New York State Comptroller
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Obstacles to Independence

Financial Challenges Facing Young Millennials and Gen Z

December 2025

Message from the Comptroller

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New York's young adults, those aged 18 to 34, including members of both "Gen Z" and "Millennials," comprise 23.2 percent of the state's population. In recent years, this segment has faced mounting economic pressures, challenging their financial well-being. In 2023, the unemployment rate for young adults was 8.6 percent, more than double the statewide average and higher than the national rate for the same age group. The disparity is even higher for young African Americans and Hispanics. Just under 200,000 young adults aged 18 to 25 are considered "disconnected," meaning they are neither in the labor force nor in formal education, and they represent about one in ten in this age group in New York.

Labor market shifts, including the rise of artificial intelligence (AI), are reshaping entry-level job opportunities. Nationally, tech industry entry-level jobs declined by 36 percent between 2020 and 2025. Occupations where young adults are heavily represented, such as service and administrative occupations, are projected to shrink by up to 3.5 percent nationally, according to the U.S. Bureau of Labor Statistics.

Housing affordability remains a major barrier to overall independence. In 2023, nearly one in four young adults aged 26 to 34 in New York were living with their parents. Among those that live independently and rent their home, 35.9 percent of young renters spend more than 30 percent of their income on rent and utilities. In addition, a 60 percent surge in home prices since 2019 has put homeownership out of reach for many young adults.

This age group is also facing higher debt burdens. The average borrower in New York carried just over $30,300 in student loan debt, the second highest in the nation, while credit card debt among young people nationally doubled between 2013 and 2024.

These trends may result in a generation struggling to meet or exceed the financial well-being of their parents. Policymakers should focus on efforts to improve upon affordability, as well as facilitating access to quality jobs and training so that young people can succeed early in their careers and throughout their lives.

Thomas P. DiNapoli
State Comptroller

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Demographics of Young Adults

In 2023, there were 4.6 million people between the ages of 18 to 34 ("young adults") in New York, 23.2 percent of the total state population and 6.1 percent of the young adult population nationwide, according to the U.S. Census Bureau's American Community Survey.[1] This segment of the population is juggling responsibilities like completing their education, joining the labor force, starting families, and pursuing homeownership. New York ranks third behind California and Texas for the number of young adults and 12th for young adults as a share of population.[2]

However, New York is one of ten states and the District of Columbia where the number of young adults has been decreasing. In 2023, there were just over 90,200 fewer young adults than in 2013, a decline of 1.9 percent. In comparison, the number nationally rose by 4.2 percent; Idaho had the highest rate of increase, 18.1 percent.

Within the state, the majority of young adults live in downstate regions (Hudson Valley, New York City, and Long Island). One in every four New York City residents is a young adult, the highest among the regions, followed by the North Country and the Southern Tier at 24.3 percent. The smallest shares are on Long Island and in the Hudson Valley at 1 in 5.

Figure 1
The Young Adult Population in New York, by Region, 2023

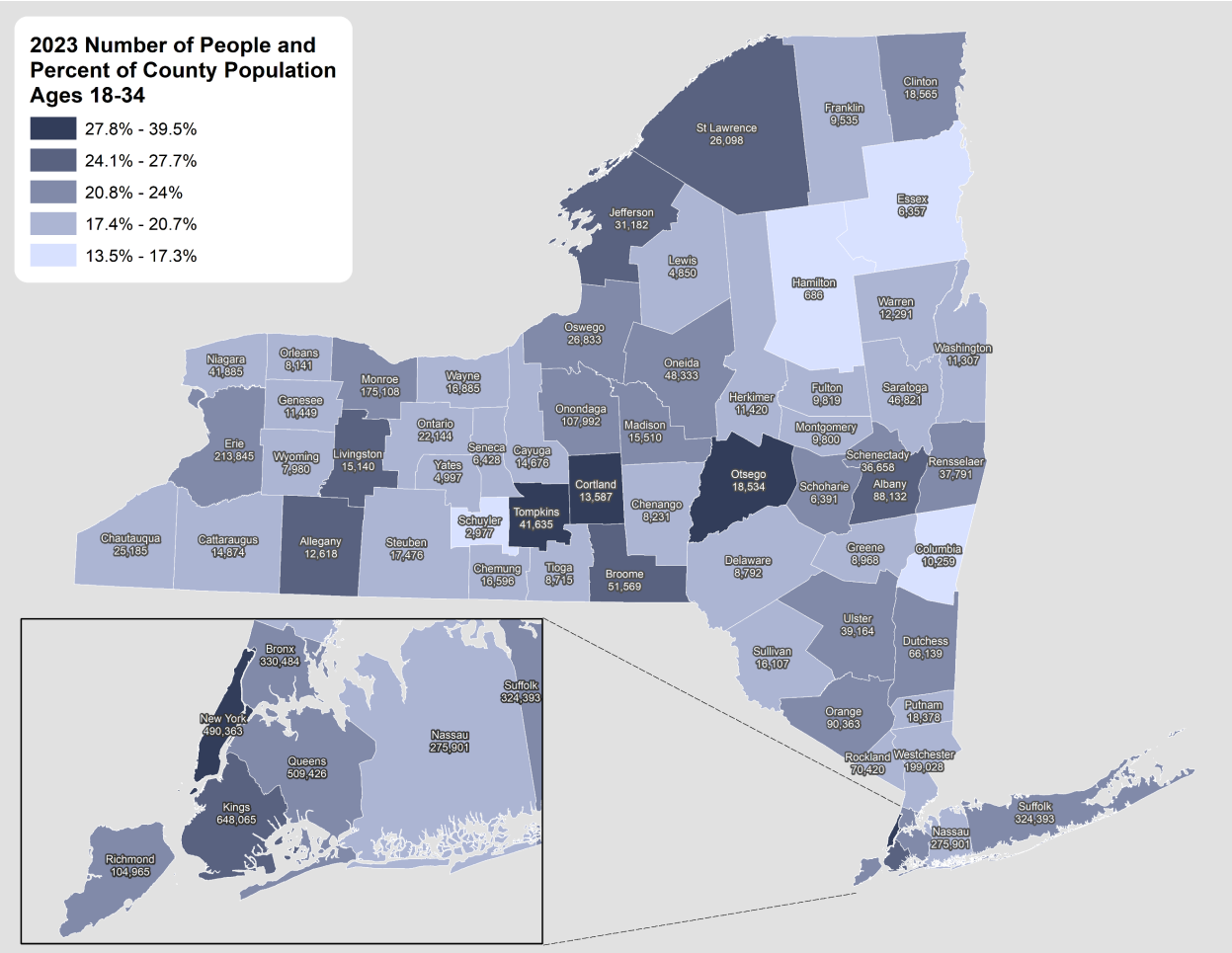
	Young Adults	Share of State's Young Adults	Share of Regional Population	2013 to 2023 Growth Rate
New York City	2,129.6	46.2%	25.0%	-7.6%
Long Island	599.5	13.0%	20.6%	3.6%
Hudson Valley	497.9	10.8%	20.8%	3.4%
Western New York	314.2	6.8%	22.2%	-2.5%
Finger Lakes	271.9	5.9%	22.4%	-4.1%
Capital Region	253.0	5.5%	22.8%	1.4%
Central New York	181.0	3.9%	23.2%	-3.1%
Southern Tier	154.1	3.3%	24.3%	-3.2%
Mohawk Valley	103.8	2.3%	21.5%	-4.6%
North Country	101.9	2.2%	24.3%	-8.5%
Total	**4,606.8**	**100%**	**23.2%**	**-1.9%**

Note: Population numbers are in thousands.

