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Dr. Jalil Mustaffa Bishop  
Co-Founder and Assistant Professor  
Equity Research Cooperative & Villanova University

*Congressional Testimony regarding Banking, Housing, and Urban Affairs (BHUA)  
Committee hearing:  
“Examining Student Loan Servicers and Their Impact on Workers”*

### **Executive Summary:**

I want to thank the Chairman, Ranking Member, and the rest of the committee for inviting me here today.

My goal is to make it clear that we are in a student debt crisis, a Black student debt crisis in particular, and that cancelling all student debt is the best solution for a decades-long policy failure that is student loans.

First, I want to explain the crisis in simple terms. Student loan policy is basically the federal government telling families you do not have enough money to pay for college and then still offering them a loan instead of a grant. The government already knows that the families do not have enough money to pay for college, let alone enough to pay for a loan. The government insist this is not an issue— borrowers will earn enough income to repay these loans in 10 years. We then accumulated decades of evidence that borrowers could not make enough money so we moved them to 20-25 year income-based repayment plans, though we promised them the loans would be able to be repaid in 10 years.<sup>1</sup> We have not developed a comprehensive way to hold colleges, loan servicers, accreditation agencies, the Department of Education, or a low-paying labor market accountable.<sup>2</sup> We still have only punished one group in this process and ensured one group has consequences every time and that is the borrower. The borrower who was failed way before they ever signed for their first student loan.

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<sup>1</sup> Revisiting debt relief: Scoring Biden Administration Actions to Cancel Student Debt on Day One and Beyond,

[https://protectborrowers.org/wp-content/uploads/2021/12/final\\_Revisiting\\_Debt\\_Relief\\_12\\_16\\_2021.pdf#page=46](https://protectborrowers.org/wp-content/uploads/2021/12/final_Revisiting_Debt_Relief_12_16_2021.pdf#page=46)

<sup>2</sup> The Looming Student Loan Servicing Crisis, <https://www.americanprogress.org/article/looming-student-loan-servicing-crisis/>; Fact Sheet: Fixing Federal Accountability for Higher Education, <https://www.americanprogress.org/article/fact-sheet-fixing-federal-accountability-for-higher-education/>; Creating Accountability for College Access and Success: Recommendations for the Higher Education Act and Beyond, <https://edtrust.org/resource/creating-accountability-for-college-access-and-success-recommendations-for-the-higher-education-act-and-beyond/#:~:text=Ed%20Trust%20recommends%20that%20Congress,of%20opportunity%2C%20value%2C%20and%20outcomes>

We are in a student debt crisis and arguably have been in one for the last 20 years. In that time, we watched the total outstanding student loans increased by over 107% from less than \$400 million in the early 2000s, hitting one trillion in 2012, and now on the fast track to soon hit \$2 trillion.<sup>3</sup> The crisis should be understood primarily through two issues: default and endless years of payments.

First, we have a growing number of defaults for struggling borrowers with 1 million estimated new defaults each year and a total of 10 million borrowers in default pre-pandemic. Default means debt collection fees added on top of your balance and that borrowers can be sued or have their income garnished.<sup>4</sup>

The second part of the crisis is endless years of payment. People are making payments only to see their balance increase due to interest. When we look back at loans issued each year since 2009, the majority of loan balances are increasing instead of being paid down.<sup>5</sup> Under the Trump administration, a Department of Education report estimated that \$500 billion worth of student loans will not be repaid.<sup>6</sup> This was pre-pandemic. In the end, the evidence shows that student loans increasingly will not be repaid. People simply do not have the money to repay because they have not found the high paying jobs that were promised when they went to college.<sup>7</sup> People are on a payment path to nowhere.

It did not have to be this way; the United States had a grant-driven higher education system until the 1980s.<sup>8</sup> Now when it comes to low-income students, the Pell grant covers less than 33% of their college costs when in the past it covered the majority of costs.<sup>9</sup> Every year we burden students and their parents with \$80-\$100 billions of student loans.<sup>10</sup> It is unnecessary. For example, if the Pell Grant was increased by about \$6000 a year, it would eliminate Parent Plus loans for 75% of all low-income parents, and 85% of all low-income Black parents.<sup>11</sup> But instead, the government provides funding as a loan, push families into financial

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<sup>3</sup> The Volume and Repayment of Federal Student Loans: 1995 to 2017, <https://www.cbo.gov/publication/56754>; Student debt increased by 107% this decade, Federal Reserve data shows, <https://www.cnbc.com/2019/12/30/student-debt-totals-increased-by-107percent-this-decade.html#:~:text=According%20to%20the%20Federal%20Reserve,an%20increase%20of%20roughly%20107%25>.

<sup>4</sup> Student Loan Default Has Serious Financial Consequences, <https://www.pewtrusts.org/-/media/assets/2020/04/studentloandefaulthasseriousfinancialconsequences.pdf>; Education Department Responses to Data Request by Senator Warren, April 2, 2021, <https://www.warren.senate.gov/imo/media/doc/Education%20Department%20Response%20to%20Sen%20Warren%20-%20204-8-21.pdf>

<sup>5</sup> The Student Debt Crisis is a Crisis of Non-Repayment, <https://www.phenomenalworld.org/analysis/crisis-of-non-repayment/>

<sup>6</sup> Is the U.S. Student Loan Program Facing a \$500 Billion Hole? One Banker Thinks So., <https://www.wsj.com/articles/is-the-u-s-student-loan-program-in-a-deep-hole-one-banker-thinks-so-11619707091>

<sup>7</sup> The Student Debt Crisis, Labor Market Credentialization, and Racial Inequality: How the Current Student Debt Debate Gets the Economics Wrong, <https://rooseveltinstitute.org/publications/student-debt-crisis-labor-market-credentialization-racial-inequality/>

<sup>8</sup> Opening the Doors to Higher Education: Perspectives on the Higher Education Act 40 Years Later, <https://files.eric.ed.gov/fulltext/ED542500.pdf>

<sup>9</sup> TICAS Double Pell Letter, <https://ticas.org/wp-content/uploads/2021/03/Double-Pell-Letter-March-2021.pdf>

<sup>10</sup> The Volume and Repayment of Federal Student Loans: 1995 to 2017, <https://www.cbo.gov/publication/56754>;

<sup>11</sup> Forging PLUS Debt for Low-Income Parent Borrowers, <https://www.urban.org/urban-wire/forgiving-plus-debt-low-income-parent-borrowers>

crisis, and the only one who wins are the debt collectors, loan servicers, and law firms who go after borrowers for repayment.<sup>12</sup> For the rich, Congress is willing to spend in the trillions; for working-class people aiming to earn an education, they are offered a lifetime debt sentence.<sup>13</sup>

In addition, the student debt crisis is a racial justice issue. It is eradicating any chance at wealth for communities of color, especially Black communities.

When we look at Black households with student debt, 52% have zero or negative wealth. When we look at Black households with *no* student debt that percentage drops to 25%.<sup>14</sup> Black people are not just without wealth, we are being pushed deeper into the negative wealth hole. In this way, student loans are not just a racial justice issue, but they are a racist tool.<sup>15</sup>

I co-authored a report with Dr. Jonathan Davis and The Education Trust called Jim Crow Debt.<sup>16</sup> We heard from nearly 1300 Black borrowers during the pandemic, and they made it clear that student loans repeat racist debt traps across history. Debt traps like sharecropping, contract mortgages, more recently subprime mortgages, and payday loans—that limit Black people’s ability to build generational freedom.<sup>17</sup> Student loans do not belong in a conversation about opportunity, they only belong in the conversation about how this country once again created a debt trap that is so vicious that it captures and holds Black students, their parents, and wider communities of color in debt for a lifetime.

I opened this up with commonsense about why student loans have failed and now I must close with commonsense about why student debt cancellation will not go to help the rich.

Unless the face of a rich person in this country is now someone who is on a payment plan, has zero in assets, has more debt than income, is a person of color,

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<sup>12</sup> The Looming Student Loan Servicing Crisis, <https://www.americanprogress.org/article/looming-student-loan-servicing-crisis/>; Getting Private Collection Agencies Out of Federal Student Loans, <https://www.americanprogress.org/article/getting-private-collection-agencies-federal-student-loans/>; Changing the Student Loan Dischargeability Framework: How the Department of Education Can Ease the Path for Borrowers in Bankruptcy, [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3865693](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3865693)

<sup>13</sup> Jim Crow Debt: How Black borrowers experience student loans, [https://edtrust.org/wp-content/uploads/2014/09/Jim-Crow-Debt\\_How-Black-Borrowers-Experience-Student-Loans\\_October-2021.pdf](https://edtrust.org/wp-content/uploads/2014/09/Jim-Crow-Debt_How-Black-Borrowers-Experience-Student-Loans_October-2021.pdf); Revisiting debt relief: Scoring Biden Administration Actions to Cancel Student Debt on Day One and Beyond, [https://protectborrowers.org/wp-content/uploads/2021/12/final\\_Revisiting\\_Debt\\_Relief\\_12\\_16\\_2021.pdf#page=46](https://protectborrowers.org/wp-content/uploads/2021/12/final_Revisiting_Debt_Relief_12_16_2021.pdf#page=46)

<sup>14</sup> Student debt cancellation should consider wealth, not income, <https://www.brookings.edu/essay/student-debt-cancellation-should-consider-wealth-not-income/>

<sup>15</sup> Racial Capitalism and the Black Student Loan Debt Crisis, [https://journals.sagepub.com/doi/abs/10.1177/016146812112300601?casa\\_token=YoMPUzognqYAAAAA:emSYNQWrbjPm1ArX7yIrT4SYhZulOWELq5zR0dGJVrOVY5E0vm3E7zIm44Umio5IEPcPVVq2yAmlw](https://journals.sagepub.com/doi/abs/10.1177/016146812112300601?casa_token=YoMPUzognqYAAAAA:emSYNQWrbjPm1ArX7yIrT4SYhZulOWELq5zR0dGJVrOVY5E0vm3E7zIm44Umio5IEPcPVVq2yAmlw)

<sup>16</sup> Jim Crow Debt: How Black borrowers experience student loans, [https://edtrust.org/wp-content/uploads/2014/09/Jim-Crow-Debt\\_How-Black-Borrowers-Experience-Student-Loans\\_October-2021.pdf](https://edtrust.org/wp-content/uploads/2014/09/Jim-Crow-Debt_How-Black-Borrowers-Experience-Student-Loans_October-2021.pdf)

<sup>17</sup> What We Get Wrong About Closing the Racial Wealth Gap, <https://socialequity.duke.edu/wp-content/uploads/2019/10/what-we-get-wrong.pdf>

and lives in a working-class census tract.<sup>18</sup> Because this describes the face of a student loan borrower.

