

STUDENT LOAN ASSISTANCE PROGRAMS



69% of the 2019 graduating class had student loans with an average debt of **\$29,900**

Employers can now contribute up to **\$5,250** towards an employee's student loans tax fee for both employer and employee through a Section 127 plan Tax-free status of contribution scheduled to expire on 12/31/25.

EMPLOYERS WILL BENEFIT FROM INCREASED ATTRACTION AND RETENTION OF TOP TALENT

90% of last year's graduates specifically sought out employers with Student Loan Assistance programs

62% of employees already in the workforce would be open to joining a new employer if they offered Student Loan Assistance

86% of surveyed employees said they would be willing to commit to a company for 5 years if the employer agreed to help pay back student loans

81% Employees are **81%** more likely to recommend their employer because of Student Loan Assistance programs

IMPORTANT DETAILS TO NOTE:

- Provision only applies to loans that are held by the employee for their own education (i.e. funds cannot be used for loans a parent takes out in their child's name)
- Both private and federal loans are eligible
- Cannot discriminate in favor of highly compensated individuals
- Consider working with a third party administrator to implement and administer the plan

About Aldrich Benefits LP

We assist employers with employee benefit consulting including medical, dental, group life, and disability insurance for their employees and executive benefits for high level and key employees. Our services include plan design, implementation, and annual review of benefits. Aldrich Benefits LP is known as Aldrich Insurance Solutions LP in California.