Fewer Resources, More Debt: Loan Debt Burdens Students at Historically Black Colleges and Universities

Key Findings

- HBCU students borrow more (median cumulative federal loan debt)
  - HBCUs: $26,266
  - NON-HBCUs: $14,881

- Percentage of graduates who borrowed $40,000 or more
  - HBCUs: 59%
  - NON-HBCUs: 25%

Contextualizing the Findings

- HBCUs enroll a greater share of low-income students
  - HBCUs: 71%
  - NON-HBCUs: 35%

- Over time, the maximum Pell Grant has paid a smaller percentage of college costs
  - 1976-77: 72%
  - 2015-16: 35%

- HBCU students have higher levels of unmet financial need
  - HBCUs: $9,855
  - NON-HBCUs: $7,810

Call to Action

What can policymakers do to reduce the heavy burden faced by HBCU students? Policymakers should:

- Reduce the complexity of the federal student aid eligibility process
- Increase grant aid and work-study opportunities
- Improve the federal student loan servicing system and the student loan repayment process
- Reduce the cost of federal loans for students and their families

HBCUs enroll a greater share of low-income students

HBCU students borrow at a greater rate

HBCU students have higher levels of unmet financial need

Over time, the maximum Pell Grant has paid a smaller percentage of college costs