In closing, if the federal government limits debt cancellation under the guise they are keeping money from the rich, it is allowing student loans to continue as a racist tool. \$10,000 is not enough. Even \$50,000 is not enough for racial and economic justice.<sup>19</sup>

Black people, my family—my community, are more likely to owe over \$50,000 just for undergraduate, have parents who borrow into the six figures, rely on private student loans, and if we ever make six figure income, we often have six figure student loan debt.<sup>20</sup> You cannot limit the amount of student debt cancellation and also claim you care about racial justice. The data is clear. People’s life stories are clear. And history is clear. We need full debt cancellation and we needed it yesterday.

Thank you to the committee for your time.

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<sup>18</sup> Student debt cancellation is progressive: Correcting empirical and conceptual errors, [https://rooseveltinstitute.org/wp-content/uploads/2021/06/RI\\_StudentDebtCancellation\\_IssueBrief\\_202106.pdf](https://rooseveltinstitute.org/wp-content/uploads/2021/06/RI_StudentDebtCancellation_IssueBrief_202106.pdf)

<sup>19</sup> Student loans, the racial wealth divide, and why we need full student debt cancellation, <https://www.brookings.edu/research/student-loans-the-racial-wealth-divide-and-why-we-need-full-student-debt-cancellation/>

<sup>20</sup> Legislation, policy, and the Black student debt crisis, <https://naacp.org/resources/legislation-policy-and-black-student-debt-crisis>; Black-white disparity in student loan debt more than triples after graduation, <https://www.brookings.edu/research/black-white-disparity-in-student-loan-debt-more-than-triples-after-graduation/>

# **JIM CROW DEBT:** HOW BLACK BORROWERS EXPERIENCE STUDENT LOANS



“FOR YEARS NOW, I HAVE HEARD THE WORD ‘WAIT!’ IT RINGS IN THE EAR OF EVERY NEGRO WITH PIERCING FAMILIARITY. THIS ‘WAIT’ HAS ALMOST ALWAYS MEANT ‘NEVER.’ WE MUST COME TO SEE ... THAT ‘JUSTICE TOO LONG DELAYED IS JUSTICE DENIED.’”

— **DR. MARTIN LUTHER KING JR.**



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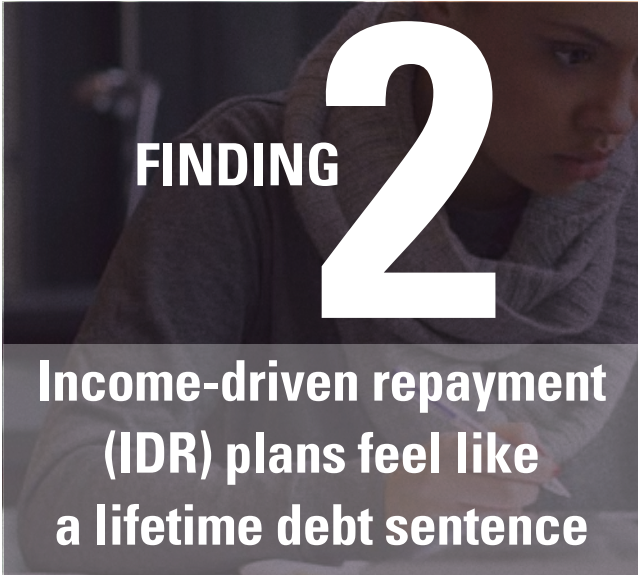
# About This Report

The focus on data about Black student debt outcomes often overlooks the perspectives and lived experiences of Black borrowers, who are most affected by the student debt crisis. We believe that any solution to this crisis should center the voices of these borrowers, so we surveyed nearly 1,300 Black borrowers and conducted in-depth interviews with 100 of them. **Here's what they told us:**



**FINDING 1**

Student loans are not "good debt"



**FINDING 2**

Income-driven repayment (IDR) plans feel like a lifetime debt sentence



**FINDING 3**

Limiting student debt cancellation would harm Black borrowers the most



**FINDING 4**

The federal government should cancel all student debt

*We unpack each of these top-level findings in this report.*



# JIM CROW DEBT: HOW BLACK BORROWERS EXPERIENCE STUDENT LOANS

## AUTHORS:

**Jalil B. Mustafa, Ph.D.**, is the Principal Investigator on the National Black Student Loan Debt Study, an Assistant Professor at Villanova University, and a Co-Founder of the Equity Research Cooperative.

**Jonathan C.W. Davis, Ph.D.**, is a Senior P-12 Research Associate at The Education Trust and Co-Developer of the National Black Student Loan Debt Study.

**STUDENT DEBT HAS BEEN A CRISIS FOR YEARS** and, for many borrowers, the pandemic has only exacerbated matters. This is especially true for [Black borrowers](#), who are among those most negatively affected by student loans — due, in large part, to systemic racism, the [inequitable distribution of wealth](#) in this country, a stratified labor market, and rising college costs.<sup>1</sup> And whether by willful intent or gross negligence, many of those engaged in this policy debate overlook the compounding effect of racism and how it specifically impacts Black borrowers. Put simply, student debt is a racial and economic justice issue, and any proposed solution to the student debt crisis must center the perspectives, lived realities, and voices of Black borrowers, rather than solely use their data to frame the problem.

That is why The Education Trust, in partnership with Jalil B. Mustafa, Ph.D., launched the [National Black Student Loan Debt Study](#).<sup>2</sup> This study includes a nationwide survey of nearly 1,300 Black borrowers and in-depth interviews with 100 Black borrowers across various life points. At participants' request, we replaced their names with pseudonyms. Rather than reporting student loan outcomes, we focus on borrowers' perspectives and life experiences with student loans. Most of the participants in our sample hold a degree, identify as Black women, and earn more than \$50,000 a year. Others are parents who assumed student loans for their children, are currently in income-driven repayment plans, or are facing (or have faced) a host of financial challenges as a result of their student debt. The stories these Black borrowers share, as well as the solutions they raise, shine a light on the full weight of student debt while also offering a way forward. In solidarity with the Black borrowers from this study, The Education Trust is encouraging Congress and the Biden administration to [cancel student debt, double the Pell Grant](#) and create federal-state partnerships to address affordability in a comprehensive way.

<sup>3</sup> A recent [report](#) estimates that increasing Pell Grants for students from low-income backgrounds would help many families avoid having to take out loans: "An extra \$6,000 a year in Pell grants for four years would entirely replace the PLUS loans of about three-quarters of parents who borrowed with incomes below the poverty level (including 85 percent of low-income Black PLUS borrowers)." <sup>4</sup>



# 1

## FINDING

# STUDENT LOANS ARE NOT “GOOD DEBT”

**STUDENT LOAN DEBT IS WIDELY CONSIDERED “GOOD DEBT”** in that it offers a pathway to obtaining credentials that can lead to higher incomes, greater wealth, and social mobility. For Black borrowers, however, these gains have never been equal and are continuously [undercut](#).<sup>5</sup> The median annual earnings of [White](#) bachelor’s degree holders were \$50,000 for women and \$62,000 for men in 2018, versus \$47,600 and \$42,100 for their Black counterparts (in other words, the wages of White men and women with bachelor’s degrees were a stunning 30% and 19% higher than those of Black men and women with similar degrees).<sup>6</sup> This is the result of state disinvestment in higher education, systemic racism, and a racially stratified labor market across both hiring and [earnings](#).<sup>7</sup> The framing of student loans as “good debt” ignores the experiences of Black borrowers, who have less household wealth than their White counterparts and often have no option but to take out student loans to pay for college and the associated costs of attendance.

In our study, Black borrowers, even those with higher incomes and graduate degrees, challenged the assumption that student loans pay off. Black student loan borrowing is driven by a desire for higher-paying [jobs](#) and a better life.<sup>8</sup> But since a costly higher education is a prerequisite for those jobs, borrowers often find themselves in a catch-22, according to many of those we interviewed. In one interview, a participant we’ll call Lisa (who borrowed \$115,000) said she had no other alternative to pay for college and emphasized that the only option was *not* necessarily a good option, much less a choice:

**“I knew that we did not have money in my household. I knew that we struggled to make ends meet. I knew that it was totally bizarre for someone my age [I was 19 years old at the time] to sign a check for an amount of money that I had never held in my hand, and for it to go to the school.”** Other study participants said they have yet to see positive returns on their student loans (51%) and/or regret having taken out education loans (66%) that now seem “unpayable,” “not worth it,” and ultimately like an inescapable burden.

