

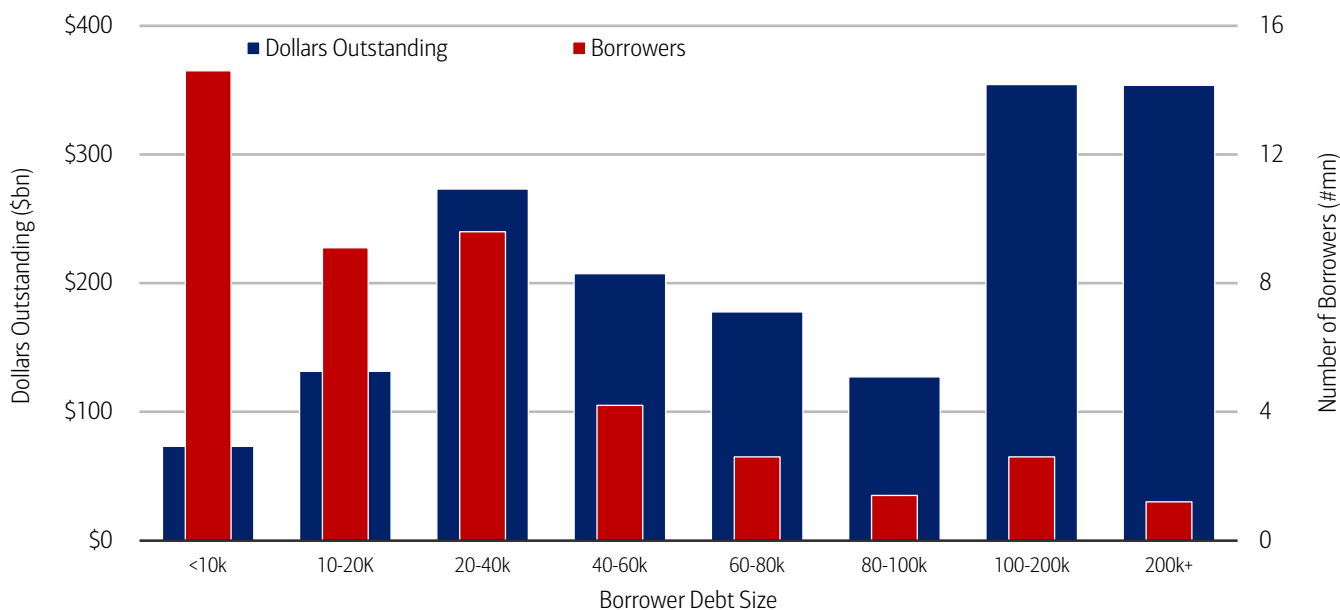
Daily Insights

Federal student loans are a headwind for borrowers

29 April 2026

Over half of student loan borrowers owe under \$20,000, yet 42% of total balances exceed \$100,000

Federal student loan portfolio by borrower debt size (dollars outstanding and number of borrowers) as of December 31, 2025



Source: Federal Student Aid, BofA Global Research

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More than half of federal student loan borrowers owe less than \$20,000. However, around 10% of total borrowers have balances above \$100,000 – representing 42% of all outstanding student loan dollars. In other words, student debt is widespread, but the largest financial risk is concentrated among a smaller group of borrowers with very high balances, according to BofA Global Research.

Beginning July 1, 2026, borrowers enrolled in the Saving on a Valuable Education (SAVE) plan will be required to reassess their repayment options. Given US consumers collectively hold about \$1.8 trillion in student loan debt, for many households, even small changes in repayment terms or borrowing limits can impact financial stability.

Read more on consumer financial health in our [April Consumer Checkpoint](#).

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