

Parents continue to bankroll adult kids' lives

By Akane Otani, BloombergBusiness

Jordana Gilman, a 24-year-old Ivy League graduate, is studying to be a doctor at SUNY Upstate Medical University. She has worked part-time jobs since she was 15 years old, balancing babysitter, restaurant hostess, and camp counselor gigs with heavy course loads to save money and carve out a little bit of financial independence. Yet as an adult living away from home, she gets an occasional check from her parents to cover the cost of groceries, movie tickets, and meals out.

"I feel embarrassed that I can't support myself," Gilman says, adding that she's "immensely grateful" for the help. Her investment in medical school left her strapped for cash and time, she says, and it would be nearly impossible to make ends meet without her parents supplementing her income.

Gilman has plenty of company. In 2015, 36 percent of parents said in a poll published this week that they expect to support their child for more than two years after graduation, up from 18 percent the year before. More than 16 percent think that arrangement will last more than five years, according to the poll, conducted by massive education lender Sallie Mae. According to a report published last month by Bank of America, 40 percent of millennials regularly receive financial assistance from their parents. Financial advisers have taken to warning clients their grown children may destroy their hope for a secure retirement.

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