress increased as J.D. loan balance at graduation increased (Figure 8).

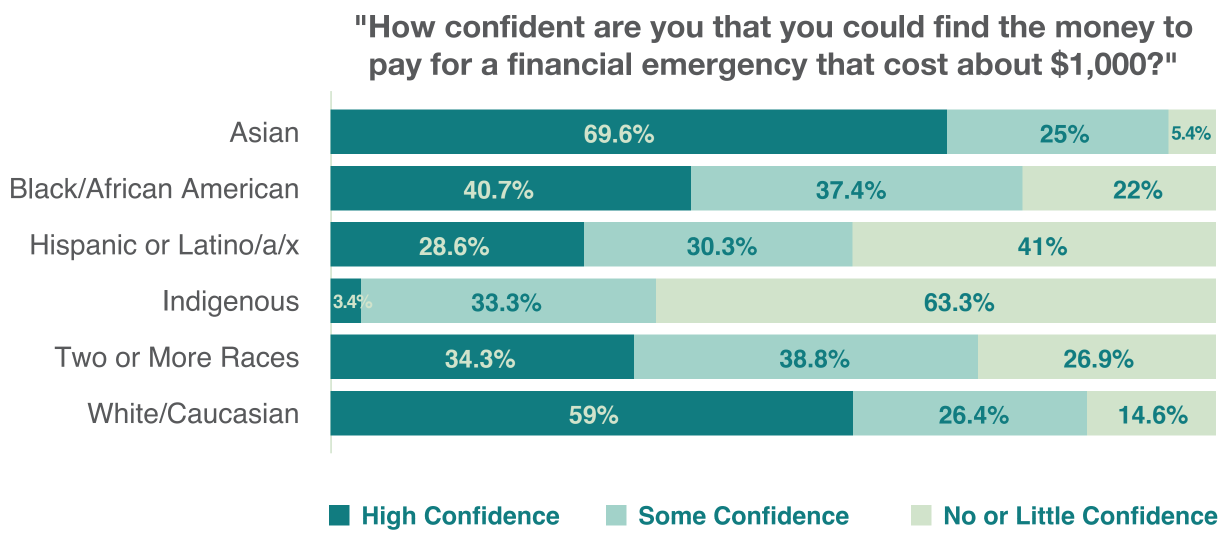
Figure 8
Percent of Borrowers Reporting High or Low Stress, by J.D. Loan Balance



Debt and Financial Well-Being

The survey asked respondents how confident they were that they could find the money to pay for a $1,000 financial emergency, and responses varied widely by race/ethnicity (Figure 9). Just over half reported high confidence, 28 percent reported some confidence, and 21 percent reported little or no confidence. However, Asian and White respondents expressed much higher confidence than all others—70 percent and 59 percent, respectively. Hispanic/Latino, and Indigenous respondents reported the lowest levels of confidence in finding $1,000 to cover a financial emergency.

Figure 9
Levels of Confidence in Ability to Cover a Financial Emergency, by Race/Ethnicity



We also observed slight differences in confidence level based on law school debt load. Those with debt ranging from $100,001 to $200,000 reported slightly greater confidence (55 percent) than those with debt of up to $100,000 (45 percent) and those with more than $200,000 in debt (44 percent). This indicates that education debt is just one indicator of one's overall financial picture; varying debt levels may impact borrowers differently depending on their individual circumstances. The finding that Indigenous respondents are least confident in covering a $1,000 financial emergency, despite having the lowest law school debt amounts, underscores this point.

Further, roughly 85 percent of borrowers reported their education debt had some degree of negative impact on their financial well-being. Across all racial/ethnic groups and levels of debt, borrowers primarily reported their debt impeded their ability to save money for retirement and emergencies. Among those who are parents, many reported their debt prevented them from saving for their child(ren's) future. Reported rates of these and other impacts increased as J.D. loan debt at graduation increased (Table 6).

Table 6
Percent of Borrowers who Reported Debt Impact on Financial Well-Being, by J.D. Loan Debt Balance at Graduation

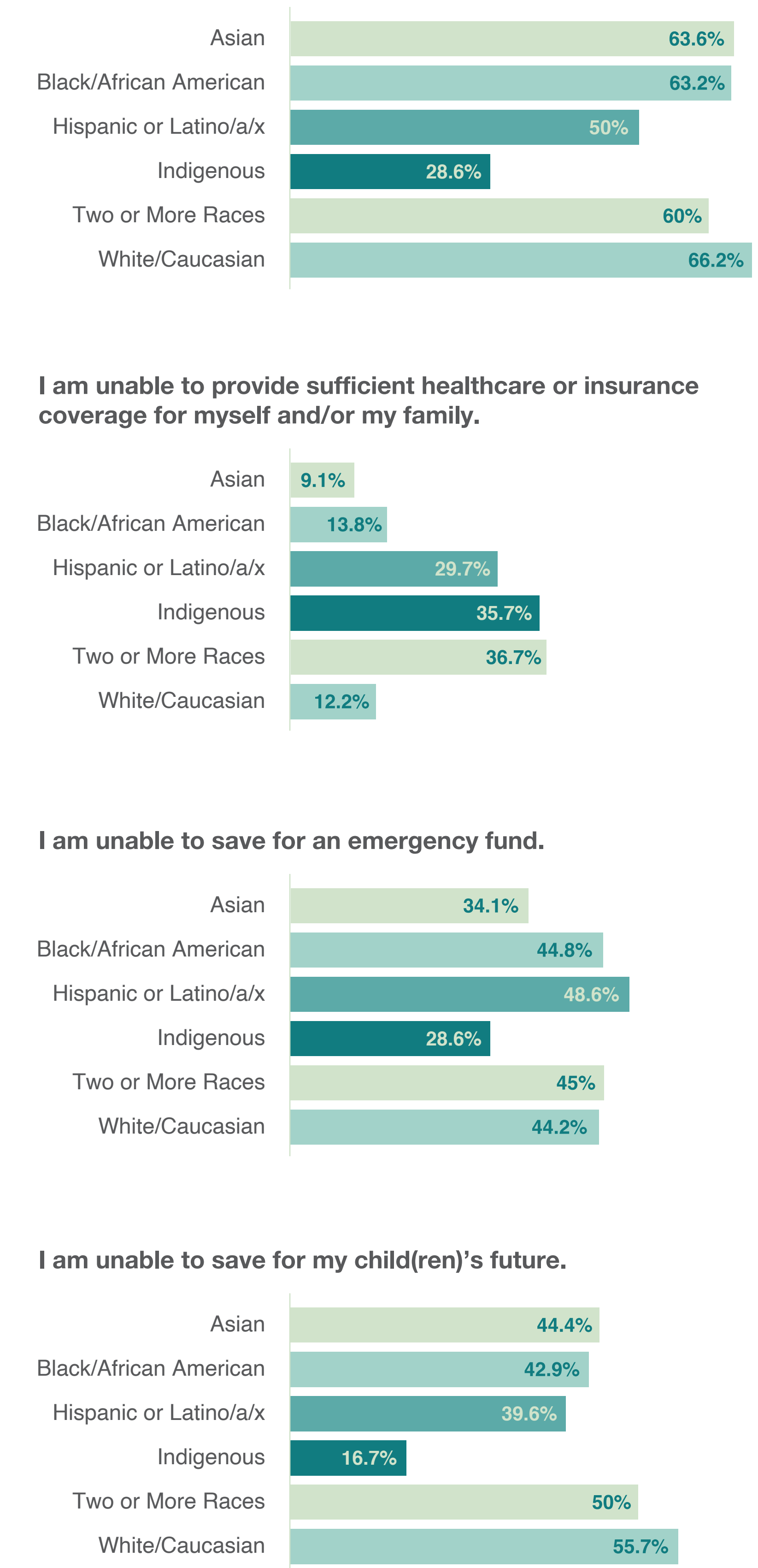
	Total J.D. Loans at Graduation			
	$1 - $100k	$100,001 - $200k	>$200k	All
I am unable to save for retirement to the degree I would like	51.9%	72.4%	77.3%	61.7%
I am unable to save for my child(ren)'s future*	41.3%	59.2%	70.7%	50.8%
I am unable to save for an emergency fund totaling at least three months of my living expenses	40.0%	49.0%	54.5%	44.4%
My credit score has been adversely affected	18.8%	29.9%	43.5%	25.7%
I cannot afford to take a vacation at least once per year	25.6%	34.4%	39.0%	30.3%
I am unable to contribute to a retirement account	23.6%	23.1%	36.4%	24.9%
I have not been able to qualify for a loan, mortgage, or apartment rental without a cosigner	13.3%	23.6%	36.4%	19.5%

*Out of 331 borrowers who indicated they are parents.