In other interviews, borrowers often highlighted the irony of Black people having to borrow to gain entrée to institutions that promise educational opportunity but have racially excluded them for generations. More than half of the Black borrowers in our study said they do **not** believe that student loans advance racial equality for Black borrowers (58%) or increase Black borrowers’ ability to build wealth (61%). (See Figure 1.) In fact, only 33% of respondents believe student loans improve life opportunities for Black borrowers. Many of them noted the ways in which student loans reproduce and heighten inequality: **“I understand, this is about financing an education. But there’s a lot that compounds with Black people. So, for me, it was the health incident. It was the job insecurity. It was dealing with police. And then, I’m still not paying on my own student loans,”** said Xavier, a respondent who borrowed \$40,000. The current student debt cancellation debate grossly ignores stories like Xavier’s, which highlights how student loans perpetuate and are perpetuated by structural racism. While most of the Black borrowers we interviewed felt like they had made wise educational choices (and did not regret going to college), few of them look on student debt as “good debt,” much less a real choice.

**FIGURE 1: STATEMENTS RELATED TO WHETHER STUDENT LOANS ARE GOOD DEBT**

STATEMENT	AGREE	NEUTRAL	DISAGREE
<b>Student loans improve the life opportunities of Black student borrowers.</b>	33%	20%	47%
<b>Student loans contribute to racial equality for Black student borrowers.</b>	26%	16%	58%
<b>Student loans increase Black student borrowers’ ability to build wealth.</b>	26%	12%	61%
<b>My student loan balance compels me to work in a line of work I would have otherwise avoided if not for my student loans.</b>	39%	15%	46%

**FIGURE 2: VIEWS ON STUDENT LOANS**

QUESTION	YES	NO
<b>In retrospect, do you feel you've experienced positive returns on your student loans?</b>	49%	51%
<b>In retrospect, do you regret having taken out student loans to fund your education?</b>	66%	34%



**58%**

of respondents disagree that student loans contribute to racial equality for Black student borrowers



# FINDING 2

## INCOME-DRIVEN REPAYMENT PLANS ARE A LIFETIME DEBT SENTENCE

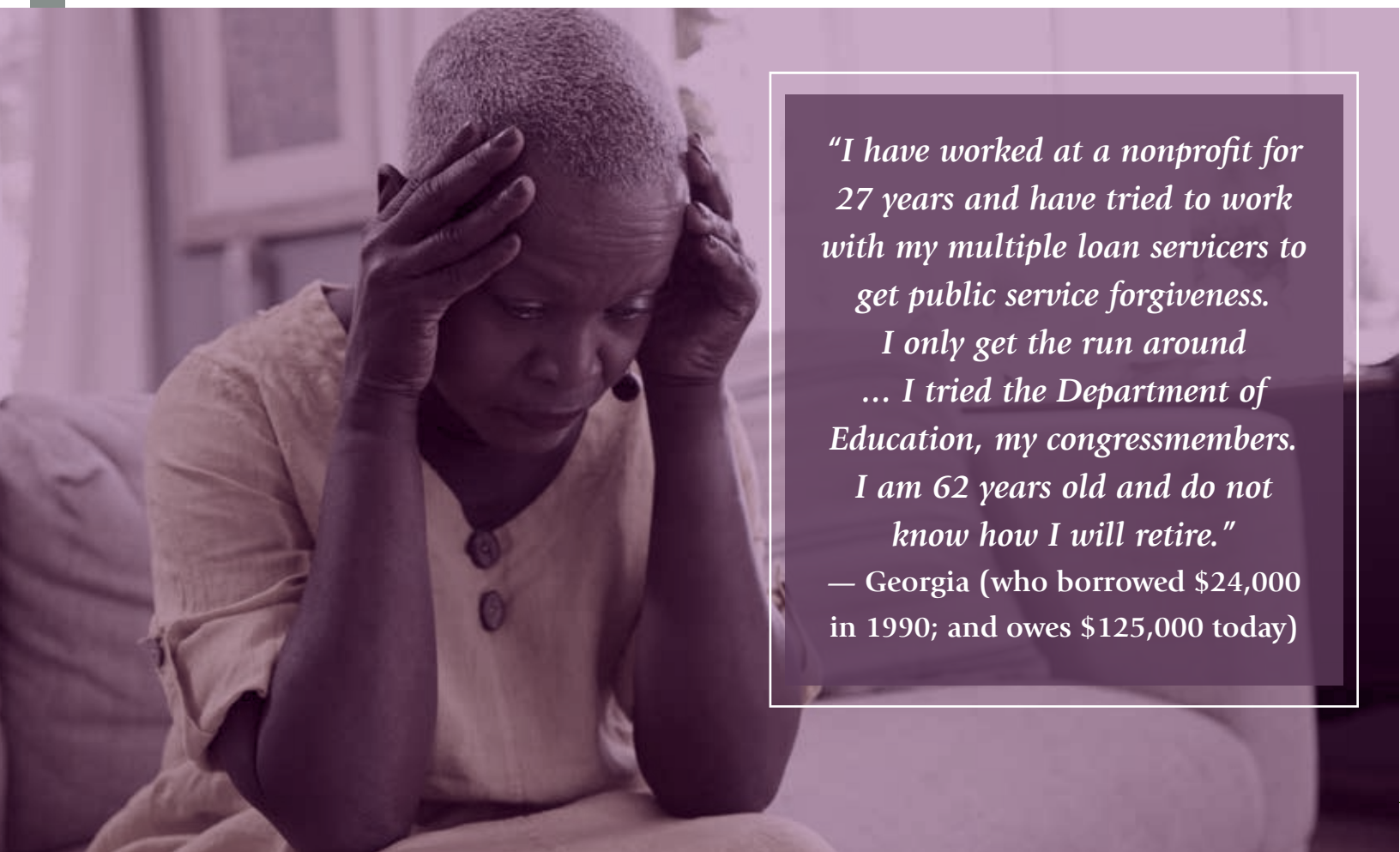
IN THE POLICY ARENA, A SOLUTION THAT IS ROUTINELY OFFERED as an alternative to large-scale student debt cancellation is reforming income-driven repayment (IDR) plans. About 27 years ago, Congress [created](#) IDR plans to provide relief to student loan borrowers who could not afford the 10-year standard repayment plan.<sup>9</sup> The plans work as follows: Borrowers apply to enroll and, if they qualify, their monthly student debt payment is adjusted based on their discretionary income, and the standard 10-year repayment period is extended over 20-25 years — at which point, they can apply to have their outstanding student loan balance cancelled. While many borrowers who enroll in IDR plans have lower monthly payments based on their income, they have growing student loan balances because their payments do not cover both interest and principal. One [expert](#) put forward this scenario: “Imagine a low-income borrower with \$10,000 of debt who is not required to make any payments. This person will have to recertify their income 20 times, and by the time the debt is forgiven, the \$10,000 initial debt will have grown to more than \$17,000 at current interest rates.”<sup>10</sup>

The latest proposed reforms to IDR would make enrolling in these plans easier and adjust the length of time that borrowers must make payments before being eligible for cancellation. But while those reforms sound promising, readers should note that IDR plans have already been changed various times over the last two decades, purportedly making enrollment easier, payments more affordable, service better, and information clearer. Yet [6 out of 10 borrowers](#) who have enrolled in these plans (of which there are [six](#) main types) fail to re-enroll on account of how burdensome and confusing the process and paperwork can be — not realizing that when a borrower does not re-enroll, their unpaid interest may be capitalized, i.e., added to their current principal.<sup>11</sup> And that means interest will now accrue on that new (and bigger) balance.

In addition, borrowers enrolled in these plans — including many of those who have been making payments for over 20 years — have not received student loan cancellation. Of the 2 million borrowers who became eligible in 2019 for student debt cancellation under IDR plans, only [32](#) have so far been granted student loan relief, according to data from the U.S. Department of Education.<sup>12</sup> Likewise, less than [2%](#) of borrowers have received cancellation under the Public Service Loan Forgiveness Program (PSLF) (which is not an IDR plan, but requires borrowers to use IDR).<sup>13</sup> So, despite the promise and hope of these plans and efforts to reform them, enrolled borrowers are not [reducing their student debt](#) balances, and many more borrowers will soon be eligible for cancellation. In fact, it is estimated that nearly [\\$500 billion](#) in student debt will never be collected, and that estimate predates the pandemic.<sup>14</sup>

Of the Black borrowers in our study who were in repayment, 72% were enrolled in an IDR plan. In interviews, many of them described their student loans as a “trap” or “scam” or drew comparisons between their experiences in these plans and historic examples of racial oppression. Many also described student loans as a lifetime sentence, in which they “do their time,” re-enroll in IDR every year, but have no “hope of paying off their balance.” They described their growing balances under IDR plans as “shackles on their ankle” or “like Jim Crow,” where the debt ensures that they will never have full freedom.

The majority of the respondents enrolled in an IDR plan (58%) estimated that it would take them 16 or more years to repay their debt, though many doubted they would ever be able to repay it. While a 16-year-plus timeline is typical of IDR plans, it is much longer than the standard student loan repayment timeline of 10 years. Several interviewees worried about making seemingly endless minimum payments — and noted that their payments did



*“I have worked at a nonprofit for 27 years and have tried to work with my multiple loan servicers to get public service forgiveness. I only get the run around ... I tried the Department of Education, my congressmembers. I am 62 years old and do not know how I will retire.”*  
— Georgia (who borrowed \$24,000 in 1990; and owes \$125,000 today)

not cover principal and interest, and that their overall balance was growing as a result. They feared that their loan would be with them for the rest of their life and that the only way to be rid of it would be “taking it to my grave” or “when I die.”

