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Student Debt and Young America: JFI's annual report and new geographic comparison tool

The new report summarizes the state of student debt for 18 to 35 year olds; the accompanying comparison tool facilitates comparisons across regions

Press Release

New York, NY, February 18, 2021 — JFI's Student Debt and Young America Annual Report, part of the ongoing Millennial Student Debt project, focuses on student debt trends along national, state, and congressional levels for young adults 18-35 years of age. The report uses the latest available data, from 2019, to provide a picture of how young Americans are experiencing the student debt crisis, including through debt burdens, income stagnation, the higher education landscape, and future debt relief.

Accompanying the report is JFI's newest public data tool, the Millennial Student Debt - Comparison Tool, which allows for interactive comparisons of higher education and debt statistics for specific geographic areas at the national, state or congressional district level.

The fifth in an ongoing series on millennial student debt, the report and tool add to JFI's previous reports on topics such as student debt after the 2008 recession, regional disparities in student debt, and the inadequacy of income driven repayment to address the expanding crisis. This report brings the latest data into analysis and shows that student debt trends continue to worsen.

Key findings from this report include:

- The student debt crisis we know today was set in motion by the combination of these three phenomena: increased enrollment, higher rates of borrowing, and larger loan amounts.
- Roughly 58% of outstanding student loans for one million 18-35 year olds sampled in 2019 had balances that were higher than the original loan amount. In 2009, that share was only 24.2%.

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- The repayment crisis is occurring across all racial-plurality groups, but is worst for Black- and Latino- plurality communities in 2019, where ~75% and ~60% of loans are now above the origination amount, respectively.
- The vast majority of borrowers that benefit from forgiveness hail from low- and lower-income communities. The overwhelming majority of the aggregate dollar amount of forgiveness, estimated to be between $800 billion and $1 trillion under a $50,000 federal forgiveness plan, would also go towards these communities.

Read the full report here, available as both a PDF and interactive web page.

Alongside the report, the Comparison Tool allows for fine-grained comparison of student debt burdens across congressional districts and state lines, providing an accessible look at how variations in policymaking across regions affect student outcomes, and allowing viewers to zero in on observations about their own communities. View a walkthrough for the tool here.

The report is written by Laura Beamer and Eduard Nilaj. Read the other pieces in the series here. The next post in the series will cover how post-secondary schools misrepresent the true price of attendance.

About the Jain Family Institute:

The Jain Family Institute (JFI) is a nonpartisan applied research organization in the social sciences that works to bring research and policy from conception in theory to implementation in society. Founded in 2014 by Robert Jain, JFI focuses on building evidence around the most pressing social problems. The *Phenomenal World* is JFI's independent publication of theory and commentary on the social sciences.

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