Note: Percentages reflect % of all borrowers in a group who agreed;
Respondents may have selected more than one option; Individuals with no JD loans excluded as there are too few from which to draw percentages.

Specific financial impacts varied somewhat by race/ethnicity (Figure 10). The majority of borrowers, with the exception of Indigenous respondents, were most likely to note the adverse impact of student loan debt on their ability to save for retirement. Inability to save for emergencies was also prevalent among most racial/ethnic groups, and many of those with children—irrespective of racial background—noted an adverse impact on their ability to save for their kids' futures. However, Hispanic, Indigenous, and Multiracial respondents were more likely than others to note the impact on providing health insurance coverage. This may be due, in part, to the lower rates of full-time, long-term employment observed among Hispanic, Indigenous, and Multiracial respondents for this survey.

Figure 10
Percent of Borrowers who Reported Student Loan Debt Impact on Financial Well-Being Indicators, by Race/Ethnicity



Debt, Help-Seeking, and Emotional Well-Being

Considering the challenges of managing education debt and finances in general, the survey gathered information to assess the degree to which young lawyers seek help and support related to their student loans. The overall prevalence of help- and support-seeking behaviors among the sample is mixed. While most borrowers have discussed their student loan debt with family members, friends, mentors, and/or colleagues, just under one-third have obtained financial advice from a professional, and roughly one-quarter have discussed their student loan debt with their loan servicer.

Help- and support-seeking behaviors varied slightly by race/ethnicity (Figures 11 and 12). Hispanic/Latino and Indigenous respondents reported discussing their debt with family members, friends, colleagues, and mentors much less frequently than those of other racial/ethnic backgrounds. In particular, they were much less likely to discuss their student loan debt with family members. On the other hand, Hispanic/Latino and Indigenous young lawyers were much more likely to report discussing their debt with a loan servicer. These differences could be due to varying degrees of financial needs among these groups. For instance, respondents who were unemployed or underemployed may have experienced greater difficulty meeting their student loan repayment obligations, necessitating discussions with a loan servicer.

Figure 11
Percent of Borrowers who Reported of Support-Seeking Behavior, by Race/Ethnicity

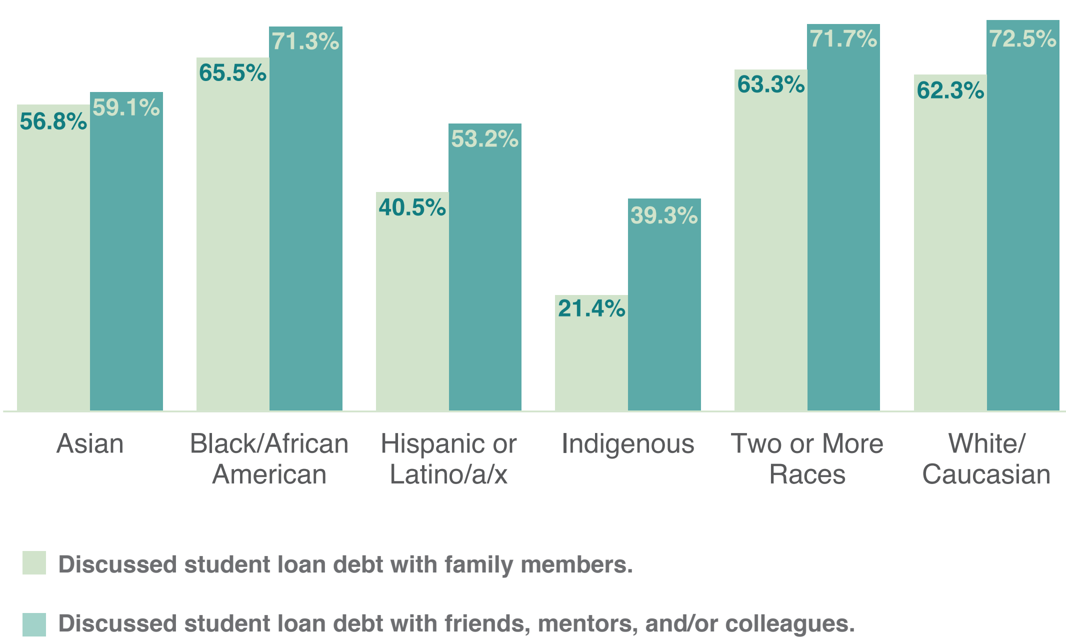


Figure 12
Percent of Borrowers who Reported Help-Seeking Behavior, by Race/Ethnicity

Student debt also influences emotional well-being among young lawyers. A majority of borrowers reported experiencing negative emotions around their personal finances and/or student loan debt (Figure 13). Sixty-five percent agreed their total student loan debt or monthly loan debt obligation has caused them to feel anxious or stressed, and 52 percent agreed their overall or monthly loan debt obligation has caused them to feel regret or guilt. These emotions become more prevalent as J.D. loan balances increase (Figure 14). Alarmingly, 51 percent of respondents with debt of $100,000-$200,000, and 60 percent of those with debt over $200,000, agreed they felt depressed or hopeless because of their student debt obligations.

Figure 13
Percent of Borrowers who Reported Negative Emotions Due to Student Loan Debt, by Level of Agreement with Survey Item