Without IDR plans, many Black borrowers would face higher monthly payments (and potentially higher default rates), but borrowers in IDR plans face the constant financial and mental stress that comes with having student debt payments that extract a cut of their income — potentially, for a lifetime. Georgia, who has carried student debt for 31 years (she borrowed \$24,000 in 1990; and owes \$125,000 today), is the perfect illustration of what a life sentence of student debt looks like. She is 62 years old and was devastated when she found out she did not qualify for public service loan forgiveness, despite being enrolled in an IDR plan: **“I have worked at a nonprofit for 27 years and have tried to work with my multiple loan servicers to get public service forgiveness. I only get the run around ... I tried the Department of Education, my congressmembers. I am 62 years old and do not know how I will retire.”**

**FIGURE 3: IMPACT OF LOANS ON MENTAL HEALTH, QUALITY OF LIFE, AND FINANCIAL STRESS**

(BY INCOME-DRIVEN ENROLLMENT PLAN STATUS)

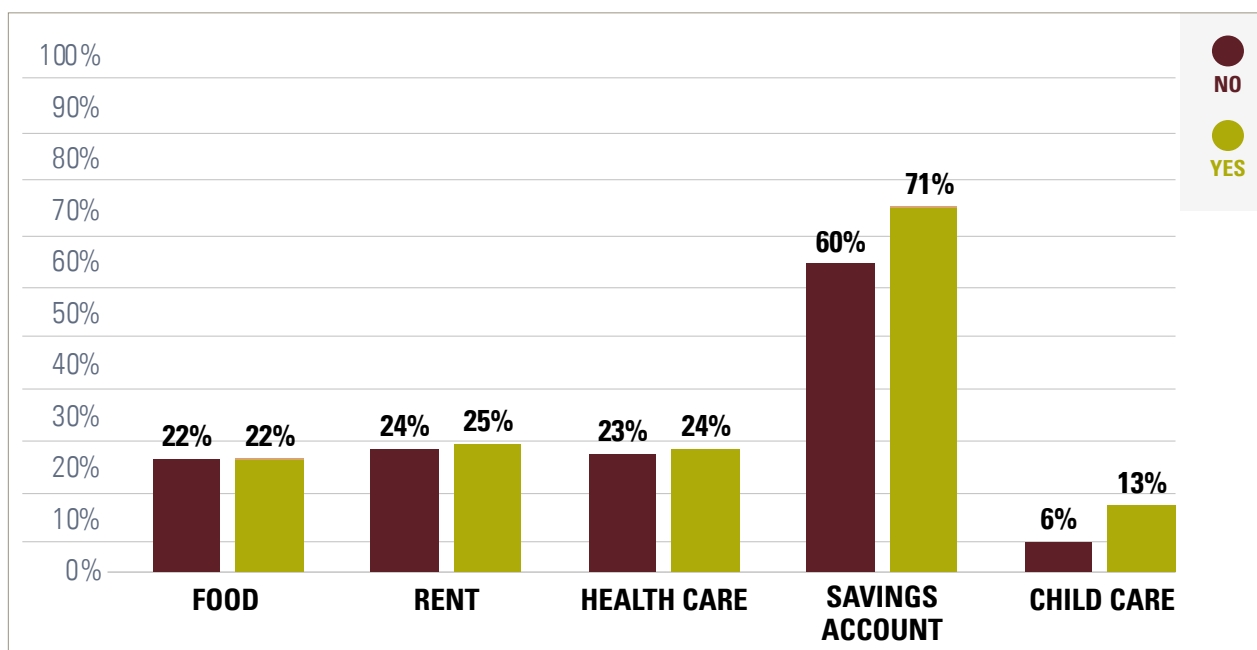
STATEMENT	OVERALL	NO	YES
<b>Loans Have Negative Impact on Quality of Life</b>			
Agree	69%	66%	71%
Disagree	7%	21%	15%
Neither agree/disagree	14%	13%	15%
<b>Loans Primary Source of Financial Stress</b>			
Agree	76%	71%	78%
Disagree	17%	22%	15%
Neither agree/disagree	7%	7%	7%
<b>Loans Have Negative Impact on Mental Health</b>			
Agree	64%	55%	67%
Disagree	21%	27%	8%
Neither agree/disagree	15%	8%	14%

Please note that ‘NO’ corresponds to those borrowers who have entered repayment and are not enrolled in an IDR plan; ‘YES’ corresponds to those who have both entered repayment and are enrolled in an IDR plan.

Georgia, like some other interviewees, said she received inaccurate information from her loan servicer about which student loans qualified for IDR plans, which past payments counted toward PSLF, and how to certify that payments qualified. Many Black borrowers cited confusing repayment plan rules as a constant source of stress or a “dark cloud” over their heads that had led them to experience depression and/or suicidal thoughts. Figure 3 shows how many study participants enrolled in IDR plans noted that student debt is a primary source of financial stress and has negatively impacted their mental health. Figure 4 highlights the proportion of participants who said their monthly payments limit their ability to meet basic needs. Many of those enrolled in IDR plans said they have a hard time affording a savings account (71%), health care expenses (24%), rent (25%), child care (13%), and food (22%). Black borrowers in our study have an average monthly payment of \$502. For Black borrowers, IDR plans are not easing the student debt crisis; indicators like increasing balances and decreasing repayments suggest they may be exacerbating or prolonging it; even default rates remain high, despite the [availability](#) of these plans.<sup>15</sup>


The existence of IDR plans suggests that there is agreement that cancellation is a legitimate policy solution for student loans. Yet, the design of IDR plans makes harmed borrowers, including many Black people, wait 20-plus years for cancellation (which has not, for the most part, happened). In our conversations with Black borrowers, many doubted that cancellation through IDR plans would ever occur. They wondered why they are being made to wait, given that they, like millions of borrowers, are in desperate and immediate need of relief and that large sums of student loan debt will never, ultimately, be collected. Why kick the can down the road and waste millions of tax dollars trying to collect outstanding debts that are already highly unlikely to be repaid or will be eligible for cancellation at a later date? Canceling student debt now would be beneficial for countless Americans. Not only would Black borrowers and other struggling borrowers get relief from the financial and mental stresses associated with outstanding debt, but they would have more money in their pocket to put toward basic needs — which would help them *and* the economy. What’s more, IDR plans effectively make Black borrowers wait for justice, despite widespread agreement that student loans are driving racial inequality in the here and now and that a race-conscious policy solution is needed.

**FIGURE 4: PERCENTAGE OF BLACK BORROWERS WHO ARE UNABLE TO AFFORD BASIC NECESSITIES**  
(BY INCOME-DRIVEN ENROLLMENT PLAN STATUS)



*Note that 'NO' corresponds to those borrowers who have entered repayment and are not enrolled in an IDR plan; 'YES' corresponds to those who have both entered repayment and are enrolled in an IDR plan.*





# FINDING 3

## LIMITING STUDENT DEBT CANCELLATION WOULD HARM BLACK BORROWERS THE MOST

MUCH OF THE STUDENT DEBT CANCELLATION DEBATE HAS FOCUSED ON WHO SHOULD AND SHOULD NOT RECEIVE CANCELLATION, with many policy proposals calling for limiting (i.e., means-testing) cancellation by income, graduate school debt, and/or amount borrowed. The leading student debt cancellation [proposals](#) cap or gradually phase out the cancellation amount for borrowers making over \$100,000.<sup>16</sup> One proposal would cap student debt cancellation at \$10,000; another would cap it at \$50,000. Recently, President Joe Biden said that he is reluctant to support broad-based cancellation, lest it unfairly benefit Ivy League students. This characterization egregiously misrepresents the student debt crisis and ignores racial inequities. (It also ignores the fact that [very few student loan borrowers go to Ivy League colleges](#).)<sup>17</sup> And these limits would disproportionately exclude Black borrowers, who are (1) more likely to have balances over \$50,000, let alone \$10,000; (2) more likely to enroll in graduate school and take on high debt levels out of necessity (i.e., as a hedge against discrimination in the labor market), not privilege; and, (3) less likely to amass wealth, even when earning a higher income.

Our findings challenge the idea that student debt cancellation should be means-tested. Figure 5 shows the median debt loads of Black borrowers in our sample across income levels. At every income level, the debt load was near or above the \$50,000 cancellation mark, which is the threshold in the most generous policy proposal. In addition, most of our sample had graduate degrees (67%); 42% had incomes over \$68,000. Prior [research](#) suggests that borrowers with a graduate degree and incomes above \$68,000 are well off and undeserving of cancellation, but Figure 5 shows that even borrowers assumed to be well off are postponing key life events.<sup>18</sup>

Many borrowers earning more than \$25,000 said they had postponed purchasing a home. Nid who (borrowed \$90,000), for one, explained how her debt-to-income ratio has impacted her life, despite having a low monthly payment under an IDR plan: “So, I continue to be incredibly frustrated on simple things like financing a vehicle, refinancing my vehicle, refinancing my home ... because of my [student] debt-to-income ratio. At this point, I’m doing everything that I can for it and I have a high credit score.” Using income and graduate degrees as markers of economic wellness assumes that all racial groups have access to the same financial means and opportunities, but decades of research shows that Black people have vastly different economic experiences, due to structural racism that has limited and stolen wealth from Black families. A previous Ed Trust [report](#), for example, found “that Black students from high-income families [with incomes over \$129,000] are nearly seven times as likely to default on their student loans as their White peers from families of similar incomes.”<sup>19</sup>