Source: U.S. Census Bureau 5-year American Community Survey, New York, 2023 and 1-year American Community Survey, New York, 2013

Regional changes in the young adult population have been mixed. The number of young adults declined in seven regions from 2013 to 2023, with the largest decrease, 8.5 percent, in the North Country. Of the three regions where the young adult population increased, Long Island and the Hudson Valley had the highest growth, 3.6 percent and 3.4 percent, respectively.[3]

Figure 2
The Young Adult Population in New York, by County, 2023



Source: U.S. Census Bureau County Population by Characteristics, New York, 2023

Part of the decline has been due to domestic out-migration patterns. In 2023, nearly 228,000 young adults migrated out of the state and 178,000 migrated in, resulting in a net population decrease of just over 51,000. Older adults, those aged 35 and above, lost a net of nearly 116,900 individuals in the same year. Both losses represented about one percent of the age group's population.

Young adults are more racially diverse than older adults in New York, and they are more diverse than the nation's young adult and older adult populations (see Figure 3). Statewide, over half of young adults were white, compared to 60.9 percent among the older population. In addition, there has been a large increase in young adults identifying as two or more races, from 2.8 percent in 2013 to 9.5 percent 10 years later.

Figure 3
Population of New York, by Race and Age, 2023

	White Alone	Black or African American Alone	Asian Alone	Native American	Some Other Race Alone	Two or More Races
New York						
Ages 18-25	53.9%	15.7%	9.0%	0.8%	11.0%	9.6%
Ages 26-34	53.1%	16.0%	10.2%	0.6%	10.7%	9.4%
Ages 35 and Over	60.9%	13.8%	8.8%	0.5%	8.6%	7.4%
U.S.						
Ages 18-25	58.5%	13.8%	5.7%	1.3%	8.1%	12.6%
Ages 26-34	59.4%	13.9%	6.9%	1.2%	7.6%	11.0%
Ages 35 and Over	68.5%	11.2%	5.9%	0.9%	5.4%	8.0%

Note: Older adults are those aged 35 and above. “Some Other Race Alone” are those who did not identify with another race listed.

Source: U.S. Census Bureau 5-year American Community Survey, New York, 2023

Young Adults Are More Educated

Many young adults aged 18 to 25 are still attending school. In 2023, 28.4 percent of 18- to 25-year-olds had a high school diploma or an equivalent credential. An additional third were enrolled or had some college education.

For 18-year-old high school graduates in New York, 56.7 percent pursue higher education, higher than the 37.3 percent of high school graduates in the same age group nationally. For all 18- to 25-year olds in the state, nearly two in three are either attending college or have some post-secondary education. In addition, many in this age group earn or pursue more than one degree. For example, just over half of those who earned an associate's degree pursued a bachelor's degree while just over one third of those who attained a bachelor's degree continue on to graduate programs or pursue other bachelor's degrees.

Those aged 26 to 34 are more likely to have a bachelor's degree (31.5 percent) compared to those aged 35 and older (19.6 percent). A slightly greater share of young adults aged 26 to 34 have a master's degree while older adults are more likely to have a professional degree, which include doctorate-level education as well as Doctor of Medicine (MD) or Juris Doctor (JD).

The percentage of students who dropped out from higher education is also lower among young adults. Nearly one in four did not complete a degree, while for older adults, it was almost one in three (31.3 percent).[4]

Figure 4
Educational Attainment by Age, New York, 2023

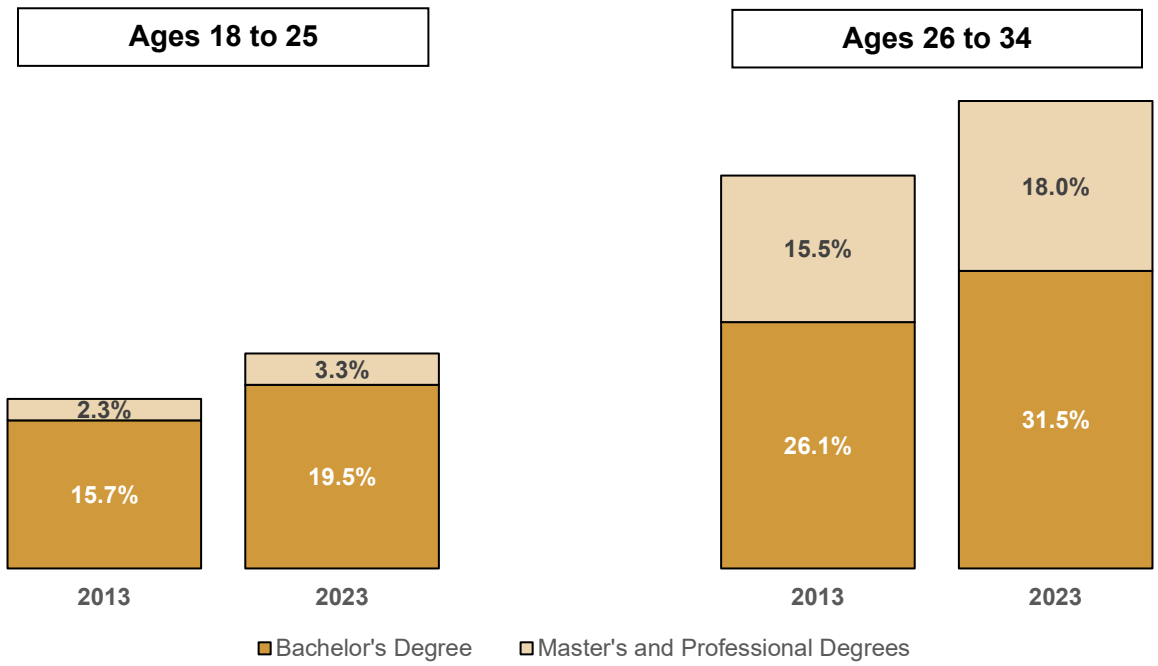
	Ages 18 to 25	Ages 26 to 34	Age 35 and above
No High School	9.3%	7.4%	13.3%
High School	28.4%	19.6%	25.8%
Some College	33.2%	14.9%	14.8%
Associate's	6.3%	8.6%	8.9%
Bachelor's	19.5%	31.5%	19.6%
Master's	2.8%	13.6%	12.5%
Professional	0.5%	4.4%	5.1%

Note: "Some College" is defined as at least one or more years in college, with or without a degree.