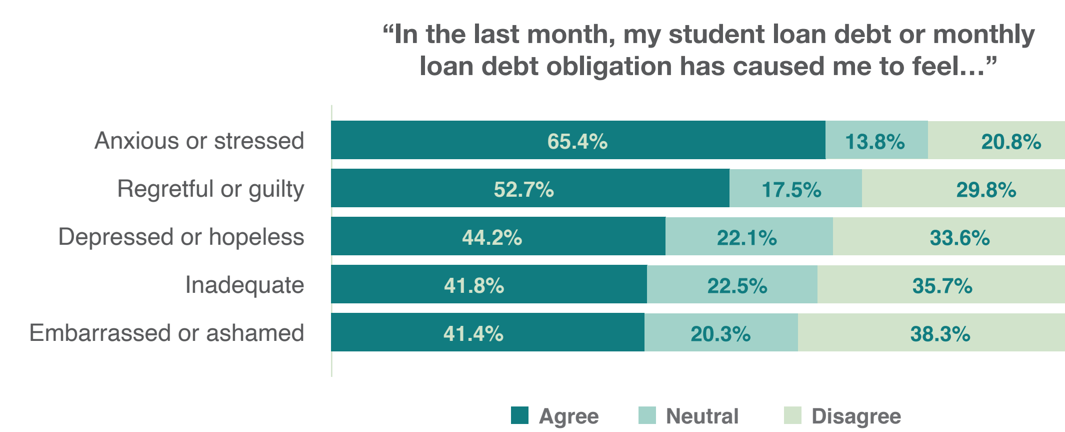
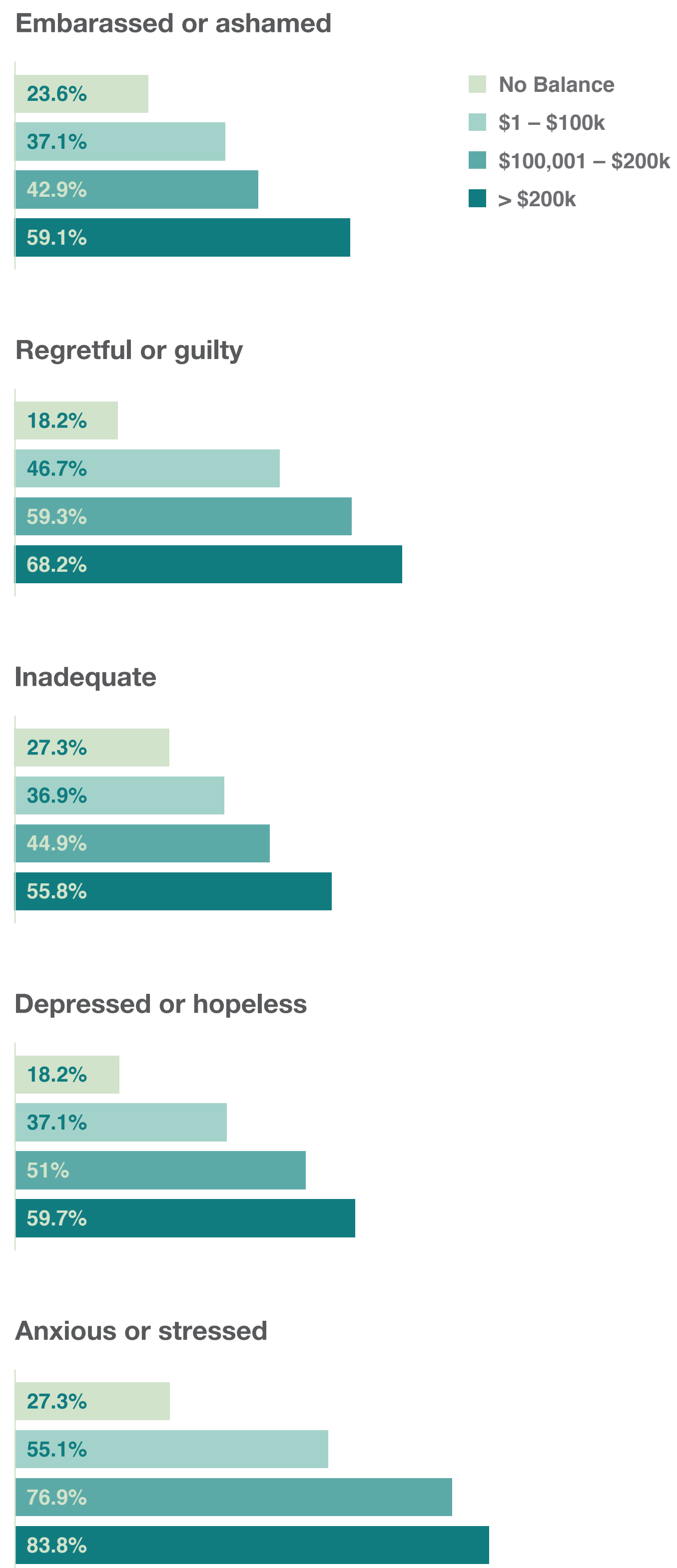


Figure 14
Percent of Borrowers who Reported Student Loan Debt Impact on Emotional Well-Being, by J.D. Loan Balance at Graduation



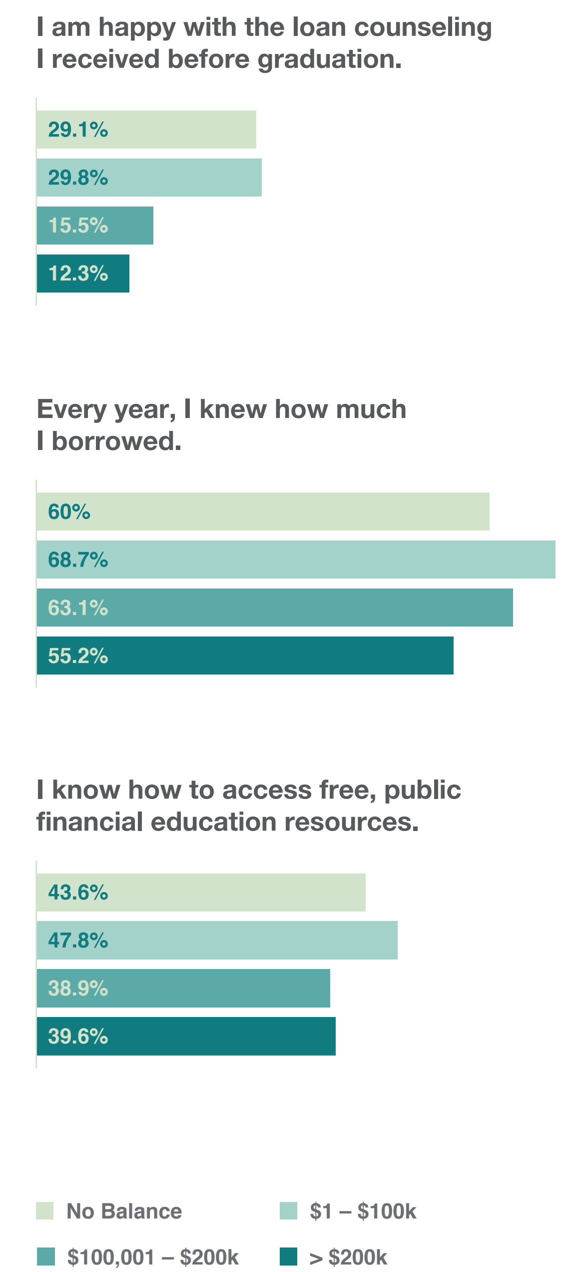
Financial Awareness and Education

Considering the negative toll debt can take on borrowers' emotions—particularly the higher levels of regret reported among those with the highest amounts of law school debt—we also asked borrowers about various aspects of their financial knowledge during law school. Most (64 percent) reported knowing their debt balance each year, but fewer (55 percent) of those with over $200,000 in law school debt reported the same (Figure 15).

The survey also asked whether borrowers were happy with the loan counseling they received prior to graduating law school. Only 22 percent of borrowers reported being satisfied; of the remainder, 55 percent reported they were not happy with the counseling they received and 22 percent were neutral. Even fewer respondents with over $100,000 in law school debt report satisfaction with their loan counseling experience.

Although 44 percent of borrowers reported knowing how to access free, public financial education resources, a majority—38 percent who disagreed and 18 percent who were neutral—did not. Further, those with J.D. debt totaling more than $100,000 were less likely to report knowledge of these resources (Figure 15). Differences in these financial wellness indicators by debt load indicate that those with the greatest need for debt awareness and counseling are the least satisfied with available resources and, perhaps, the least informed. This observation highlights a significant opportunity to offer additional resources and more targeted support to law students and graduates with higher debt balances.

Figure 15
Percent of Borrowers who Agreed with Financial Knowledge Items, by J.D. Loan Balance at Graduation



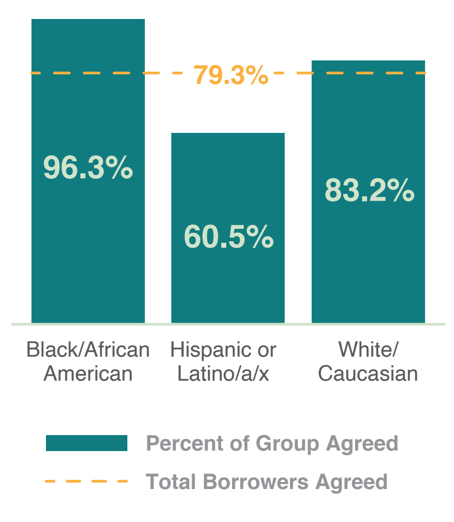
PERSPECTIVES ON PUBLIC SERVICE LOAN FORGIVENESS

Congress enacted the Public Service Loan Forgiveness (PSLF) program in 2007 to encourage postsecondary degree recipients to pursue and persist in public service careers benefitting communities across this country. The program forgives the Direct Loans of eligible borrowers employed by a government entity or qualifying nonprofit organization after they have made 120 separate monthly payments.

