

BASIC NEEDS GAPS INCREASE THE RISK OF COLLEGE STOP OUTS

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With the cost of living on the rise, it is becoming harder each year for students and their families to pay for college and cover basic needs such as food, housing, and transportation. When basic needs are not met, students are more likely to stop out before finishing their degree which can leave them with student debt they will struggle to pay back. Parenting students, students of color, and Pell eligible learners report higher rates of basic needs insecurity and lower levels of access to supports, resulting in lower student persistence (The Hope Center, 2025a). Increasing college student basic needs support would improve student success.

Fast Facts

- 59% of college students have experienced at least one basic needs insecurity (The Hope Center, 2025a).
- 41% of college students experienced food insecurity within the last year (The Hope Center, 2025a).
- 59% of food insecure students who may be eligible for SNAP didn't report receiving the benefits (GAO, 2024).
- 48% of learners have faced housing insecurity and 14% have been homeless in the last year (The Hope Center, 2025a).
- 68% of online student survey respondents experienced some combination of housing insecurity/homelessness or food insecurity, and 39% were identified as both food and housing insecure (Schuette et al., 2026).
- 18% of college students are parents – bearing additional costs for childcare (Anderson et al., 2024).
- 71% of online student survey respondents say they financially support their family while in college (Schuette et al., 2026).
- 2 out of 5 community college students don't have a reliable car and depend on alternative transportation (Plumb & Schuette, 2025).
- 11% of prospective community college students choose not to enroll due to a lack of reliable transportation (Plumb & Schuette, 2025).

The Basic Needs Affordability Gap and College Student Impacts

The rising costs of food, housing, transportation, and childcare have become primary barriers to college persistence and completion across public and private higher education institutions. The National College Attainment Network (NCAN) estimates that only 35% of public four-year institutions are affordable for students (NCAN, 2025). A college “affordability gap” exists at community colleges and public four-year institutions in many states in the U.S. today, driven by an increasing cost of living expenses (NCAN, 2025). This gap often pushes students to work excessive hours to cover their expenses or stop out of college entirely. In addition to regular expenses, unplanned costs such as a car repair or health scare can jeopardize enrollment, with one survey showing 56% of respondents would struggle to meet an unplanned bill of \$500 (Fletcher et al., 2025). Among online students, the percentage of respondents who would struggle to come up with \$500 for an unexpected expense jumped to 61% (Schuette et al., 2026). The far-reaching impacts of the basic needs gap can be demonstrated when we examine particular basic needs challenges and their impact on student achievement. For example:

- **Food Insecurity:** Students facing food insecurity, in particular, experience higher academic stress, lower credit accumulation, and increased likelihood of stopping out (The Hope Center, 2025a).
- **Unreliable and Costly Transportation:** Unreliable transportation is linked with missed classes, which may contribute to stop out risk (Fletcher et al., 2025). In 2020-2021, transportation comprised 20% of a community college student's cost of attending (Schuette, 2023).
- **High Housing Costs:** Living costs exceed available grant aid (particularly, housing expenses), further exacerbating existing financial barriers to college (NCAN, 2025).

- **Unaffordable Childcare:** Student parents must pay for childcare costs which average between \$7,000–\$8,000 annually; but childcare subsidies for low-income parents are only \$4,600 per year, leaving a gap in coverage (The Education Trust and Generation Hope, 2022).
- **Exacerbated Gaps for Specific Student Groups:** 75% of surveyed Black and Indigenous students experience basic needs insecurity compared to 55% of White students (The Hope Center, 2025a).

Emergency Aid in Action

During the COVID-19 pandemic, eligible college students across the country received basic needs support through the Higher Education Emergency Relief Fund (HEERF). At Southern New Hampshire University (SNHU), emergency grant recipients reported using HEERF funds towards food assistance, housing, and transportation and were up to 15% more likely to stay enrolled the next semester (CHEPP, 2023).

Recognizing the important role of basic needs support and student success, Congress established the Federal Basic Needs for Postsecondary Students Program which provided funding to a limited number of colleges to establish an emergency grant program. Institutions receiving those funds experienced similar results as the CHEPP study. Students at Hartnell College receiving a grant experienced an 87% persistence rate, compared to a 65% persistence rate institution wide. Normandale Community College students receiving support through the program had a 6% higher completion rate. In addition to persistence, Western Technical College reported that 77% of students receiving grant aid remained in good academic standing (C or higher) and Virginia Commonwealth University found that 92% of students served reported an increased sense of belonging (Gutiérrez & Roberson, 2025). As of November 2025, the U.S. Department of Education decided to cease funding this program (The Hope Center, 2025b).

Federal Policy Recommendations

- Restore and expand funding to the [Federal Basic Needs for College Students Grant Program](#) to support students paying for emergency expenses, that may include food, housing, transportation, childcare, and emergency expenses.
- Streamline Supplemental Nutrition Assistance Program (SNAP) access for college students (e.g., such as proposed in the [EATS Act](#)).
- Expand access to the [Child Care Development Block Grant \(CCDBG\)](#) for all income eligible student parents across college credential and degree programs.
- Increase availability of childcare on college campuses, including expanding access to campus-based grants through the [CCAMPIS](#) program (e.g., such as proposed in the [Child Care Access Means Parents in Schools \(CCAMPIS\) Reauthorization Act](#)).
- Create a fund to support colleges partnering with the community to expand public transportation options for students (e.g., such as proposed in the [Promoting Advancement Through Transit Help \(PATH\) to Education Act](#)).
- Improve [Cost of Attendance \(COA\)](#) calculations so that students have an accurate understanding of their true costs, including food, housing, and childcare while they are enrolled to inform their student aid and borrowing amounts.
- Fund Affordable Care Act (ACA) health insurance subsidies so that [students enrolled in health insurance through the ACA exchange have access to affordable healthcare](#).
- Provide targeted support at institutions of higher education for homeless students (e.g. such as proposed in the [Higher Education Access and Success for Homeless and Foster Youth Act \(HEASHFY\)](#).

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