Source: U.S. Census Bureau 5-year American Community Survey, New York, 2023

Young adults today are also more likely to have a college education than they were 10 years ago (see Figure 5). Although the share of 18- to 25-year-olds having some college education or higher changed little from 2013, there was a shift to more earning bachelor's degrees or higher in 2023. Nearly half of all adults from 26 to 34 had a bachelor's degree or higher in 2023, compared to 41.6 percent in 2013.

Figure 5
College Educational Attainment by Age Group, New York State, 2013 and 2023



Source: U.S. Census Bureau 5-year American Community Survey, New York, 2013 and 2023

Young Adults and The Job Market

Employment

With many enrolled in education, 18- to 25-year olds are a small share of the labor force in New York, 12.9 percent in 2023.[5] Labor force participation (either employed or actively looking for a job) is also highly influenced by school attendance.[6] Of the population aged 18 to 25, just under half (49.9 percent) were attending school (high school and above) in 2023 and had a labor force participation rate of 47.6 percent. However, for those in school and in the labor force, the majority (87.8 percent) had jobs, mostly working part-time with a median work week of 21.7 hours. For those not in school, 80.6 percent were in the labor force, 87.9 percent of whom were employed. These individuals were more likely to work full-time, with a median work week of 40.2 hours.

Employment for the 18- to 25-year old age group is largely in service occupations such as sales, food preparation or serving. The top five occupations, which account for nearly one in five of the jobs held by this group, are cashiers, retail salespersons, waiters and waitresses, customer service representatives, and stockers and order fillers. Since this group has a large number of part-time workers, the median annual wage for these top five occupations is just over $9,000.[7]

There has also been a steady increase in employment for 18-to 25-year-olds in the “gig economy,” generally defined as short-term or freelance work to provide on-demand services, such as ride sharing and meal delivery drivers, which saw growth of 19.2 percent from 2018 to 2023. However, the 40,000 workers reported are still a small percentage (3.5 percent) of this group’s total employment.[8]

Young adults aged 26 to 34 were 21.2 percent of the state’s labor force in 2023. This age group has the highest participation rate among all age groups, 84.7 percent, and of those in the labor force, 93.5 percent were employed. In comparison, those 35 and older have a participation rate of 59.5 percent, a rate influenced by lower participation among those aged 65 and older who are likely to be retired.

For 26- to 34-year-olds, educational attainment plays an important role in employment. Just under 90 percent of those who are college educated (and not currently attending school) are employed compared to 68.1 percent of those who are not college educated.[9] In addition, occupations for the college-educated group tend to be those paying higher annual wages; as shown in Figure 6, the top three in New York in 2023 were other managers, nurses, and primary school teachers.[10]

While the annual wage for the non-college educated was less than half that of the college-educated, a small share of young adults work in skilled occupations that do not require a college education, such as construction workers, plumbers, and electricians, but that pay high wages. In 2023, 3.7 percent of all young adults in New York (about 143,600 workers) were employed in these occupations. Among 18- to 25-year-olds, the share in these professions increased from 2.6 percent in 2013 to 3.1 percent in 2023.

Figure 6
Top Occupations for College and Non-College Educated Young Adults, Ages 26 to 34, New York, 2023

College Educated			Non-College Educated		
	Number of Jobs	Annual Median Wage		Number of Jobs	Annual Median Wage
Other Managers	42,696	$84,000	Cashiers	30,319	$17,000
Elementary & Middle School Teachers	40,950	$58,000	Sales Workers & Truck Drivers	26,540	$36,000
Registered Nurses	38,910	$75,000	Construction Laborers	25,295	$37,000
Software Developers	32,441	$120,000	Janitors & Building Cleaners	25,247	$27,000
Accountants & Auditors	31,533	$75,000	Retail Salespersons	23,214	$21,000
Lawyers & Other Judicial Workers	29,014	$125,000	Home Health Aides	19,638	$19,000
First-Line Supervisors, Retail Sales	19,405	$50,000	Laborers, Stock & Freight Movers	19,068	$26,000
Physicians	19,313	$72,000	Waiters & Waitresses	18,179	$20,000
Customer Service Representatives	18,434	$42,000	First-Line Supervisors, Retail Sales	18,046	$39,000
Financial Managers	17,450	$93,000	Customer Service Representatives	17,881	$26,000
Secondary School Teachers	17,315	$60,000	Cooks	17,692	$22,000
Marketing Managers	16,454	$90,000	Security Guards & Surveillance Officers	16,079	$30,000
Management Analysts	16,055	$98,000	Stockers & Order Fillers	15,483	$20,000
Retail Salespersons	16,051	$30,000	Personal Care Aides	14,683	$23,000
Social Workers, All Other	14,365	$52,000	Teaching Assistants	13,290	$24,000

Note: College-educated is defined as an associate's degree or higher.

Source: U.S. Census Bureau 5-year American Community Survey, New York, 2023

The Impact of Artificial Intelligence

As the widespread use of artificial intelligence (AI) has accelerated recently, its influence has begun to impact the labor market, particularly for young adults. Early signs suggest that AI is changing employment dynamics and altering opportunities for new entrants into the workforce. The tech sector, which is particularly susceptible to rapid AI-driven changes, experienced a sharp decline in entry-level opportunities; between mid-2020 and mid-2025, one analysis indicates entry-level jobs in this sector fell by 36 percent nationally. This trend, however, began before the introduction of AI, with AI possibly exacerbating the decrease.[11]

In addition, recent indications are that employers are increasingly favoring experienced candidates over entry-level hires when integrating AI into their operations.[12] Projections from the U.S. Bureau of Labor Statistics (BLS) suggest that AI will more likely augment existing roles rather than eliminate them, particularly for those individuals already established in the workforce.[13] For instance, employment for software developers, one of the top occupations for adults aged 26 to 34 in New York, is expected to grow by 17.9 percent from 2023 to 2033.

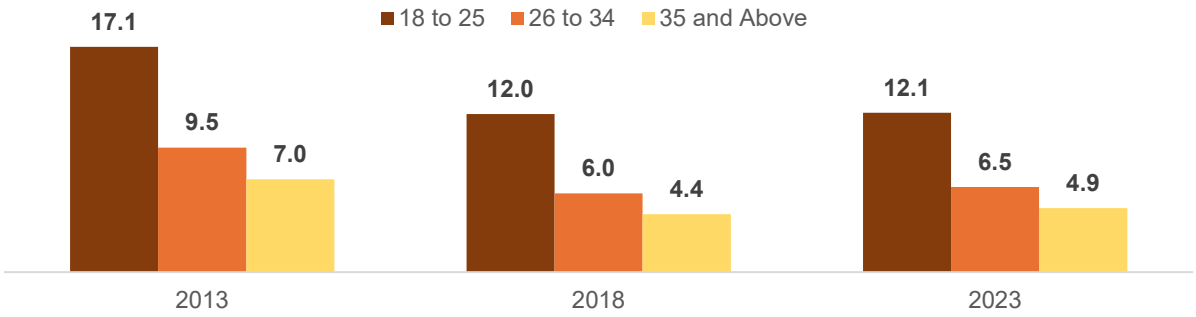
Exposure to AI varies by industry. Certain service-related occupations can potentially be automated by AI over the long term; for example, sales and office and administrative support jobs are projected by BLS to decline by 2 percent and 3.5 percent, respectively, by 2033.[14] In New York, young adults aged 18 to 34 comprise 41 percent of the workforce in sales-related roles, 33 percent for that in administrative support. Notably, employment among young adults in these sectors doubled between 2013 and 2023, indicating significance in the entry-level labor market and the potential vulnerability to future automation and structural shifts.