Our survey findings suggest that PSLF is a key factor in the placement of attorneys in government, nonprofit, and public service positions. Just under 20 percent of borrowers in the current survey indicated they are pursuing PSLF. Of those, 80 percent agreed they are employed in government, nonprofit, or public service positions specifically because of PSLF, although responses varied by race/ethnicity (Figure 17). These differences are likely driven by debt load—those with law school debt totaling more than $100,000 were slightly more likely to agree with this statement than those with lower debt amounts (86 percent and 71 percent, respectively).

Figure 16
Percent of Borrowers Working Toward PSLF

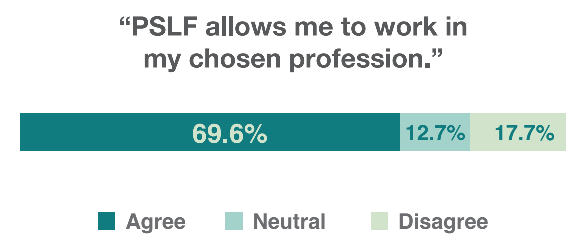
Figure 17
Percent of Borrowers Pursuing PSLF who Reported Working in Public Service to Qualify for Loan Forgiveness, by Race/Ethnicity



Note: Racial/ethnic groups with fewer than 20 respondents were excluded from this figure.

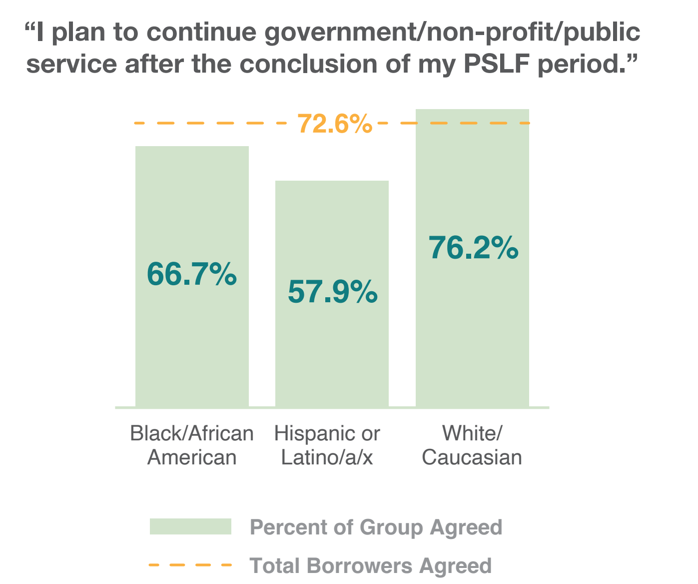
We also found that most borrowers working toward PSLF seem to have a true passion for public service work. Seventy percent of respondents working toward PSLF agreed the program allows them to work in their chosen profession (Figure 18). This finding is consistent across respondents, irrespective of race/ethnicity. However, those with higher law school debt are more likely to agree with this statement—64 percent of those with up to $100,000 in debt compared to 73 percent of those with debt higher than $100,000.

Figure 18
Percent of Borrowers Pursuing PSLF who Agreed the Program Allows Them to Work in Their Chosen Profession



Further, 73 percent of borrowers working toward PSLF reported they intend to continue public service work after their forgiveness term. This finding does not vary significantly by total balance of J.D. loans at graduation. However, Black and Hispanic/Latino respondents were less likely to agree they intend to stay in their current position after their forgiveness period (Figure 19).

Figure 19
Percent of Borrowers Pursuing PSLF who Intend to Continue Public Service After Forgiveness

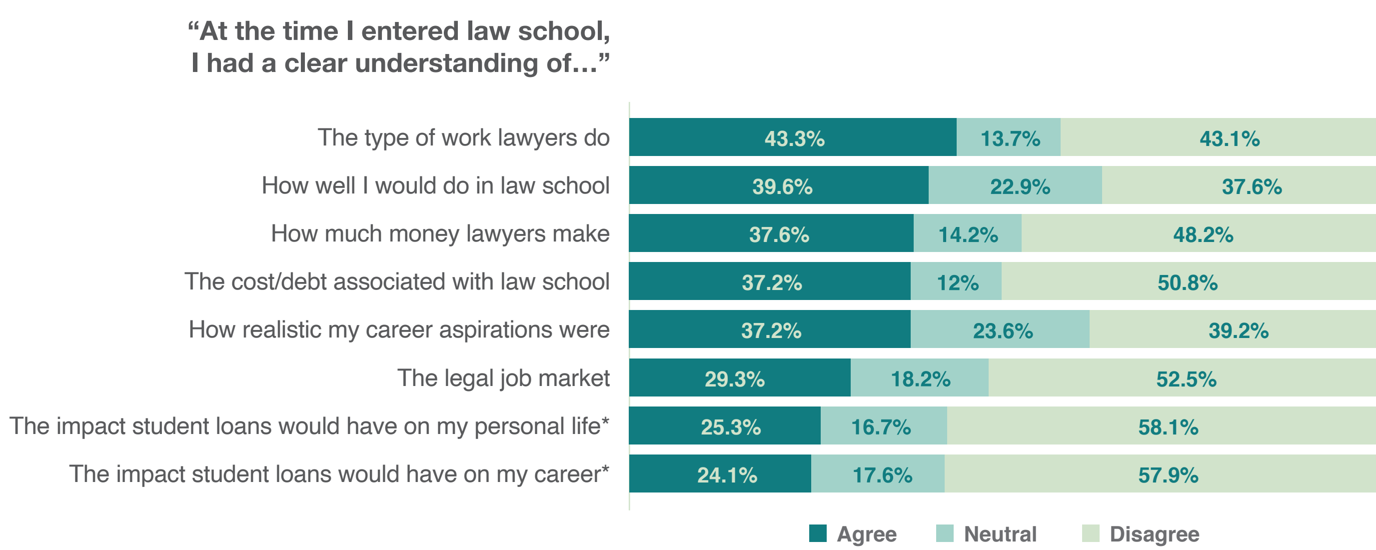


Responses also varied somewhat by year of law school graduation. Sixty-five percent of PSLF borrowers who graduated before 2014 agreed they intend to stay in their position after their forgiveness period compared to 68 percent of those who graduated in 2020 or 2021. On the other hand, 82 percent of PSLF borrowers who graduated in 2014 or 2015 agreed, as did over 70 percent of those who graduated between 2016 and 2019. Collectively, these results suggest that PSLF is most likely benefitting law school graduates who have a true desire to serve the public and their communities, and who could not otherwise afford their education without the program.

REFLECTIONS ON LAW SCHOOL & FINANCIAL INVESTMENT

All respondents were asked to reflect on the understanding they had of the legal profession, the cost of law school, and their earning and academic potential at the time they entered law school. Overall, respondents reported they lacked clear understanding of the legal job market, the cost/debt associated with attending law school, and how much lawyers make prior to enrolling (Figure 20). Over half of respondents felt they did not have a clear understanding of the legal job market and the cost of earning a J.D. Further, fewer than half of those who borrowed felt they had a clear understanding of how their student loans would impact their personal lives and careers when they first entered law school.