**FIGURE 5: LIFE ACTIVITIES POSTPONED DUE TO STUDENT LOAN DEBT**  
(GRADUATE-DEGREE-HOLDER STATUS)


INCOME/ GRADUATE DEGREE	MEDIAN DEBT BALANCE	CONTRIBUTING TO RETIREMENT	PURCHASING A HOME	HAVING A CHILD	PAYING OTHER DEBT	SWITCHING JOBS	MARRIAGE
<b>Less than \$25,000</b>	\$46,000	39%	42%	24%	33%	20%	20%
<b>\$25,000 – \$50,000</b>	\$63,000	46%	62%	32%	38%	27%	21%
<b>\$50,000 – \$75,000</b>	\$80,000	50%	60%	35%	45%	34%	25%
<b>\$75,000 – \$100,000</b>	\$94,500	55%	67%	36%	46%	25%	18%
<b>Above \$100,000</b>	\$102,000	56%	55%	27%	44%	26%	16%
<b>Graduate- Degree Holders</b>	\$98,000	51%	61%	32%	44%	28%	20%

There is an old adage: Black people have to work twice as hard to get half as far. When it comes to credentials and the job market, that adage holds true. Many of those we interviewed felt they needed higher levels of education than their White peers to get comparable jobs and wages: 95% felt that to be hired, their credentials had to be better than those of their non-Black counterparts, and 72% of the Black borrowers who participated in our study said they had faced discrimination in the labor market due to their race. Researchers [reviewed](#) hiring discrimination studies of the past 30 years and found that, even when controlling for education levels and occupation types, people of color face consistent employment discrimination.<sup>20</sup> Perversely, a majority of the Black borrowers we spoke with (65%) also said that they had pursued additional credentials in order to earn enough money to repay their student loans. For others, going to graduate school offered a temporary reprieve, allowing them to defer their loans while earning more credentials that would, they assumed, lead to higher wages and more manageable payments; but, unfortunately, the effect was often a higher overall debt balance.

While our study shows that Black borrowers with graduate degrees tend to earn higher incomes than those without advanced degrees, it also shows that the former often incur more debt to achieve those earnings. According to our analysis, Black borrowers with graduate degrees who earned over \$100,000 a year had a median debt balance of \$115,000, while those who earned less than \$100,000 a year had a median student debt balance of \$94,000.

So much for manageable student loan debt. Black borrowers described their graduate school experience as a time of poverty, and many of them graduated or left with six-figure loan balances. In our study, the median student debt balance for those who attended graduate school was \$98,000. Dae, who borrowed \$35,000 and was a student-parent like several Black women in our study, explained that being enrolled in graduate school full time often meant that one was limited from earning money for basic needs: *“I wish something would be different ... that students are not punished for not wanting to live in poverty. I say that because it’s like when you’re in grad school, they want you to get these experiences through internships, through real world practice, but then when you do it and [want] somebody to pay you for it, it’s like you’re punished.”*

Graduate programs usually prohibit students with scholarships and fellowships from working full time or require them to take on unpaid internships, field work, and course loads that make full-time employment a non-option. As a result, many borrowers have to borrow, not just for tuition and fees, but also to cover necessary living expenses. Contrary to popular belief, having a graduate degree and a higher income did not mean these Black borrowers were off to the races. It got them a delayed start behind those with degrees and no debt, and left them with little hope of ever catching up. Our research findings, along with other studies, show that Black people [disproportionately benefit](#) when student loan cancellation levels are \$75,000 or above.<sup>21</sup>

A black and white photograph of a woman with curly hair, wearing a white lace top, looking thoughtfully at a bookshelf in a library. The background is filled with rows of books on shelves.

*“So, I continue to be incredibly frustrated on simple things like financing a vehicle, refinancing my vehicle, refinancing my home ... because of my [student] debt-to-income ratio. At this point, I’m doing everything that I can for it and I have a high credit score.”*

— Nid (who borrowed \$90,000)



# FINDING 4

## THE BLACK BORROWERS IN OUR STUDY WANT FULL DEBT CANCELLATION

### INDEED, FOR MANY OF THE BLACK BORROWERS WITH WHOM WE SPOKE THROUGHOUT 2020,

the deleterious and multifaceted impact of the pandemic (which deepened racial and ethnic inequities in education, health, housing, and economic well-being) only set them back further on repaying their student loans and highlighted the urgency of enacting debt cancellation. Between February and April 2020, for example, Black [people](#) faced unemployment at higher rates than their White counterparts (17% vs. 14% respectively); the former were also more likely to be front-line workers (1 in 6 Black workers were considered essential), and, as such, they were disproportionately more likely to get COVID-19 and die. Black people comprise just 13% of the U.S. population, but 22% of COVID-19 deaths in the U.S.<sup>22</sup> Since Black borrowers are most heavily impacted by the student debt crisis, their views on solutions must be a central consideration in any conversation or proposal on how to address the crisis. If policymakers and advocates hope to understand the full depth of the crisis and identify a path forward that will right ongoing racial wrongs, they must listen to and lead with Black people's voices.

Black borrowers in our study understand that Black people [carry more student debt](#), repay their loans at a lower rate, and default at a higher rate than their non-Black peers (see Figure 6).<sup>23</sup> Black respondents correctly identified indicators of the Black student debt crisis that many policy experts [consistently](#) ignore when discussing or proposing solutions.<sup>24</sup> In interviews, Black borrowers described student loans as a deliberate policy failure that was never intended to address

racial realities. Leonard who (borrowed \$205,000) said: **“I mean, realistically, I think the [student loan] system is working exactly as we expect it to. Like, it was designed for this very outcome and so no one’s surprised that we somehow built a financial aid process and policy and set that up to only consider your annual salary, as if [Black people] all have the same net assets.”** Black borrowers noted that a system that encourages the use of student loans and ignores racial and economic evidence of inequality is designed to reproduce inequality. They also insisted that there are potential solutions that reflect alternative policy frames for racial justice.

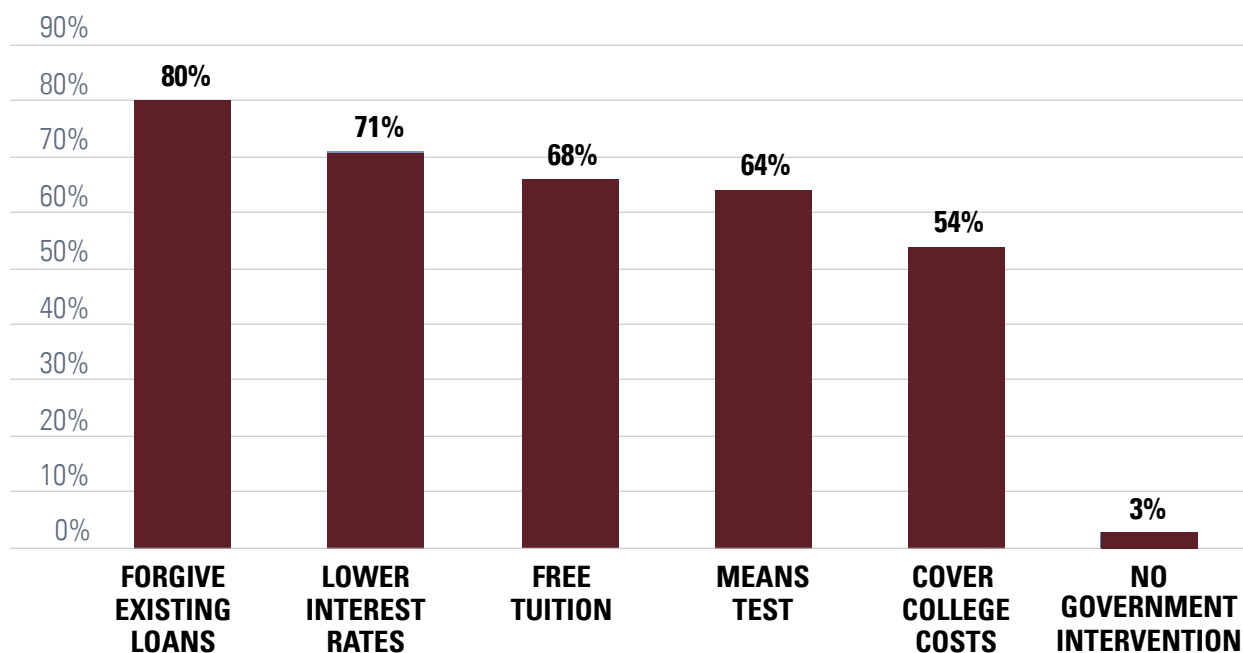
For instance, 80% of the Black borrowers we surveyed support government forgiveness of all student debt — in fact, participants backed this solution more than any other (see Figure 7). In contrast, only 3% of them *oppose* government intervention in student debt repayment. For many of those surveyed, debt cancellation was a matter of racial justice. Elijah who (borrowed \$20,000) suggested that canceling the student debt of Black borrowers could be a form of restitution and help narrow the racial wealth gap: **“I mean, cancel student debt [to] have reparations. A part of reparations is that people who are African American descendants of slaves directly get money because of our ancestors building the country. Yeah, I mean, it has to deal with redressing racism and wealth inequality.”**

Others acknowledged that debt cancellation won’t lower the cost of college but still believe immediate relief is needed to right this ongoing racial wrong. For many Black borrowers, cancellation is about the present student debt burden they are enduring, the generational burden they watched their parents carry or worry their own children will have to carry, and the historic burden that systematically placed Black people at a disadvantage.