Unemployment Higher for Young Adults

Compared to their older counterparts, young adults face higher unemployment. In 2023, the unemployment rate was 8.6 percent for all young adults, 3.7 percentage points higher than for those aged 35 and over. The rate for 18- to 25-year-olds is much higher, 12.1 percent in 2023, than the rate for those in the 26 to 34 group, 6.5 percent. Unemployment is also higher for young adults in New York compared to the rest of the nation, which had rates of 9.3 percent and 5.2 percent for the two age groups, respectively.

As shown in Figure 7, changes in the unemployment rate since 2013 have followed the same trend for all age groups. However, unemployment varies for young adults across racial and ethnic groups. In 2024, the unemployment rate in New York for Black or African Americans aged 20 to 24 was 18.2 percent, more than double that for their white counterparts; the same was true among 25- to 34-year-olds. Young adults of Hispanic or Latino ethnicity also had higher unemployment rates. Asians aged 25 to 34 had the lowest unemployment rate.[15]

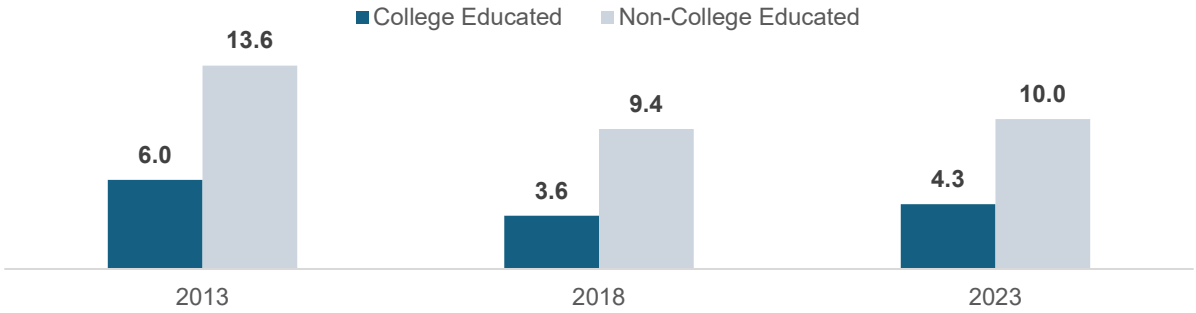
Figure 7
Unemployment Rates by Age Group, New York, 2013, 2018 and 2023



Source: U.S. Census Bureau 5-year American Community Survey, New York, 2013-2023

Unemployment for young adults also varies greatly between those who are college educated and non-college educated (also known as the college premium on unemployment). The unemployment rate for those in the 26 to 34 age group who do not have a college degree was over two times higher than those with one in 2023. For both groups, the rates have not returned to 2018 levels.

Figure 8
Unemployment Rates for New York Adults Ages 26 to 34, by Education, 2013, 2018 and 2023

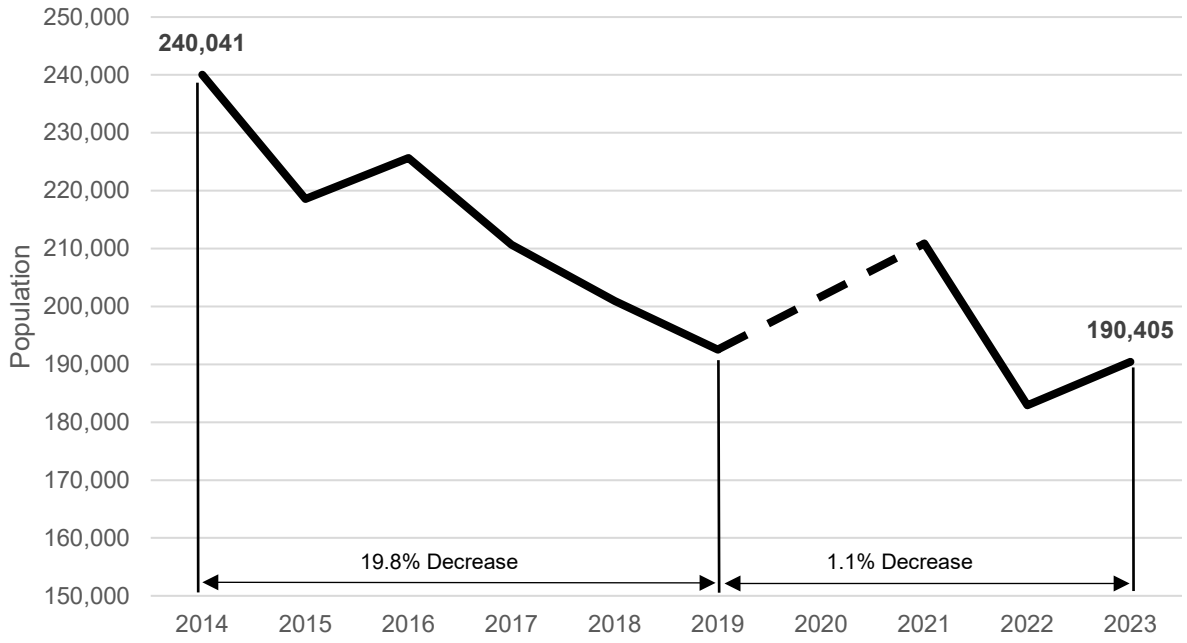


Source: U.S. Census Bureau 5-year American Community Survey, New York, 2013-2023

Disconnected Youth

The Federal Reserve Bank of St. Louis defines “disconnected youth” as those neither in school nor in the labor force.[16] Possible reasons for being disconnected include lack of childcare or transportation, limited English proficiency or personal choice, such as being a stay-at-home caregiver.[17] In 2023, nearly one in ten (9.6 percent) 18- to 25-year-olds in New York were considered disconnected, slightly higher than in the rest of the nation, 9.4 percent. The number of disconnected youth has been declining since 2014, with the largest decline from 2014 to 2019, but there were just under 200,000 disconnected youth in New York in 2023. Of these, 20.9 percent did not complete high school, and 63.6 percent had a high school diploma.

