

DATA POINT

U.S. DEPARTMENT OF EDUCATION
NCES 2019-437 AUGUST 2019

Changes in Undergraduate Program Completers' Borrowing Rates and Loan Amounts by Age: 1995–96 Through 2015–16

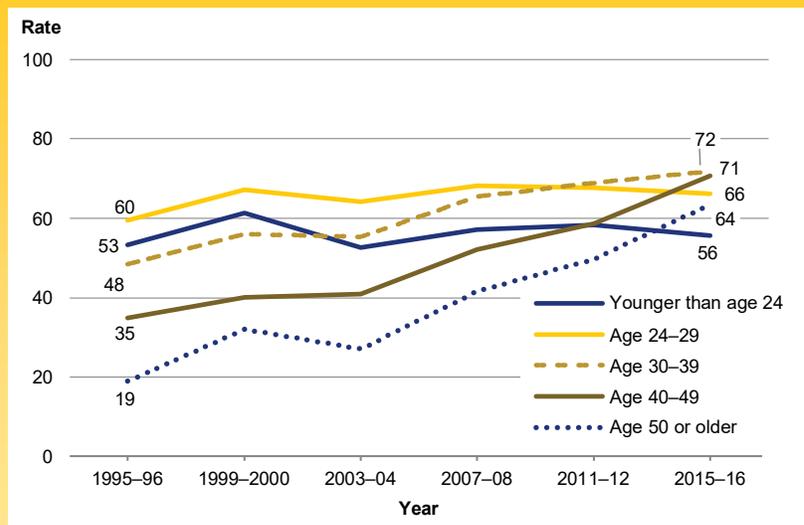
This Data Point focuses on undergraduate *program completers*, that is, undergraduates who completed or expected to complete a degree or certificate program in academic years 1995–96, 1999–2000, 2003–04, 2007–08, 2011–12, or 2015–16. It compares their student loan borrowing rates and average cumulative amounts borrowed across five age groups and describes trends in borrowing over time.¹ The analysis is limited to program completers in order to measure total borrowing for a degree or certificate.

Data in this report are from six iterations of the National Postsecondary Student Aid Study (NPSAS), a large, nationally representative sample survey of students that focuses on how they finance their education. The NPSAS samples used in this report represent all undergraduates who were enrolled in Title IV eligible institutions in the 50 states and the District of Columbia in 1995–96, 1999–2000, 2003–04, 2007–08, 2011–12, and 2015–16 and who completed or expected to complete a degree or certificate in the survey year.²

Among program completers, did the borrowing rate for postsecondary education vary by age, and did different age groups' borrowing rates change between 1995–96 and 2015–16?

- The borrowing rate for program completers increased from 1995–96 to 2015–16 for the three groups age 30 and older (figure 1).
- Among 1995–96 program completers, those ages 24–29 borrowed at a higher rate than those age 40 or older (60 percent versus 35 percent at ages 40–49 and 19 percent at age 50 and above). In 2015–16, however, the borrowing rates increased to 71 percent among those ages 40–49 and 64 percent among those age 50 and above, bracketing the ages 24–29 borrowing rate of 66 percent.
- From 1995–96 through 2015–16, the borrowing rate for undergraduates age 29 or younger increased by 7 or fewer percentage points, while the borrowing rate for those ages 40–49 increased

FIGURE 1. Among undergraduates who completed or expected to complete a degree or certificate, borrowing rate for postsecondary education, by age group: 1995–96 through 2015–16



NOTE: Estimates include students enrolled in Title IV eligible postsecondary institutions in the 50 states and the District of Columbia. Standard error tables are available at <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019437>. Calculations based on estimates shown in the figure may differ from those presented in text due to rounding.
SOURCE: U.S. Department of Education, National Center for Education Statistics, 1995–96, 1999–2000, 2003–04, 2007–08, 2011–12, and 2015–16 National Postsecondary Student Aid Study (NPSAS:96, NPSAS:2000, NPSAS:04, NPSAS:08, NPSAS:12, and NPSAS:16).

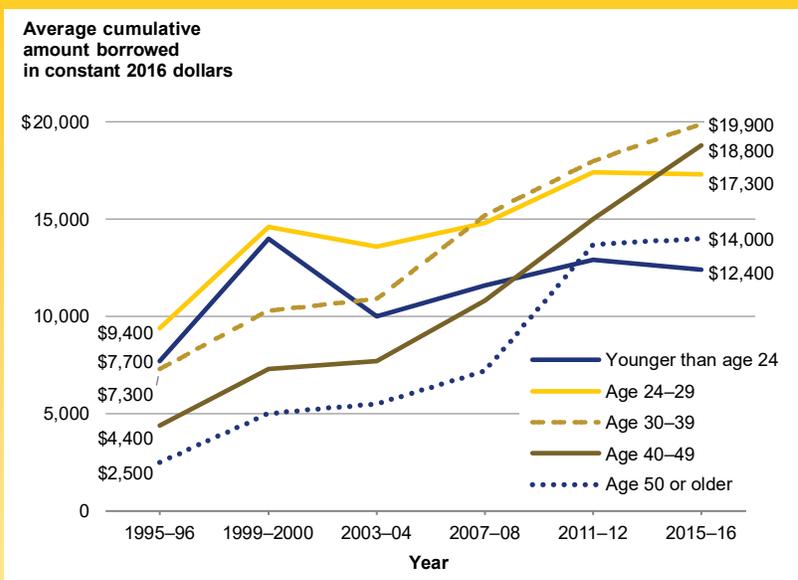
by 36 percentage points, and for those age 50 and above it increased by 45 percentage points.

