

## **JFI report shows dramatic increases in millennial student debt with interactive map of disparate impacts**

New data shows fewer options, higher prices, and ballooning debt in higher education since 2009, with lowest-income communities of color hit hardest

### *Press Release*

New York, NY, September 17, 2020 — A new report from [Jain Family Institute](#) researchers finds that the lowest-income communities, especially majority-minority neighborhoods, have seen an increase in student debt burdens since the Great Recession, with debt relative to income in 2018 at 94% for the poorest communities. Across all borrowers, the study finds an 18% increase in median student debt balances nationwide since 2009, and a 54% increase in majority-Black neighborhoods.

The third in an ongoing series on millennial student debt, [the newest report](#) builds upon JFI's extensive [interactive map](#) of student access to higher education nationwide with added debt and income data, showing rising debt levels across all student borrowers, with the most dramatic increases in student loan debt in the Great Lakes region of the US, which saw a 28% increase in student debt burdens since 2009, including the key swing states of Wisconsin, Michigan, and Ohio.

As advocates push for student loan forgiveness with Senators Warren & Schumer's [resolution](#) and the [HEROES Act](#), this report provides a detailed and timely look at communities that stand to gain the most from such legislation: low-income borrowers and borrowers of color in key states for the upcoming election. The research may also inform the scale and severity of the repayment cliff millions of borrowers face at the end of December when the executive order-mandated loan repayment freeze comes to a halt within what is predicted to be a continued unemployment crisis.

Key findings from this report include:

- A 54% increase in median student debt for majority-Black zip codes since 2009, with nationwide increases at 18%
- Between 2009 and 2018, the lowest income zip codes saw debt burdens relative to income increase from 56% to 94%; the richest zip codes saw relative debt burdens increase from 32% to 42%
- Areas with a greater number of for-profits than public schools experience higher median student loan balances, and majority Black neighborhoods where for-profits outnumber publics saw the highest median debt balances: \$19,485
- The average total balance for young adults with at least one student loan in 2019 increased by 23% since 2009, to reach \$34,389; the median total loan balance owed was \$18,727
- Michigan, Wisconsin, Pennsylvania, and Ohio saw median student debt grow by over 26% between 2009 and 2019; these four states also had median debt among majority-Black zip codes rise by over 68%, whereas the nation as a whole saw majority-Black zip codes' median debt increase by 54%
- The portion of total borrowers owing over \$50,000 increased from 15% to 20% from 2009 to 2019; 80% of borrowers would be debt-free with a \$50,000 debt forgiveness plan

The report is authored by JFI Lead Researcher in Higher Education, [Laura Beamer](#), with research support from [Marshall Steinbaum](#), [Francis Tseng](#), and [Eduard Nilaj](#). Read the last report [here](#). Upcoming analysis will examine trends in loan repayment, Census tract-level trends in student debt, and misleading representations of price among post-secondary institutions nationwide.

While multiple other studies have documented the disproportionately high student debt burdens among Black, Hispanic, and low-income students using samples from one graduation year, exclusively 4-year colleges, or fewer variables relevant to student debt, this report combines a uniquely comprehensive dataset of student debt among 18 to 35 year-olds with overlapping contextual data on vital elements of postsecondary access: income, geographic access and location, age and race. This analysis and the

mapping data tools it provides are an essential new resource for advocates and researchers focused on the crisis of student debt.

Laura Beamer, who leads this research at JFI, said, “Policy experts should examine this report carefully. It’s hard to pinpoint which finding is most vital, because the report and map provide such a detailed view of the overlapping issues of race, class, age, for-profit exploitation and geographic access that all—based on our data—prove to be impactful, crucial frames for understanding the US student debt crisis.”

**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 2015 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.

**Contact:**

[jficomunications@jainfamilyinstitute.org](mailto:jficomunications@jainfamilyinstitute.org)