Figure 9
Disconnected Youth in New York, Age 18 to 25, 2014 – 2023



Note: ACS 1-year estimates for 2020 are not available due to the impact of the pandemic on data collection.

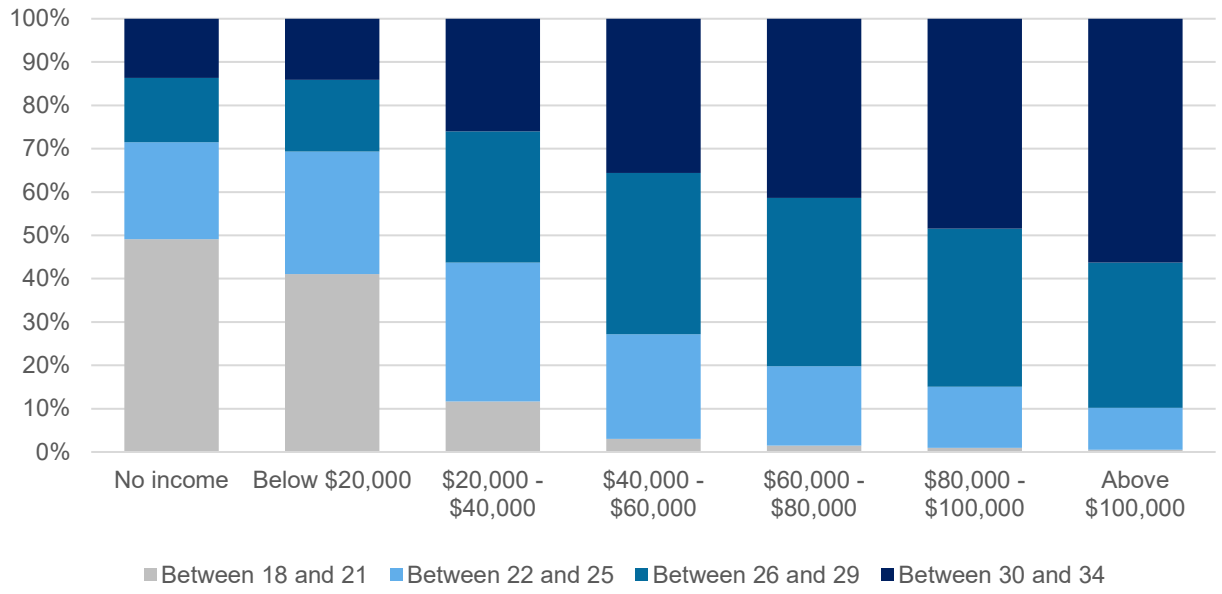
Source: U.S. Census Bureau 1-year American Community Survey, New York, 2014-2023

Income of Young Adults

As noted, 18- to 25-year-olds are likely to be in school, are a small share of the labor force, and are likely to work part-time if they are in the labor force. As a result, in New York, the majority in this age group made less than $30,000 in 2023. One-quarter of this group had no income at all; of those without income, 69.2 percent were pursuing an education.

In the 26 to 34 age group, individuals tend to be out of school and have embarked on their careers. The share of those with no income is much smaller, 10.1 percent. The median income of approximately $44,400 was higher than that in the rest of the nation, $39,000, for the same age group. With the educational and skill attainment that typically occurs over time, income increases with age, as shown in Figure 10.

Figure 10
Income Distribution for Young Adults, by Age Group, New York, 2023

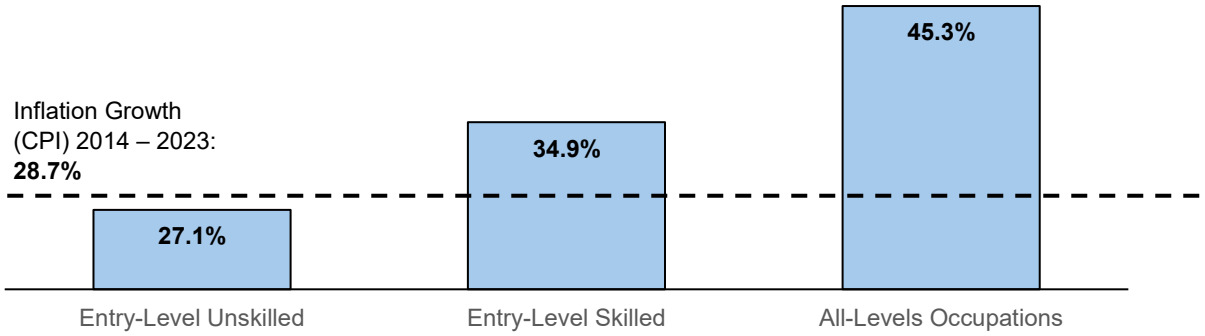


Source: U.S. Census Bureau 5-year American Community Survey, New York, 2023

Educational attainment is a key factor for income mobility. The median income for the college educated within the 26 to 34 age group was $59,400 in 2023, double that of the non-college educated, $29,100.

Wages from entry-level jobs are the primary source of income for young adults. Between 2014 and 2023, wages increased by 45.3 percent for all workers nationwide – all ages and all levels (entry-, intermediate-, and advanced-level), outpacing the inflation rate of 28.7 percent over the same period.[18] For just entry-level jobs, wage growth was mixed. Wages for unskilled entry-level jobs, such as retail cashiers or fast food workers, experienced growth below the rate of inflation, with full-time earnings increasing by 27.1 percent. In contrast, entry-level wages for skilled occupations had stronger growth, 34.9 percent.[19] (See Figure 11.)

Figure 11
Wage Growth in Skilled and Unskilled Work, National, 2014 – 2023



Note: "All-Levels Occupations" includes entry-, intermediate-, and advanced-level jobs.

Source: U.S. Bureau of Labor Statistics, "Modeled Wage Estimates", Entry Level Occupations, National, 2014 and 2023; U.S. Bureau of Labor Statistics, 2014 and 2023 Annual by Industry QCEW Data; U.S. Bureau of Labor Statistics, "Consumer Price Index for All Urban Consumers: All Items in U.S. City Average" [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis.