**FIGURE 6: BORROWERS’ UNDERSTANDINGS OF THE BLACK STUDENT DEBT CRISIS**

<b>Black students borrow...</b>	
A similar amount of money	8%
Less money	3%
More money	89%
<b>Black students default...</b>	
At a higher rate	71%
At a lower rate	3%
At a similar rate	26%
<b>Black students repay their loans...</b>	
At a higher rate	13%
At a lower rate	58%
At a similar rate	29%

**FIGURE 7: BLACK BORROWERS' SOLUTIONS TO DEBT CRISIS**



**80%**  
of the Black borrowers we surveyed support government forgiveness of all student debt

# Conclusion

It is heartening that the Black student loan crisis has moved from the margins to the national policy debate stage. But highlighting data on Black student debt outcomes is not the same as centering Black people's views and experiences when discussing the debt crisis and designing solutions to it. Preliminary findings from our study show that many Black borrowers view student loan policy as a matter of racial justice and full cancellation as the best solution, as well as an important step toward levelling the playing field and reversing historic racism. Our study also shows that Black borrowers understand the sources and scope of this crisis in a way that those who didn't struggle to pay for college do not. Policymakers just need to listen to them.

**To learn more about Black borrowers' experiences, the Black student debt crisis, and the college affordability crisis, sign up for updates at [edtrust.org](https://edtrust.org).**

# Methods

In this study, we employed a sequential, equal status mixed-method design with a non-random sampling scheme. We designed and created a survey instrument that elicited Black borrowers' perspectives on student loans and their experiences with them — paying particular attention to their mental health, the quality and sources of information, the impact of the COVID-19 pandemic, borrowers' return on investment, debt as a contributor to inequality, and Black borrowers' solutions to the current debt crisis.

To recruit participants, we used free and paid ads on social media (e.g., Twitter, Facebook, LinkedIn), email alerts, and word of mouth. Participants completed the survey and were then invited to volunteer for an in-depth interview. Interviewees were selected from a list of volunteers based on particular demographic characteristics. Using the constant comparative method, we identified key themes from the qualitative data.

In total, 1,272 Black borrowers completed our survey. Our survey sample consists largely of four-year and graduate-degree holders, women, borrowers aged 25 and older, and borrowers earning \$50,000 or more annually. Respondents attended an assortment of institutional types, including HBCUs, for-profit institutions, and public and private colleges and universities. Names listed throughout this brief are selected pseudonyms.

Survey data was cleaned, recoded, and analyzed using frequencies and descriptive statistics. Missing data for key grouping (e.g., income, gender, age) and independent variables was flagged and removed using pairwise deletion as missingness was not greater than 2% for any one item.

This study was approved by the Institutional Review Board (IRB) of the University of Pennsylvania.

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## **ABOUT THE EDUCATION TRUST**

The Education Trust is a national nonprofit that works to close opportunity gaps that disproportionately affect students of color and students from low-income families. Through our research and advocacy, Ed Trust supports efforts that expand excellence and equity in education from preschool through college; increase college access and completion, particularly for historically underserved students; engage diverse communities dedicated to education equity; and increase political and public will to act on equity issues.

## **ACKNOWLEDGMENTS**

Special thanks to the TIAA Institute for providing support for this project.

We would like to express our deep appreciation for the study participants who bravely shared their struggles and success stories with us. Without them, this project would not have been possible.



The Education Trust



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**NAACP**

# **LEGISLATION, POLICY, *and the* BLACK STUDENT DEBT CRISIS**

*A Status Report on College Access, Equity, and Funding a Higher Education for the Black Public Good*

by Charles H.F. Davis III, Ph.D., Jalil Mustafa Bishop, Ph.D., Kyah King, M.Ed., and Ayan Jama, M.Ed.





# NAACP

A grant from the Lumina Foundation, in partnership with the National Association for the Advancement of Colored People (NAACP), funded the production of this report. The authors are grateful for the generous support of and opportunity to publish our research on behalf of the largest U.S. civil rights member organization. The authors are particularly thankful to Dr. Katherine Wheate and Tiffany Dena Loftin for their inspiration and dedication to addressing the Black student debt crisis through this project.

The opinions expressed in this report are entirely the authors' and do not necessarily represent viewpoints of the Lumina Foundation or the NAACP.

## **RECOMMENDED CITATION**

Davis III, C. H. F., Mustafa, J. B., King, K., & Jama, A. (2020). *Legislation, Policy, and the Black Student Debt Crisis*. Washington D.C.: National Association for the Advancement of Colored People. Copyright © 2020, National Association for the Advancement of Colored People. All rights reserved.

## **PHOTO CREDIT**

All report photos (headshots excluded) provided by Charles H.F. Davis III.

## **MEDIA INQUIRIES**

Please direct all media inquiries and interview requests about the contents of this report can be sent to either Dr. Charles H.F. Davis III ([hfdavis@umich.edu](mailto:hfdavis@umich.edu)) or Dr. Jalil Mustafa Bishop ([jbishop@gse.upenn.edu](mailto:jbishop@gse.upenn.edu)).

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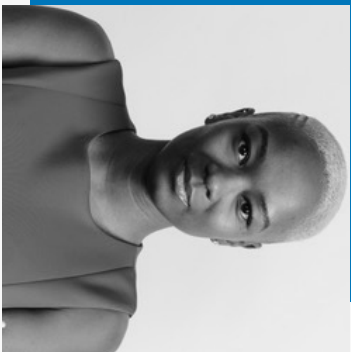




## EXECUTIVE SUMMARY

The student debt crisis has a disproportionate impact on Black borrowers and their families. Across all racial groups, Black borrowers hold the most student loan debt despite also being consistently underserved by postsecondary institutions – especially for-profit and private non-profit colleges – toward persistence and degree-completion. This is also true for Black students pursuing master's and doctoral degrees, whereby 81% borrowed for graduate school. Additionally, although Black women are outpacing Black men in terms of college enrollment, they are also especially burdened in terms of the amount of student debt they acquire. By comparison, Black women hold 47% more student debt than White men and 27% more than White women. Altogether, the disparities in debt acquisition are compounded by the racial and gender pay gaps in which Black graduates – on average – earn 15% less than their White counterparts and are underemployed at two-thirds the rate of bachelor degree holders ages 25-34. These debt realities are set against the backdrop of Black families with college-aged children having a median income 70% of the overall median income in the United States. This signals that many Black students enter college with considerably fewer financial resources, which results in increased borrowing in addition to working while enrolled. Furthermore, Black students attending predominantly White institutions continue to experience various forms of racial and educational violence on campus prior to entering an inequitable labor market for Black degree-earners. For Black students attending Historically Black Colleges and Universities (HBCUs), despite experiencing welcoming environments and greater rates of academic success overall, their institutions remain woefully underfunded by comparison to PWIs. Therefore, serious interventions are needed toward the end of funding a higher education for the Black public good. This includes, but is not limited to, increased funding for HBCUs and predominantly Black institutions as well as the cancellation of current student debt and providing pathways to significantly reduce if not eliminate potential debt traps for Black students in the future.

# LEGISLATION, POLICY, AND THE BLACK STUDENT DEBT CRISIS



## MESSAGE FROM DIRECTOR TIFFANY DENA LOFTIN NATIONAL DIRECTOR, NAACP YOUTH & COLLEGE DIVISION

*Ms. Loftin was formerly the Senior Program Specialist in Community Advocacy and Partnership Engagement, Center for Social Justice at the National Education Association. Her responsibilities focused around aligning NEA priorities with partners within the African-American and progressive communities and creating opportunities for critical dialogue and action addressing the racial and economic disparities that impact educators, students, and communities across the country.*

The fight for an affordable and quality higher education started for me in high school. Because I did not have the same resources as many others to attend college, I benefitted from a preparatory program for low-income students. Then, when I arrived on campus, the Board of Regents raised tuition 32%. I quickly realized how onerous paying for college was and had no choice but to fight back. Higher education was a privilege afforded to a select few when it needed to be a right for all. That is why I advocated for the Student Loan Forgiveness and Repayment Assistance Act as a student government leader and, a few years later, as the Vice President of the United States Student Association, continued organizing for student debt relief. When I accepted the role as NAACP National Director in 2018, I knew we could empower the voices of young Black leaders to be more influential, powerful, and robust; over the last 12 months we have done just that.

Through convening a national policy writing institute, a series of focus groups, hosting nationwide town halls on the issue of debt cancellation, publishing essays to share Black students' stories, and facilitating advocacy days with elected officials, we pivoted from producing educational programming to organizing impactful campaigns. To support our work, we have partnered with national experts on Black students' experiences in college to produce timely and necessary research for our membership, educators, and policymakers. We believe the information contained in this report is a valuable resource for debunking the fears and strengthening confidence in our collective ability to cancel student debt. In no uncertain terms, addressing the Black student debt crisis is imperative to this country's future and, with this report, the young Black leaders in the NAACP are further empowered to help us win.

As a global pandemic has caused millions of people to file for unemployment, many graduates have no way of paying off their student loans. And, although the CARES Act temporarily halted student loan repayments, the movement led by young people to cancel student loan debt and save higher education as a public good continues. Through our partnership with the Lumina Foundation and Dr. Charles H. F. Davis III, we have been able to further build Black political power. This report is critical to advancing the conversation about the need for policies that explicitly relieve Black borrowers and communities disproportionately affected by the growing debt crisis. We know that any conversation about higher education without young Black folks at the table lacks the grounding for real solutions. That is why the NAACP Youth & College Division has been working to change the national discussion around the possibilities of student debt cancellation and the right to quality higher education for the Black community. Not just because student loan debt impacts us intensely, but because we are the largest and oldest vehicle for Black youth leadership and can strengthen the movement for a future with debt-free college.