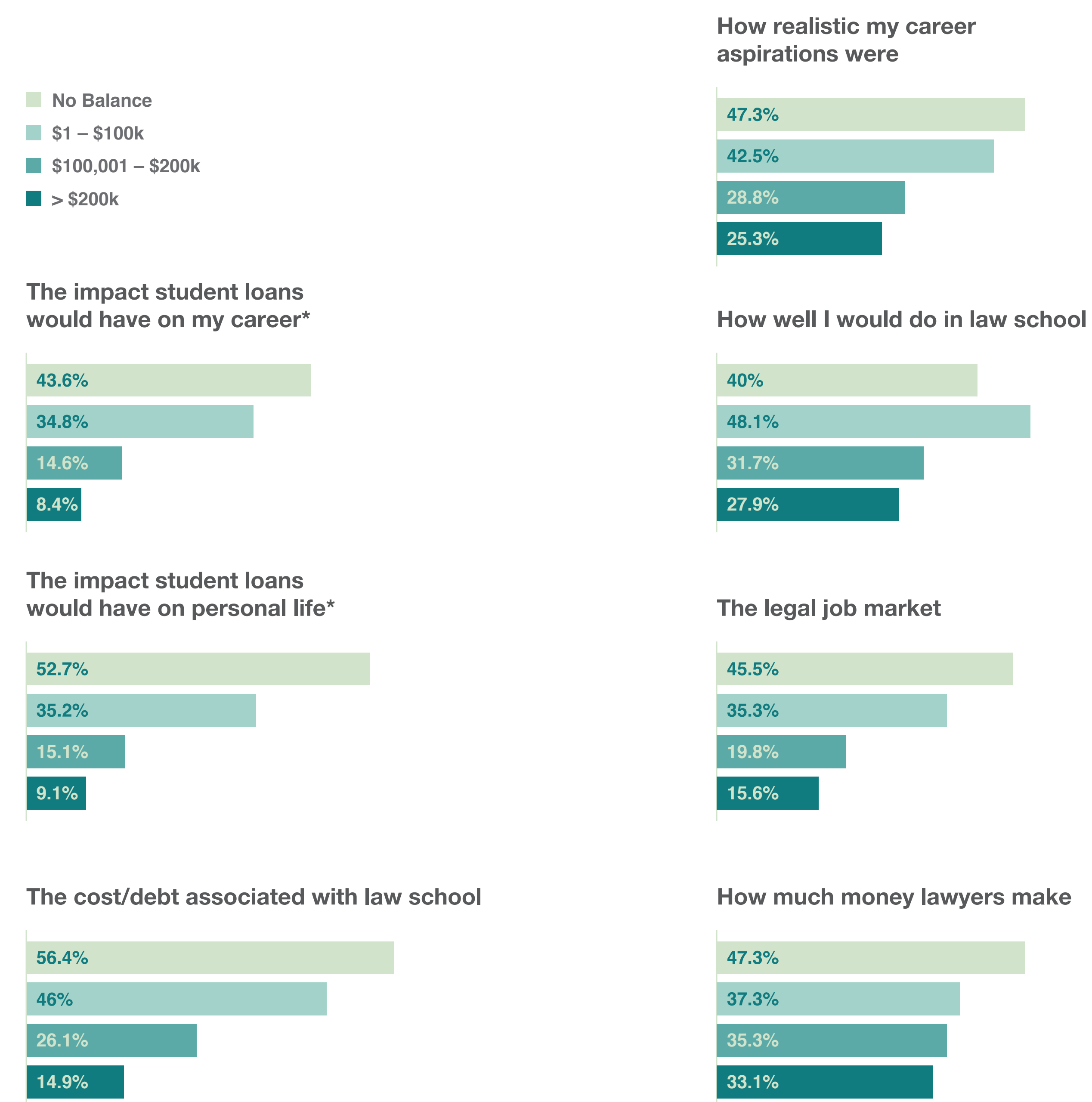
Figure 20
Percent of Respondents who Reported Understanding Various Aspects of Legal Education and the Profession at Law School Entry, by Survey Item and Level of Agreement



Note: Asterisked items were asked to borrowers only.

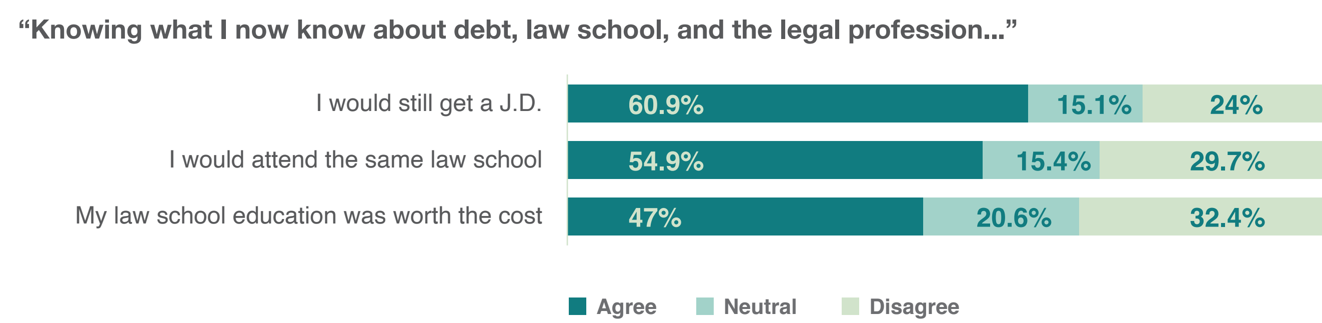
Differences in levels of understanding become even more apparent when we examine responses to these items by J.D. loan balance at graduation. As debt balances increase, the percentage of respondents reporting clear awareness of their academic, employment, and financial outlook upon enrolling in law school declines. Particularly troubling is the lack of understanding of student loan implications reported among borrowers, especially among those with the highest debt balances (Figure 21).

Figure 21
Percent of Respondents who Agreed they Understood Various Aspects of Legal Education and the Profession at Law School Entry, by J.D. Debt Balance at Graduation



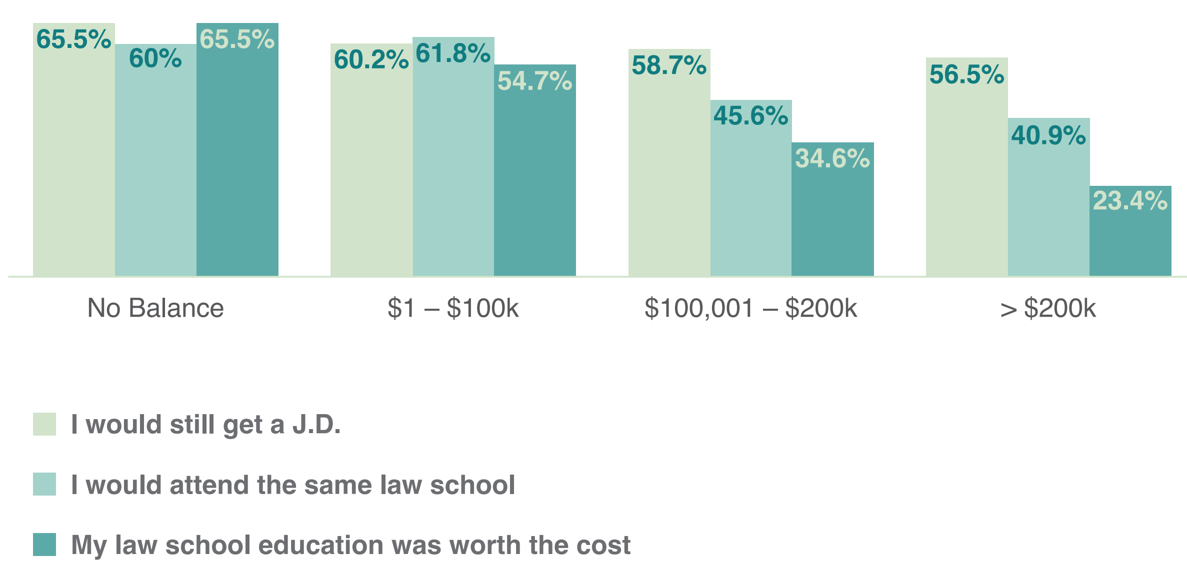
Note: Asterisked items were asked to borrowers only.