Data in this report are from the National Postsecondary Student Aid Study (NPSAS), a nationally representative sample survey. To learn more, visit <https://nces.ed.gov/surveys/npsas>. For questions about content or to view this report online, go to <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019437>.

Did the average cumulative amount that program completers borrowed vary by age group, and did age groups' average cumulative amount borrowed change between 1995–96 and 2015–16?

- Measured in constant 2016 dollars, the average cumulative amount that program completers borrowed was higher in 2015–16 than in 1995–96 for the four groups age 24 and older (figure 2).³
- The cumulative amount borrowed varied over time across age groups. In 1995–96, program completers under age 40 borrowed more than their peers who were age 40 and above. By 2015–16, the \$18,800 borrowed by program completers ages 40–49 was between the \$17,300 borrowed by those ages 24–29 and the \$19,900 borrowed by those ages 30–39.
- Among program completers ages 40–49, the \$18,800 average cumulative amount they had borrowed in 2015–16 was 4.3 times the 1995–96 amount (\$4,400). Similarly, among program completers age 50 and older, the average cumulative amount borrowed in 2015–16 was \$14,000, which was 5.7 times the corresponding amount (\$2,500) this age group borrowed in 1995–96. In contrast, among those younger than age 24, the average cumulative amount borrowed in 2015–16 was 1.6 times the amount borrowed in 1995–96 (that is, \$12,400 vs. \$7,700), and the 2015–16 values were 1.8 times the 1995–96 values for those ages 24–29 (\$17,300 vs. \$9,400).
- Overall, the differences in the average cumulative amounts borrowed between 1995–96 and 2015–16 were larger for program completers age 30 and older (ranging from \$11,500 through \$14,400) than for program completers age 29 and younger (\$7,900 or less).

FIGURE 2. Average cumulative amount borrowed among undergraduates who completed or expected to complete a degree or certificate, by age group: 1995–96 through 2015–16



NOTE: Estimates include students enrolled in Title IV eligible postsecondary institutions in the 50 states and the District of Columbia. Standard error tables are available at <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019437>. Calculations based on estimates shown in the figure may differ from those presented in text due to rounding. Dollar estimates are in constant 2016 dollars. Inflation adjustment is based on an academic year (July–June) average. For more information on adjusting for inflation, see the Consumer Price Index website: <https://www.bls.gov/cpi/>. SOURCE: U.S. Department of Education, National Center for Education Statistics, 1995–96, 1999–2000, 2003–04, 2007–08, 2011–12, and 2015–16 National Postsecondary Student Aid Study (NPSAS:96, NPSAS:2000, NPSAS:04, NPSAS:08, NPSAS:12, and NPSAS:16).

Endnotes

- ¹ This analysis describes borrowing differences among age groups and changes in those differences over time. Readers are cautioned not to infer that age is a causal factor in borrowing, however. Many factors not measured in this analysis, such as student and institution characteristics, enrollment intensity, cost of attendance, and cohort effects (those ages 40–49 who borrowed in 2015–16 were the same generation as those under 30 who borrowed in 1995–96), may contribute to the observed borrowing outcomes.
- ² Except for 2011–12, the NPSAS target population consists of all eligible undergraduates enrolled in Title IV eligible postsecondary institutions in the 50 states, District of Columbia, and Puerto Rico. In 2011–12, the NPSAS target population did not include students enrolled in postsecondary institutions in Puerto Rico. For comparability, estimates in this report from the 1995–96, 1999–2000, 2003–04, 2007–08, and 2015–16 NPSAS collections exclude students who attended institutions in Puerto Rico.
- ³ Dollar amount estimates have been adjusted to constant 2015–16 academic year dollars based on the Consumer Price Index prepared by the Bureau of Labor Statistics, U.S. Department of Labor.

This National Center for Education Statistics (NCES) Data Point presents information on education topics of interest. Annaliza Nunnery of RTI International wrote this Data Point. Estimates based on samples are subject to sampling variability, and apparent differences may not be statistically

significant. All noted differences are statistically significant at the .05 level. In the design, conduct, and data processing of NCES surveys, efforts are made to minimize the effects of nonsampling errors, such as item nonresponse, measurement error, data processing error, or other systematic error.