## MESSAGE FROM DR. TIFFANY JONES

### DIRECTOR OF HIGHER EDUCATION POLICY, THE EDUCATION TRUST

*Before joining Ed Trust, Dr. Jones led the higher education portfolio at the Southern Education Foundation, where she partnered with Historically Black Colleges and Universities and Hispanic Serving Institutions to advance student success and engage in analysis of federal and state policies (such as performance- and outcomes-based funding) using an equity lens.*

The release of this report on Black student debt from the NAACP comes at a crucial and difficult time in our country. The COVID-19 pandemic is highlighting the economic fragility that the current generation is experiencing and is bringing the student debt crisis into the national conversation. And while the \$1.6 trillion in student debt affects many Americans, the student loan data illustrates that borrowing while Black is a disproportionately different experience. We have a crisis in which Black students are more likely than any other racial/ethnic group to borrow, borrow more, struggle with repayment, and still have higher default rates among those who earn a college degree and come from high-income families.

This disproportionate impact on Black students is not due to “bad” decisions by borrowers, nor is it a random occurrence; it is the result of racism and inequity manifesting themselves in systemic injustices such as income and wealth gaps, separate and unequal segregation, inequitable funding in education, and ineffective federal and state policy that student debt then compounds to make college unaffordable for Black students. Unfortunately, in today’s knowledge economy where the majority of the jobs require some sort of post-secondary education, the most expensive education is the one *not* earned because borrowers have debt without receiving the earning boost from having a degree. Frankly, our current higher education funding and financial aid system is broken, and an equitable transformation will not be achieved by ignoring racial discrimination, or avoiding race-conscious policies.

The Education Trust also recognizes this, and has responded by collaborating with Dr. Jalil Bishop at the University of Pennsylvania to launch the National Study on Black Student Loan Debt to better understand the experience of Black borrowers. Gathering the voices and experiences of Black borrowers is one step, but this report from the NAACP can inform the existing research and advocacy on Black student debt as it provides the necessary context, analysis, and recommendations policymakers need to help build a future where Black students do not have to mortgage their futures to pay for college.



## MESSAGE FROM REP. AYANNA PRESSLEY

### U.S. REPRESENTATIVE, MASSACHUSETTS 7TH CONGRESSIONAL DISTRICT

*Congresswoman Ayanna Pressley is an advocate, a policy-maker, an activist, and a survivor. On November 6, 2018, Rep. Pressley was elected as the first woman of color to be elected to Congress from the Commonwealth of Massachusetts. In March, Rep. Pressley co-introduced legislation for the immediate debt cancellation of thousands of dollars per borrower with Rep. Ilhan Omar (D-MN) to provide meaningful relief.*

Our nation is in the midst of concurrent crises, a public health crisis and an economic crisis disproportionately ravaging our Black communities and threatening the livelihoods of Black workers and families. The COVID-19 pandemic has laid bare many of our nation's deeply entrenched inequities and disparities—including the ways in which our student loan debt crisis has disproportionately impacted the financial resiliency of the Black community and hindered our ability to build wealth and prosper.

In this moment of national reckoning, we must be unapologetic in our efforts to dismantle policies and systems that perpetuate and exacerbate racial inequities in our country. The NAACP's *Black Borrowers Report* comes at a critical moment, and it underscores the ways in which our system of financing a higher education reinforces the racial wealth gap, exacerbates racial inequality and pushes the dreams of a higher education and economic mobility further out of reach for Black families.

The Black community has been forced to disproportionately shoulder the burden of our nation's \$1.6 trillion student debt crisis due to our nation's long history of racist public policy. From redlining to the lingering effects of the Great Recession, when Black families saw their net worth cut in half, Black families have been disadvantaged by generational wealth disparities that require them to take on higher levels of student debt for the chance to earn the same degree as their white counterparts. Not only do Black borrowers have to take on higher debt loads, they face higher default rates due to discrimination in the workplace and persistent race and gender wage gaps.

Only with bold, systemic reform and racially-conscious policy – such as the immediate cancellation of \$30,000 in student debt per borrower to help jumpstart the economy – will we be able to begin the work of alleviating the generational harm that has been inflicted. Congress must work to treat and address the crushing student debt crisis as the racial and economic justice issue that it is.

## HIGHER EDUCATION FOR THE BLACK PUBLIC GOOD

*“Higher education] is one of the greatest hopes for intellectual and civic progress in this country. Yet for many Americans, however, it has been seen as part of the problem rather than the solution.”*


Dr. Ernest L. Boyer, Former President of Carnegie Foundation for the Advancement of Teaching, 1979–1995

Politicians, policy makers, and researchers have long debated the merits of higher education as both a public and private good from which both individuals and society at-large benefit. When framed as a public good, access to education after high school by a widespread number of people benefits the general public, which is better off with more people having the benefit than without. Privately, however, the benefits of college or university training are largely attributed to individuals rather than society as a whole. As scholars of higher education and authors of this report, the public versus private debate raises questions of who, in the United States, constitutes the public and who is able to privately benefit from attending and graduating college. These questions are also centered around whether access to colleges and universities is equitable for everyone in the public and, if not, who in the public is considered deserving to enroll.

In many areas within the public domain, cost-benefit analyses have led to state and federal governments offering and/or funding other public goods such as Medicare, primary and secondary education, and interstate highway construction. However, all public goods depend heavily on White taxpayers’ and policymakers’ perceptions of who (or

what) incurs the costs and, more importantly, who accrues the benefits. For example, many argue against the benefits of affirmative action when the cost-benefit is framed as poor Black people receiving a handout, but offer full support for tax-free college savings accounts when framed as middle-class (White) people receiving a wealth-building tool. Both are programs where the government transfers resources back to people, but how those transfers and the beneficiaries are framed deeply influence whether investing in the public good is considered worthwhile and would be of greater benefit to society overall.

Higher education, in particular, is framed as a race-neutral public good. Nevertheless, colleges and universities have and continue to operate racially by including White people through the exclusion of Black people. That is to say, higher education as a public good has led to large-scale investments in public community colleges and four-year institutions, and even private non-profit and for-profit institutions. These investments are race-neutral on their surface, but critical racial analyses have shown that Black people are concentrated in institutions that historically and currently receive less government funding and have



*A Black Public Good consists of institutions, policies, and funding structures that are race-conscious rather than race-neutral as well as protections that ensure Black people are included. To be sure, we believe inclusion is not defined by its rhetoric, predation, or universal appeal, but equity-driven results that improve the educational and material conditions of everyday Black people.*

lower operating budgets, all of which contributes to institutions failing Black students and their ability to persist and ultimately graduate (Carnevale, Van Der Werf, Quinn, Strohl, & Repnikov, 2018). Like other public goods, higher education operates in ways that make evident the public being served is not Black people. More specifically, Black graduates are routinely relegated to a collective, subordinate socioeconomic position that benefits White institutions, organizations, and enterprises with limited benefit to themselves or their communities. This is especially true of the current student debt crisis from which Black borrowers and their families remain disproportionately impacted.

Therefore, there is a need for reimagining higher education for the Black Public Good. A Black Public Good consists of institutions, policies,

and funding structures that are race-conscious rather than race-neutral as well as protections that ensure Black people are included as a forethought rather than a secondary concern. To be sure, we believe inclusion is not defined by its rhetoric or universal appeal nor its deference to the predatory inclusion of Black people into otherwise White normative standards. Instead, inclusion is determined by equitable results that consistently demonstrate a sustainable improvement in the educational outcomes and material conditions of everyday Black people. For this to be possible, immediate and critical attention must be given to understanding the current public good of higher education as predatory and racially-exclusive, particularly through a network of inequities exacerbated by race-neutral policy, funding structures, and the student loan industrial complex.

## COLLEGE ENROLLMENT TRENDS FOR BLACK STUDENTS

Overall, the percentage of enrolled students who are identified as racially minoritized in the United States has increased since the mid-1970s. Specifically, Hispanic and Asian/Pacific Islander<sup>1</sup> student enrollments have increased 15 and 5 percent respectively. Across all institutions, public and private, Black students represented 13.4 percent of all U.S. college students according to national enrollment data (United States Department of Education, 2019), an increase from 10 percent in 1976 and a slight decrease from 15 percent in 2011 (see Table 1). Additionally, the overall enrollment of Native and Indigenous students has remained stagnant at less than 1 percent (0.7 percent) during the same period. To the contrary, White students have decreasingly occupied less of a share for overall enrollments having declined from 84 percent to just 56 percent, although they remain the overwhelming majority of those enrolled at our Nation's private, highly-selective institutions (e.g., Ivy League colleges and universities and technical institutes). In undergraduate enrollment specifically, greater shares of student diversity primarily reflect the previously-mentioned increase in Hispanic student enrollment within the last 25 years (Espinoza, Turk, Taylor, & Chessman, 2019). Within the broad category of Black students, several distinctions are important to help clarify which Black students are enrolled, when and where they enroll, and the rates at which they successfully complete college. For instance, in 2017, although overall year-to-year trends moved upward for all students, Black students were least likely to enroll in college immediately after graduating high school (or equivalent) at a rate of 58 percent, 13 percentage points below Hispanics (see Figure 1). And, despite an overall increase in Black student enrollments between 1996 and 2016, the total share (or proportion) of Black students ages 16-24 enrolling in college after high school steadily decreased since 2010 and 4.4 percentage points between 2015 and 2016. This decrease helps shed light on the persistent myth that most college students are between the ages of 18 and 24. In particular, 53 percent of Black students enrolled were considered non-traditional at ages 24 and older in 2016 (United States Department of Education, 2016). Additional differences across gender show a persistent gap between Black women and men in terms of overall enrollment<sup>2</sup>. Specifically, more than 60 percent of all Black students at degree-granting colleges and universities nationally were represented by those identified as women while less

<sup>1</sup> Current national datasets are collected using pre-existing racial/ethnic categories that neither reflect the complexity nor nuance of racial and ethnic identities of those respondents surveyed. This limitation both reinforces incomplete or inaccurate representations of particular groups, to include but not limited to, the use of Hispanic instead of Latin@/x and the grouping of Asian and Asian Americans into a singular category (although Pacific Islanders were treated separately after 2003). These categories are used throughout the report to be consistent with the available data.