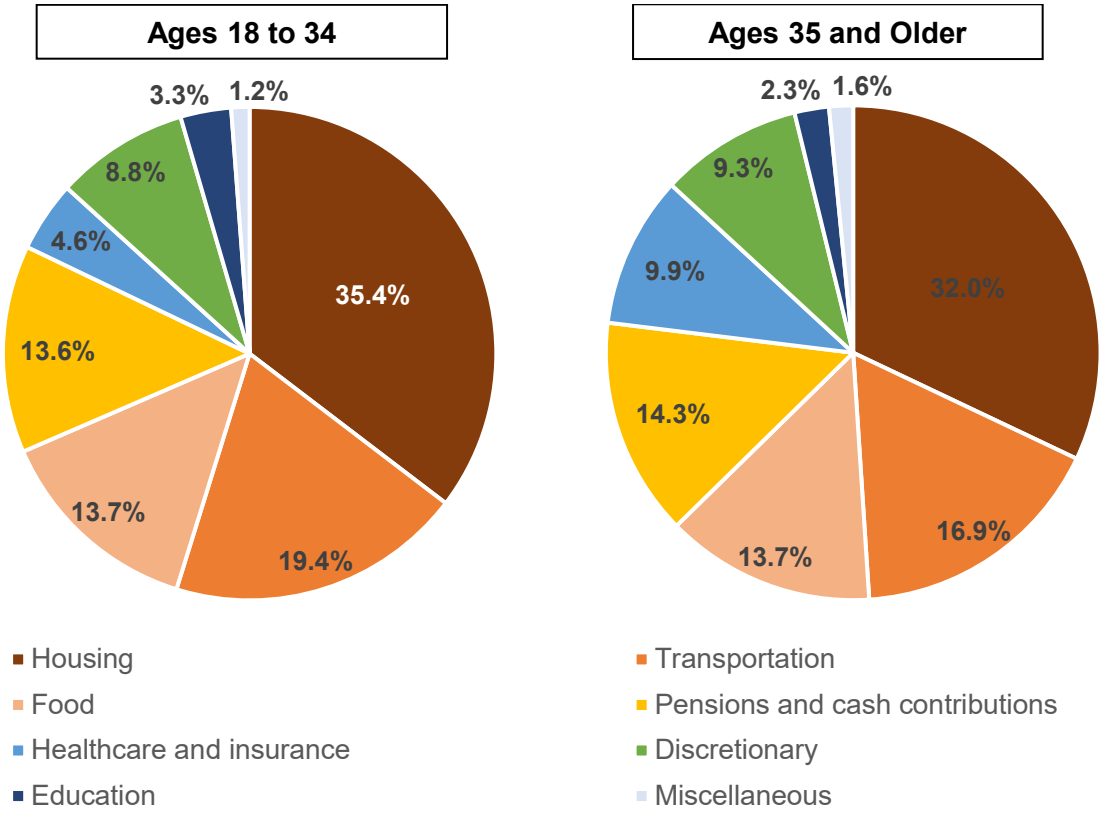
Expenses and Debt

Expenses Increasing Faster than Income

The largest expenses for all young adults are core expenses – food, housing, and transportation – and comprised over two-thirds of their total spending in 2023, according to data from BLS.[20] Housing represented the largest expense for both groups, 35 percent, and food and transportation were a third of expenses. For 18- to 25-year-olds, transportation expenses increased the fastest, growing by nearly 3 full percentage points from 2013.[21] Both groups spent less on discretionary items (e.g. apparel, entertainment, alcoholic and tobacco products) between 2013 and 2023.

Between 2018 and 2023, spending by young adults for core expenses (housing, food, and transportation) grew by a total of 39.3 percent compared to 26.1 percent for income. Spending on these items accelerated, due, in part, to an overall increase in inflation of 21.3 percent; the cost of housing alone increased by 60 percent.

Figure 12
Breakdown of Expenses by Young and Older Adults, National, 2023



Note: Discretionary spending sums the following expenses: apparel and services, entertainment, personal care products and services, reading, and tobacco products and smoking supplies. “Miscellaneous” expenses include bank service charges, credit card memberships, legal and accounting fees, funeral services, and union dues.

Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2023 Age of Reference Person

Housing Burdens Rising

In 2023, 50.5 percent of young adults were living on their own (away from family) in New York.[22] Of those living on their own, 70 percent rented, higher than 59.9 percent in the rest of the nation.

Since 2013, median rental costs across New York have increased by 33 percent. The number of lower cost units has declined: Rental units priced between $600 and $1,399 per month (adjusted to 2023 dollars) decreased by 17.3 percent while there was a 40.9 percent increase in the number of units costing $1,400 per month or more. In relation to median income, a unit costing $1,400 per month represents 37.8 percent of the median income of a 26- to 34-year-old. Due to increased costs, 35.9 percent of young adult renters now face cost burdens: 22.4 percent spend 30 to 49 percent of their income on rent and utilities and 13.4 percent spend 50 percent or more.[23] The U.S. Department of Housing and Urban Developments considers housing costs greater than 30 percent of income as burdensome.

With the large number of renters, homeownership by young adults in New York is much lower, 15.1 percent compared to 22.7 percent for the rest of the nation in 2023.[24] In addition, home ownership by 26- to 34-year-olds has been decreasing; in 2004, 31.2 percent of these young adults in New York owned a home, compared to 23.4 percent in 2023.[25]

One possible cause for this decline is the rise in home prices. In 2024, the median price of a single family home nationally was $412,500, an increase of 60 percent from 2019.[26] In New York, the growth was slightly lower, 52.9 percent, although the median price for a home listed on the New York market was $664,600 in 2024.[27] According to the Joint Center for Housing Studies, the annual income needed to afford the national median house price is $126,670 up from $79,330 in 2021, higher than the income of over 92.9 percent of the 26- to 34-year-olds in the state.[28]

Due in part to increased home prices and rental costs, more young adults aged 26 to 34 are living with their parents, rather than independently. In 2023, 22 percent of these young adults in New York were still living at home; in New York City, it was nearly one in four.