Figure 22
Percent of Respondents who Reported Various Aspects of Law School Satisfaction, by Survey Item and Level of Agreement



Despite their limited understanding of the various career and financial implications of attending law school at the time of law school entry, most respondents (61 percent) indicated they did not regret their decision to obtain a J.D. A majority (55 percent) also reported they would attend the same law school, even knowing what they know now about law school, debt, and the legal profession, and 47 percent agreed their law school education was worth the cost. However, agreement with each item waned as overall J.D. loan balance at graduation increased (see Figure 23).

Figure 23
Percent of Respondents who Agreed with Various Aspects of Law School Satisfaction, by J.D. Loan Balance at Graduation

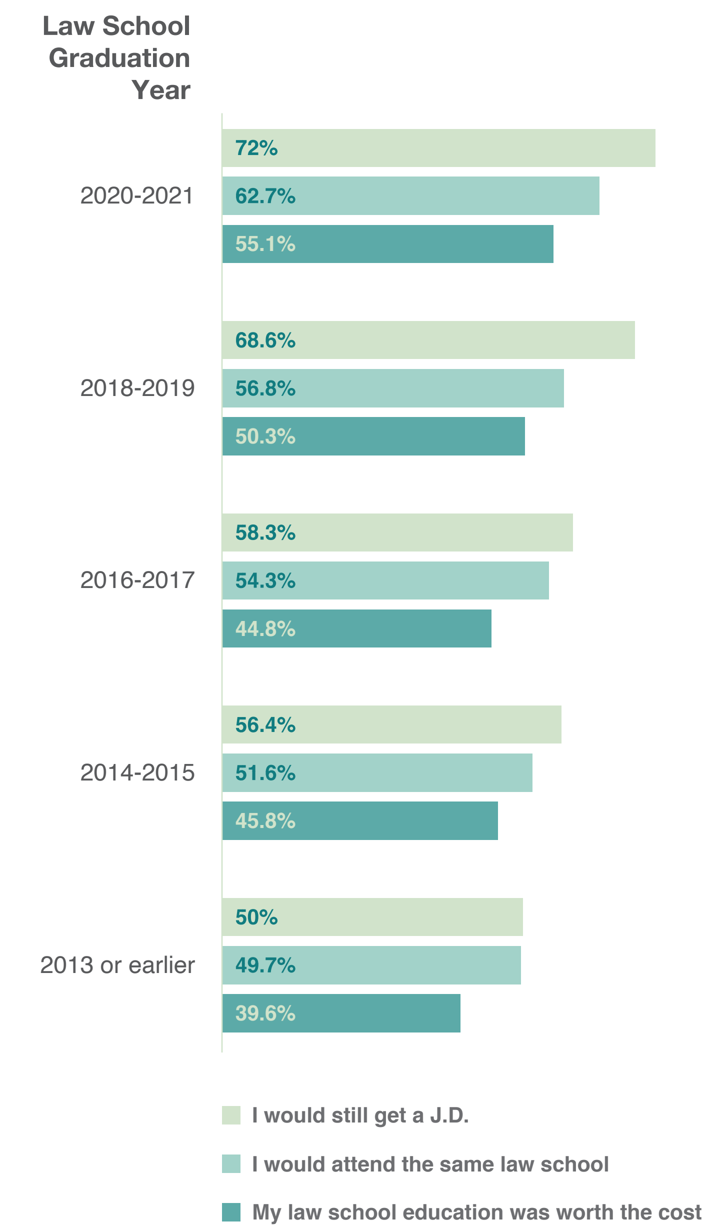


These findings are relatively consistent with a recent Gallup/AccessLex study conducted in 2017 which surveyed a nationally representative sample of J.D. recipients of all ages. It found that 70 percent of law degree recipients agreed they would still get a J.D. if they could go back and do it all over again.[7] Similarly, those with higher debt balances were less likely to agree with this statement; 85 percent of those with up to $50,000 of law school debt agreed, compared to 64 percent of those with debt exceeding $100,000. However, young lawyers were less likely to agree that their law degree was worth the cost compared to respondents to the 2017 Gallup/AccessLex survey—68 percent of Gallup/AccessLex respondents agreed with this statement.

In addition to examining these retrospective valuations of law school by J.D. loan debt, we also analyzed them by year of law school graduation to determine if alumni perceptions of law school improved over time. On the contrary, our analysis found that perceptions of law school and valuation of the J.D. waned as respondents gained more distance from their law school graduation (Figure 24). For instance, 55 percent of respondents who graduated in 2020 or 2021 agreed their legal education was worth the cost compared to 40 percent of those who graduated in 2013 or earlier.

7 See GALLUP & ACCESSLEX INSTITUTE, EXAMINING VALUE, MEASURING ENGAGEMENT: A NATIONAL STUDY OF THE LONG-TERM OUTCOMES OF A LAW DEGREE 7 (2018), https://arc.accesslex.org/cgi/viewcontent.cgi?article=1008&context=commissioned.

Figure 24
Percent of Respondents who Agreed with Various Aspects of Law School Satisfaction, by Year of Law School Graduation

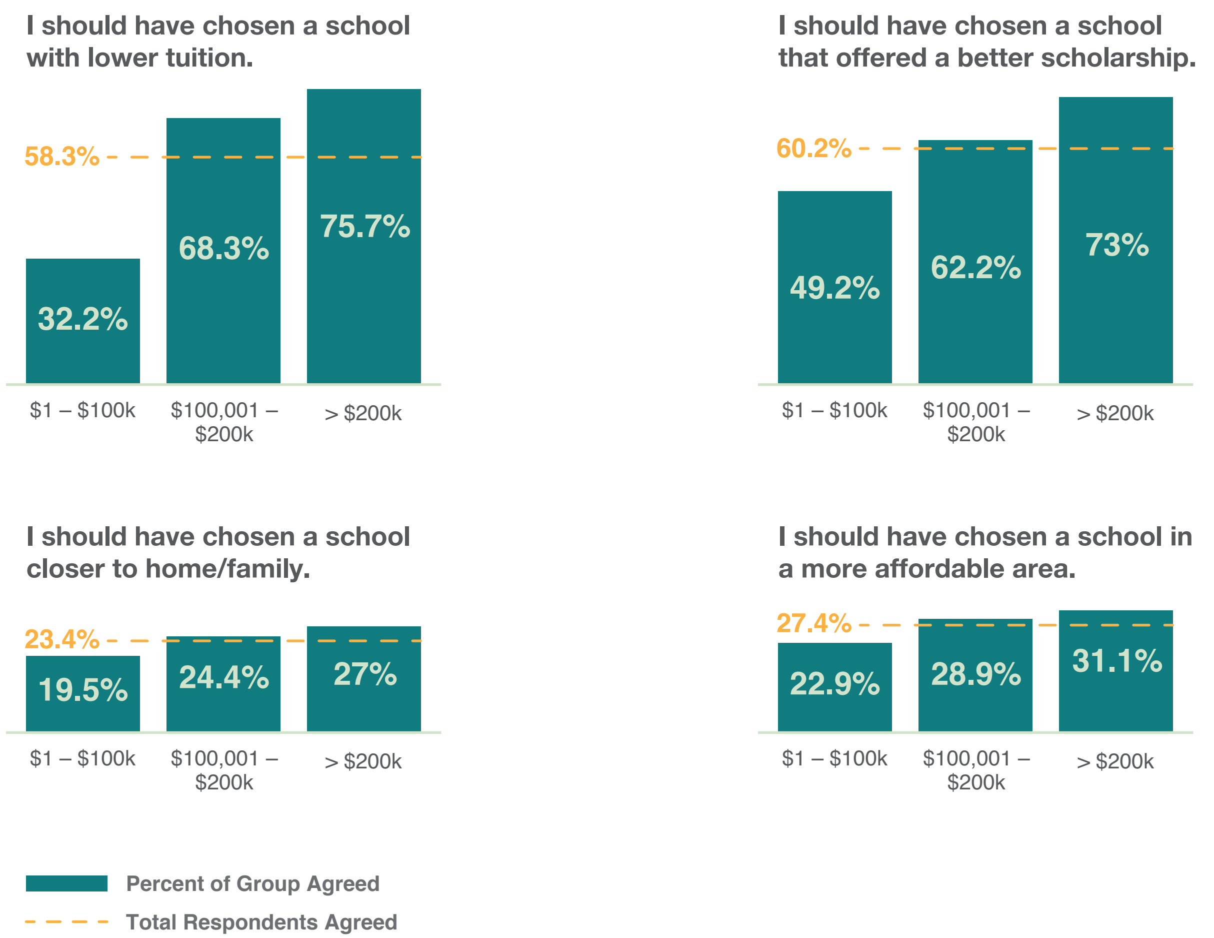


To understand what respondents would have changed about their law school choice, we asked the 30 percent of those who disagreed they would attend the same law school what they would have done differently (Table 7). Most reported they would have attended a school that offered a more generous scholarship (58 percent) or would have chosen a school with lower tuition (56 percent). Responses varied by J.D. loan balance, with a majority of those carrying $100,000 or more in debt more often reporting they would have chosen a law school offering lower tuition or a better scholarship (Figure 25).

Table 7
How Respondents who Reported Dissatisfaction with Their Awarding J.D. Institution Would Have Changed Their Law School Choice

	% Reporting
Chosen a school that offered a better scholarship	58.3%
Chosen a school with lower tuition	56.5%
Chosen a more prestigious school	38.5%
Chosen a school in a better job market region	31.5%
Chosen a school in a more affordable area	26.8%
Chosen a school closer to home/family	22.3%
n	400

Figure 25
Percent of Borrowers who Agreed They Would Have Changed Their Law School Choice, by J.D. Debt Balance at Graduation



Overall, these results tell us that most young lawyers do not regret their decision to attend a law school. But a sizeable portion (30 percent), and increasingly more for those with higher debt loads, seemingly regret their choice of institution. Of those who regret their school choice, their remorse seems to stem from the amount they paid for their degree—the majority would have chosen a law school offering a better scholarship or lower tuition (Table 7).

Many respondents initially enrolled with limited understanding of how their choice of advanced degree, career, and institution would affect their personal and professional lives after graduation. Alarmingly, the results also suggest that those who ultimately accumulate the most debt for their J.D. are least informed when entering law school and least likely to be satisfied with their decision to attend law school and their choice of institution. Reversing this trend will require ongoing commitment to disseminating and improving consumer information so that prospective law students are well-versed on the potential risks and rewards associated with J.D. attainment.

CONCLUDING THOUGHTS & RECOMMENDATIONS

In pursuing information on the scope and impact of law school debt on the career and life outcomes of young lawyers, the ABA YLD seeks to inform the profession on the current and emerging realities of the costs—financial, emotional, and otherwise—of earning a J.D. This year's survey findings indicate that student loan debt is commonplace among young lawyers, but the impact of debt is often most acute among those carrying higher debt balances and those who were the least informed about their law school investment when they enrolled.

We also found that borrowing and perceived debt effects vary by race/ethnicity. For instance, Black borrowers in this study accumulated more debt to attain their J.D. than respondents of other racial/ethnic backgrounds. This is consistent with other research regarding debt inequities in postsecondary attainment.[8] Black borrowers were also most likely to experience debt inflation, with over half reporting their debt balance was the same or higher today than at graduation. We also observed that although Asian respondents were most likely to report having no J.D. debt at graduation and least likely to report having a J.D. debt balance greater than $200,000, they were most likely to report delaying or foregoing home buying, marriage, and children due to their debt load. Similarly, Indigenous respondents reported lower law school debt balances but were least confident in their ability to cover a $1,000 financial emergency. Supporting equity in J.D. affordability and attainment must consider the unique and varied experiences of prospective and current law students, particularly those of color. [9]

Although ensuring positive outcomes for all lawyers is an inherently noble goal, there are also societal and economic gains to advancing informed decision-making among prospective law students and improving law school affordability and value. As reported in this study, nearly a third of young

lawyers shifted away from public service careers and over half prioritized their salary more than expected due to their debt. Such deviations make it difficult to close access to justice gaps for underserved communities, retain lawyers in critical jobs and fields, and may also contribute to the lower levels of purpose and well-being observed among J.D. holders.[10] Decisions to forego or delay homeownership, marriage, and children may also diminish young lawyer well-being, and more broadly, can impact key industries and disrupt future economic growth. [11]

Finally, as the legal profession continues its struggle with high levels of mental health issues and substance abuse, we must continue to examine the impact of student debt in this equation. That those carrying higher debt levels tend to report dramatically higher levels of stress, anxiety, and even depression because of debt is alarming.

Offsetting these negative effects of law student debt is critical to promoting and upholding the personal, societal, and economic benefits of J.D. attainment and the legal profession. To that end, we offer the following recommendations:

8 Judith Scott-Clayton & Jing Li, Black-White Disparity in Student Loan Debt More Than Triples After Graduation, BROOKINGS INST. (Oct. 20, 2016), https://www.brookings.edu/research/black-white-disparity-in-student-loan-debt-more-than-triples-after-graduation.
9 See LUMINA FOUNDATION, CHANGING THE NARRATIVE ON STUDENT BORROWERS OF COLOR 3 (2021), https://www.luminafoundation.org/wp-content/uploads/2021/02/borrowers-of-color-2.pdf.

10 GALLUP & ACCESSLEX INSTITUTE, supra note 7, at 17–18; see Christopher J. Ryan, Jr., Paying for Law School: Law Student Loan Indebtedness and Career Choices, 2021 U. ILL. L. REV. 97, 118–125.
11 H. Brevy Cannon, New Report: Falling Birth, Marriage Rates Linked to Global Economic Slowdown, UVA TODAY (Oct. 3, 2011), https://news.virginia.edu/content/new-report-falling-birth-marriage-rates-linked-global-economic-slowdown.

Expand access to, and awareness of, free financial and mental health resources for recent law graduates and early career attorneys.

Our findings indicate young lawyers experience a high rate of stress and anxiety due to their finances and student loan debt. These concerns begin well before they graduate and transition into the profession.[12] Although we did not administer a clinical assessment of stress and anxiety in this survey, self-reported prevalence of stress and anxiety among young lawyers represented in this study greatly exceeds that of adults under 50 in the US.[13] Despite the financial burden many young lawyers carry, less than a third report seeking financial advice from a professional and only 44 percent reported knowing how to access free financial resources. Considering these findings, future efforts to provide and promote free financial and mental health resources to law students and young lawyers should be more expansive, seeking to reach early career attorneys in spaces they often frequent. Law schools, law firms, bar examiners, and bar associations could also help with financial and mental wellness campaigns.

Continue to lead, sponsor, and support initiatives that holistically foster financial wellness and professional development of young lawyers.

Supporting financial health among young attorneys, particularly those who borrowed to finance their law degree, should not be distinct from initiatives supporting their mental health and professional success. Ongoing partnerships and collaborations across the ABA, such as those between the YLD and the Commission on Lawyer Assistance Programs, are just one avenue to facilitate greater holistic support of recent law graduates. Considering our finding that borrowing and debt effects vary by race/ethnicity, such programming should involve culturally competent experts who are aware of the unique challenges that face the many identities found across the legal profession and within individual lawyers. Further, partnerships with organizations explicitly dedicated to supporting lawyers from a diversity of backgrounds, such as the Leadership Council on Legal Diversity, would augment these efforts.