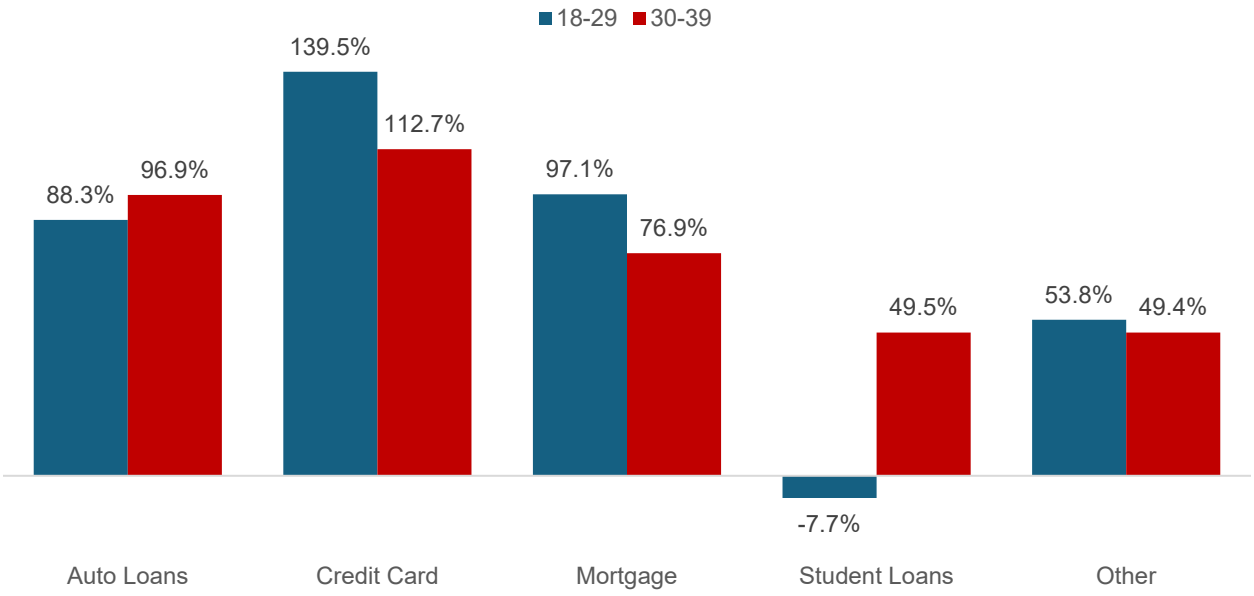
Debt Burden Rising

Holding nearly 30 percent of the nation's total household debt in 2024, debt is an increasing financial burden on adults aged 18 to 39 in New York and nationwide.[29] Since 2013, all debt held by young adults has grown by 67.8 percent ($2.1 trillion), growing faster than the 52.3 percent increase in debt held by individuals over 40. Among the different types of debt, credit card debt more than doubled for both age groups since 2013, which may reflect some financial stress from pressures on prices for core expenses.[30]

Student loan delinquencies, which are 90 days or more late on repayment, shot up from 0.3 percent of young adults nationally at the end of 2024 to 9.7 percent in the second quarter of 2025, following the end of the Department of Education's pause on credit reporting for student loans in October 2024.[31] Credit card delinquencies increased from 2022 to 2024, peaking at just over 10 percent of young adults in the second quarter of 2024. In 2025, the rates began to decrease, falling under 10 percent.

Falling into bankruptcy has decreased for young adults, down by 53.4 percent between 2014 and 2024. Of all bankruptcies in the nation in 2024, young adults made up the smallest portion of all groups, 28.1 percent or 141,400 cases.

Figure 13
Change in Amount of Debt Held by Young Adults, by Type and Age Group, United States, 2013 to 2024



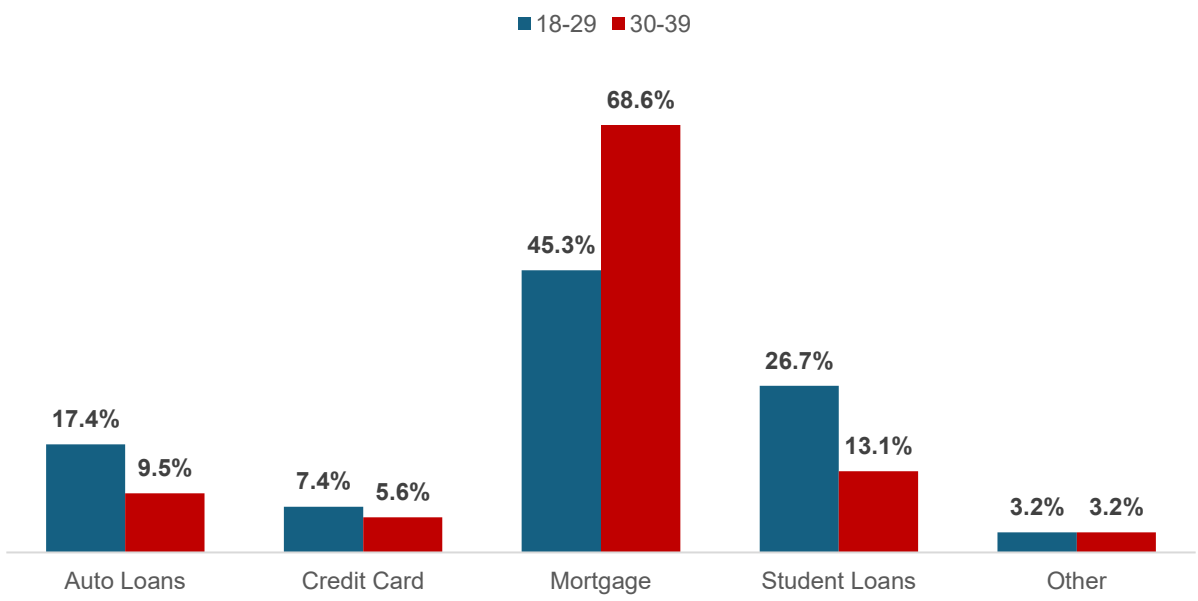
Note: "Other" debt includes home equity lines of credit (HELOC), consumer finance loans (sales financing, personal loans) and retail loans (clothing, grocery, department stores, home furnishings, and gas). "Credit Card" debt are bankcard accounts from bankcard companies, national credit card companies, credit unions and savings & loan associations.

Source: U.S. Federal Reserve Bank of New York, "Quarterly Report on Household Debt and Credit," Fourth Quarter of 2024

Nationally, mortgages comprise the largest type of debt held by young adults; for individuals aged 30 to 39, over two-thirds of debt held was in mortgages. While student loans rank second largest for both age groups, the share is larger for those aged 18 to 29, accounting for 26.7 percent of total debt held.

In 2024, 1.3 million young adults aged 18 to 34 in New York had student loan debt totaling $40.5 billion, 42.1 percent of the total amount held by all age groups in the state. Average student loan debt in New York, just over $30,300, was the second highest in the nation, just below Maryland ($30,400).[32] Student loan burdens may also be affecting the ability to afford a home; research indicates that student loan burdens have been found to depress homeownership rates.[33]

Figure 14
Distribution of Debt Held by Young Adults, by Type and Age Group, United States, 2024



Note: “Other” debt includes home equity lines of credit (HELOC), consumer finance loans (sales financing, personal loans) and retail loans (clothing, grocery, department stores, home furnishings, and gas). “Credit Card” debt are bankcard accounts from bankcard companies, national credit card companies, credit unions and savings & loan associations.

Source: U.S. Federal Reserve Bank of New York, “Quarterly Report on Household Debt and Credit,” Fourth Quarter of 2024

Conclusion

Young adults are facing an evolving economic landscape in New York and across the nation. In some cases, challenges seen nationally are more pronounced in New York. Young adults contend with higher unemployment rates while facing a high cost housing market, leading to financial pressures. These conditions also raise concerns about the state's ability to retain its young workforce, critical for sustaining long-term growth. Although educational attainment continues to shape employment outcomes, job prospects for young adults have become more challenging despite their higher levels of educational attainment. Unemployment rates are higher than those for older workers and have increased since 2019. The emergence of artificial intelligence may be contributing to declines in entry-level opportunities; if employers favor experienced workers for AI-integrated roles, younger job seekers may face greater challenges securing stable employment.

In addition, there is still a large number of young adults who are disconnected, neither going to school nor work, even though this number has been shrinking over the last ten years. Continued emphasis on eliminating the barriers to employment—including access to childcare, training and transportation—and increasing access to higher education may further decrease these numbers.

Rising household expenses, particularly for food, housing, and transportation, have outpaced growth in income. Increased rents and home prices have made affording independent housing increasingly challenging and may prompt many young adults to live with their parents and delay homeownership. Increased debt burdens from student loans to mortgages and credit cards also pose challenges.

Efforts to improve upon affordability and increase housing supply will benefit young adults and alleviate some of these pressures. Policymakers should also focus on facilitating access to quality education, jobs and training for young people to succeed early in their careers and achieve financial stability and upward mobility in an increasingly complex economy.

Endnotes

[1] Unless otherwise stated, the data used in this report is from the U.S. Census Bureau, American Community Survey (ACS) 5-Year Estimates: Comparison Profiles 5-Year.

[2] Utah and North Dakota rank highest with more than one in four persons in the state being a young adult.

[3] Data for New York State regional populations in 2013 is from the ACS 1-year estimates rather than the 5-year estimates.

[4] College dropout rates are calculated as the percentage of those with some college in educational attainment while not attending school compared to the total college educated population in the age group.

[5] According to the U.S. Census Bureau's American Community Survey, "labor force" is defined as the population who did any paid work, either in a business establishment or farm, along with those considered unemployed; the population able and looking for work.

[6] This age group has a higher labor force participation rate (64.1 percent) than the statewide average (61.0 percent) in the aggregate.

[7] According to the U.S. Census Bureau, the ACS' data methodology on two or more jobs and unemployment is as follows: "For employed people, the data refers to the person's job during the previous week. For those who worked two or more jobs, the data refers to the jobs where the person worked the greatest number of hours. For people who are unemployed or not in the labor force, but report having had a job within the last five years, the data refers to their last job.

[8] Definition from the Internal Revenue Service (IRS) Gig Economy Tax Center, at Gig economy tax center | Internal Revenue Service.

[9] College educated is defined as the matriculation of an associates degree or higher and non-college educated is defined as some college years with no degree and below.

[10] Other Managers is a "catch-all" title that includes mangers in niche markets (cannabis, esports, or other small shops), environmental managers, security managers, etc.

[11] Indeed, Economic Research by Hiring Lab, "The US Tech Hiring Freeze Continues", July 2025.

[12] Bloomberg News, "Is AI Killing Entry-Level Jobs? Here's What We Know", July 30th, 2025.

[13] U.S. Bureau of Labor Statistics, "Incorporating AI Impacts in BLS Employment Projections: Occupational Case Studies", February 2025; and "Industry and Occupational Employment Projections Overview and Highlights, 2022-2023", November 2024.

[14] Ibid.

[15] U.S. Bureau of Labor Statistics, Expanded State Employment Status Demographic Data, 2024 Annual Averages, accessed on September 24, 2025. Young adult Hispanics and Latinos aged 20 to 24 had an unemployment rate of 9.8 percent. Data for young adults who are Asian are only available for those aged 25 to 34, which had an unemployment rate of 5.1 percent.

[16] The definition is from a Federal Reserve Bank of St. Louis study on the U.S. disconnected youth population, at Disconnected Young Adults in the Fed's Eighth District. Their research only studied aged 18 to 24 at the national level, this paper extends the analysis to include 25-year-olds and to New York State. Another known name for "Disconnected youth" is "NEETs" or Not in Education, Employment, or Training.

[17] Ibid

[18] Bureau of Labor Statistics, U.S. Department of Labor, Quarterly Census of Employment and Wages (QCEW) (BLS QCEW), 2018 and 2023.

[19] U.S. Bureau of Labor Statistics Modeled Wage Estimates, for 2014 and 2023 at Tables : U.S. Bureau of Labor Statistics. Skilled occupations include those that require additional training beyond a high school education, such as mechanics, electricians, and hair stylists as well as those requiring a college education..

[20] U.S. Bureau of Labor Statistics, "Consumer Expenditure Survey", Age of Reference Person, from 2009 to 2023.

[21] According to the U.S. Bureau of Labor Department's Consumer Expenditure Survey, expenses on transportation includes vehicle purchases; vehicle finance charges; gasoline and motor oil; maintenance and repairs; vehicle insurance; public transportation; and vehicle rental, leases, licenses, and other charges.

[22] Definition of "living away from family" would include living alone, with a partner, or a roommate. This definition does not include institutionalized and non-institutionalized group quarters such as college dormitories.

[23] By comparison, 38.4 percent of older adults were cost burdened, driven largely by a higher share of living with family which necessitates a larger living space, and by reduced income due to retirement or scaled-back employment. See The Joint Center for Housing Studies, "Housing America's Older Adults 2023", Harvard University.

[24] Because of the high percentage of renters in New York City, New York overall has always had lower home ownership than the rest of the nation and a higher percentage of renters.

[25] Only 4.9 percent of 18- to 25-year-olds owned homes in 2023. Data for 2004 was taken from the U.S. Census Bureau, ACS 1-year estimates rather than the 5-year estimates.

[26] The Joint Center for Housing Studies, "2025 The State of the Nation's Housing", Harvard University.

[27] U.S. Federal Housing Finance Agency, All-Transactions House Price Index for the United States [USSTHPI], and New York [NYSTHPI], Federal Reserve Bank of St. Louis (FRED). Realtor.com, Housing Inventory: Median Listing Price in New York, retrieved from Realtor.com Real Estate Data and Housing Market Trends.

[28] The Joint Center for Housing Studies, "2025 The State of the Nation's Housing", Harvard University.

[29] U.S. Federal Reserve Bank of New York, "Quarterly Report on Household Debt and Credit", Second Quarter of 2025. Data is not broken down in the same age ranges as this report but instead by "18 to 29" and "30 to 39". Instead, this section provides general information on how the younger age group grows into the older age group in terms of debt holdings. "Other" debt includes home equity line of credit (HELOC) loans, consumer finance loans (sales financing, personal loans) and retail loans (clothing, grocery, department stores, home furnishings, and gas).

[30] U.S. Consumer Financial Protection Bureau, "Consumer Credit Trends". Data is not broken down in the same age ranges as this report but instead by "younger than 30" and "30 to 39". Instead, this section provides general information on how the younger age group grows into the older age group in terms of debt lending.

[31] U.S. Federal Reserve Bank of New York, "Quarterly Report on Household Debt and Credit", Second Quarter of 2025.

[32] U.S. Department of Education, Office of Federal Student Aid, "Federal Student Loan Portfolio", 2024.

[33] Katherine Fallon, "How Student Loan Debt Affects the Racial Homeownership Gap," September 14, 2022, Urban Institute, available at https://housingmatters.urban.org/articles/how-student-loan-debt-affects-racial-homeownership-gap; and Andrew Haughwout, Donghoon Lee, Joelle Scally, and Wilbert van der Klaauw, "Inequality in U.S. Homeownership Rates by Race and Ethnicity," July 8, 2020, Federal Reserve Bank of New York, at https://libertystreeteconomics.newyorkfed.org/2020/07/inequality-in-us-homeownership-rates-by-race-and-ethnicity.

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