12 See LSSSE, HOW A DECADE OF DEBT CHANGED THE LAW STUDENT EXPERIENCE 16–19, https://lssse.indiana.edu/wp-content/uploads/2016/01/LSSSE-Annual-Report-2015-Update-FINAL-revised-web.pdf
13 See Renee D. Goodwin et al., Trends in Anxiety Among Adults in the United States, 2008–2018: Rapid Increases Among Young Adults, 130 J. PSYCHIATRIC RSCH. 441 (2020).

Improve the Public Service Loan Forgiveness Program to provide a more transparent and seamless process for those seeking to maintain eligibility.

As this survey demonstrates, the PSLF program is a vital tool for encouraging pursuit of lower-paying public service careers among those who could not otherwise afford it due to their student debt. However, confusing eligibility requirements, poor communication, and implementation challenges have resulted in only two percent of applicants receiving forgiveness through the program since the first participants became eligible in 2017.[14] Congress and the U.S. Department of Education must enact policy changes to strengthen, clarify, and streamline the PSLF program so that it works effectively on behalf of the individuals and communities it was originally intended to benefit, for example providing better communication about how to access the program and more transparency regarding borrowers' eligibility for forgiveness. Improving the program would ensure that the promise Congress made to public servants nearly 15 years ago is upheld. Legal education stakeholders should continue to join broader efforts, such as those led by the ABA and AccessLex, to advocate for these improvements.

Reform the federal student aid programs to make loan repayment more manageable for borrowers.

Federal student loan and repayment programs are intended to support access to postsecondary education for low- and middle-income students. However, policy decisions over the last many decades have resulted in programs that do not always serve their stated goals. For example, the creation of five different income-driven repayment (IDR) plans, which tie a borrower's monthly loan payment amount to their income and forgive any remaining balance after a set number of years, can be confusing for borrowers and render these programs effectively inaccessible. Also, as survey respondents indicated, some of the features of the existing plans can cause debt to increase over time. This can create both a financial and psychological burden for the very borrowers these plans are designed to help.

Additionally, accrued interest was cited by survey respondents as one reason why their debt balances have grown since leaving school. Despite the federal loan program being aimed at increasing access to higher education, rather than generating a profit, interest rates on federal student loans far exceed the rate at which the government can borrow money. While the government must be able to cover its costs to administer the program, students should not be forced to pay interest rates that greatly exceed the cost to the government.

Federal policymakers should reform existing loan and repayment programs to work better for struggling borrowers, such as by streamlining the five existing IDR plans into one income-based plan and lowering interest rates on all federal student loans. Policymakers should also consider other substantive changes to federal programs that would make repayment truly manageable.

Make it easier for borrowers to discharge their student loans in bankruptcy.

As our survey results show, some law students graduate with debt totaling more than $200,000. Among young lawyers in our survey, the highest reported student loan balance totaled $552,000. These massive debt amounts can be unmanageable for some borrowers, leading some to consider declaring bankruptcy. However, changes made to the Bankruptcy Code over the last 40 years have resulted in overly burdensome procedural and substantive hurdles to the discharge of student loans.[15] As a result, those who find themselves in the already difficult position of having declared bankruptcy must demonstrate that repaying their student loans would be an "undue hardship" to have their loans discharged. The Bankruptcy Code must be reformed to work better for student loan borrowers in financial distress. Congress must enact thoughtful bankruptcy relief for student loan borrowers that provides them with the "fresh start" envisioned by the Bankruptcy Code.

14 OFF. OF FED. STUDENT AID, U.S. DEP'T OF EDUC., COMBINED PUBLIC SERVICE LOAN FORGIVENESS (PSLF) FORM REPORT (Apr. 2021).

15 Policy Proposal: Bankruptcy Discharge and Education Loans, ACCESSLEX INSTITUTE (last visited July 13, 2021), https://www.accesslex.org/tools-and-resources/policy-proposal-bankruptcy-discharge-and-education-loans

Improve financial literacy and awareness of the legal job market and the cost of law school attendance among pre-law and current law students.

A key finding of this study is that most young lawyers were not aware of the costs/debt associated with attending law school nor the realities of the legal job market before they enrolled. Further, lack of awareness was highest among those with the highest debt balances. These findings demonstrate a clear need to narrow knowledge gaps and information asymmetries in the law school admission process and improve student loan counseling for law students who borrow to pay for their J.D. The ongoing and outsized efforts of pre-law advisors and countless legal education administrators on this front should not be overlooked—rather, collective and coordinated resources could serve to augment and scale their work. AccessLex offers a suite of financial education programs and tools, such as MAX by AccessLex®, the Student Loan Calculator, and the Scholarship Databank—all tailored to support strategic and data-informed decision-making among law and pre-law students. These and many other resources from reputable organizations can be leveraged to better educate students about the realities of paying for and attending law school and their likely postgraduate outcomes using available data on legal education and the profession.

Improve consumer information available to pre-law students.

To expand on the former point, around 30 percent of our respondents said they regret choosing the school they did. Whether thirty percent is good, or even acceptable, reducing the number of law graduates who are dissatisfied with their choice of school is a worthy goal – a likely step toward happier lawyers, a more satisfied profession, and more giving alums. We believe this starts with education. Pre-law resources are only as good as the data available. Although the ABA continues to expand consumer information mandated in Standard 509, information gaps remain, particularly in the area of law school cost and debt. To date, U.S. News & World Report is the only source of information annually offering data on the average amount of debt and the percentage of law graduates who borrow at most ABA-approved law schools. This information only scratches the surface in providing prospective law school applicants informative details on the realities of using debt to pay for law school.

Indeed, students' continued reliance on U.S. News & World Report rankings, which seems to oversimplify students' choices in a way that prioritizes prestige, continues to be an issue. Tellingly, more of those who regret their school choice regret it for reasons related to high cost rather than prestige. Enlightening consumers on the net price (tuition less institutional grant aid) of law school attendance and the types of students most likely to receive aid are among many data points that would help better inform pre-law students on how much they would have to invest to attain a J.D.

Advocate for bar exam preparation expenses to be eligible for federal student loans.

An understated finding of this report is that a third of young lawyers surveyed added to their debt burden to fund the costs of preparing for the bar exam. Currently, expenses associated with preparing for professional licensure exams are not included in the cost of attendance calculation used to determine federal student loan eligibility. As a result, law graduates cannot pay for these expenses with federal student loans and some must take out bar loans to finance their bar preparation, which includes the cost of their bar prep course and living expenses during the two-month study period. These bar loans are offered through private lenders, which have more stringent underwriting qualifications than federal student loans. As a result, they are not always available to law graduates with poor credit histories, and likely are less available to those who need them most. Without access to federal loans to cover the cost of the bar preparation period, these graduates may forego a bar preparation course and/or work full-time during the study period, which could negatively impact bar passage rates and graduates' ability to secure a legal job that would enable them to repay their loans. Congress should extend federal student loan eligibility to cover these expenses, which would foster more equitable access to credit and much-needed bar prep support for law graduates with financial need.

TECHNICAL NOTES

- The survey questionnaire was sent via email in April of 2021 to all members of the American Bar Association's Young Lawyers Division with a valid email address on record.

- This study employed descriptive research to explore the prevalence of student loan borrowing among young lawyers and the perceived impacts of student loan debt on career trajectory, life milestones, and financial and emotional well-being.

- Among the 1,750 surveys recorded, 1,347 were used for the final analysis. The remaining 403 were deemed invalid because they were either duplicate surveys from the same person, surveys with greater than 25 percent missing responses (or incomplete otherwise), or surveys that took implausibly short periods of time to complete (less than one minute).

AMERICAN BAR ASSOCIATION

Young Lawyers Division

AccessLex INSTITUTE

Empowering the Next Generation of Lawyers