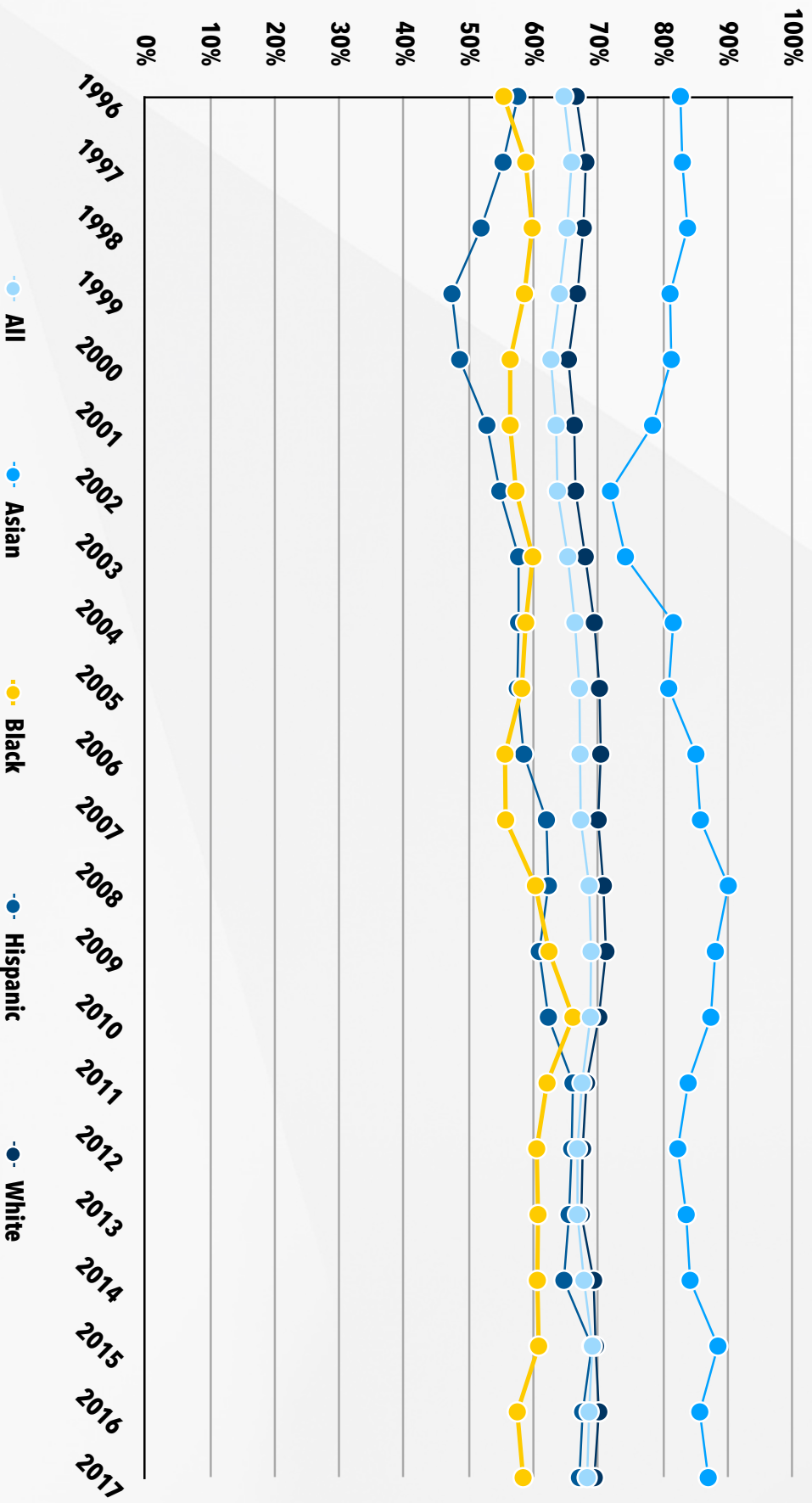
<sup>2</sup> As authors, we find it important to preface these data gaps as limited given existing national data sources on enrollments remain restricted to the gender binary between men and women. Therefore, current data on enrollments – such as those reported here – cannot fully reflect the full fluidity of gender identities or presentations of Black college students. Future data on postsecondary enrollments must include broader categories of genders not represented to understand additional gaps.

**TABLE 1. TOTAL FALL ENROLLMENT IN DEGREE-GRANTING POSTSECONDARY INSTITUTIONS, BY LEVEL AND CONTROL OF INSTITUTION AND RACE/ETHNICITY OR NONRESIDENT ALIEN STATUS OF STUDENT: SELECTED YEARS, 1976 THROUGH 2018**

Level and control of institution and race/ethnicity or nonresident alien status of student	Percentage distribution of U.S. resident students (excludes nonresident aliens)										
	1976	1980	1990	2000	2010	2013	2014	2015	2016	2017	2018
White	84.3	83.5	79.9	70.8	62.6	59.3	58.3	57.6	56.9	56.0	55.2
Total, Selected Race/Ethnicities	15.7	16.5	20.1	29.2	37.4	40.7	41.7	42.4	43.1	44.0	44.8
Black	9.6	9.4	9.3	11.7	15.0	14.7	14.5	14.1	13.7	13.6	13.4
Hispanic	3.6	4.0	5.8	9.9	13.5	15.8	16.5	17.4	18.2	18.9	19.5
Asian/Pacific Islander, Total	1.8	2.4	4.3	6.6	6.3	6.4	6.6	6.8	6.9	7.1	7.3
Asian	...	...	...	...	6.0	6.1	6.3	6.5	6.7	6.8	7.0
Pacific Islander	...	...	...	...	0.3	0.3	0.3	0.3	0.3	0.3	0.3
American Indian/Alaska Native	0.7	0.7	0.8	1.0	1.0	0.8	0.8	0.8	0.8	0.7	0.7
Bi/Multiracial	...	...	...	...	1.6	2.9	3.3	3.5	3.5	3.7	3.9

SOURCE: U.S. Department of Education, Digest of Education Statistics, 2018, Table 306.20; National Center for Education Statistics, Higher Education General Information Survey (HEGIS), "Fall Enrollment in Colleges and Universities" surveys, 1976 and 1980; Integrated Postsecondary Education Data System (IPEDS), "Fall Enrollment Survey" (IPEDS-EF:90); and IPEDS Spring 2001 through Spring 2019, Fall Enrollment component. (This table was prepared September 2019).

**FIGURE 1. IMMEDIATE COLLEGE ENROLLMENT OF RECENT HIGH SCHOOL OR EQUIVALENT GRADUATES AGES 16 TO 24, BY RACE AND ETHNICITY: 1996 TO 2017**



Source: U.S. Department of Education, Digest of Education Statistics, 2018, Table 302.20

Notes: This figure uses a three-year moving average, which is a weighted average of the year indicated, the year immediately preceding, and the year immediately following. For the final year, a two-year moving average is used. Moving averages are used to produce more stable estimates. "All racial and ethnic groups" includes persons of other racial and ethnic groups not separately shown. Prior to 2003, Asian included Pacific Islanders. After 2002, White, Black, and Asian data exclude persons of more than one race.

than 40 percent were identified as men in 2016 (Espinoza, et al., 2019), a gap consistent whether at Predominantly (and historically) White Institutions (PWIs) or Historically Black Colleges and Universities (HBCUs). In comparison to overall enrollment gaps between women and men, the national gap is roughly 13 percent according to data from the Integrated Postsecondary Education Data System (IPEDS) from the 2016-2017 academic year (see Figure 2). While this difference is necessary to acknowledge, we caution readers of this report not to misinterpret this data point as an indication of gender-based discrimination against Black men in favor of Black women. Again, across all racial groups, including White students, enrollment gaps between women and men exist. Furthermore, both Black men and women remain systematically disadvantaged by anti-Black racism that contributes to the under-enrollment of Black students by colleges and universities overall.

Nevertheless, it is important to point out that although double-digit enrollment gaps persist, those gaps shrink dramatically in terms of degree completion between Black men and women students. In 1997, just 9.5 percent of Black adults 25 and older were bachelor's degree holders compared to 15.3 percent in 2017. However, the percentage difference between Black women and men bachelor degree earners in 2017 was only .2 percent, which suggests clear and present challenges<sup>3</sup> uniquely experienced by Black women after entering college. Additionally, within gender groups, Black women are still systematically disadvantaged and represent fewer enrollees overall and a lesser percentage of degree holders when compared to White and Asian American women by 11.5 percent and 26.8 percent respectively (DuMonthier, Childers, & Millil, 2017). Lastly, which we discuss further below, Black women hold a greater proportion of Black student debt while also seeing less financial return in terms of the

race-gender wage gap upon employment after college. As a result, Black women borrowers spend more of their income on repayment than any other race or gender subgroup (Hegewisch, Hayes, Millil, Shaw, & Hartmann, 2015). Still, we are limited in understanding how all of these issues are compounded for Black people outside the gender binary.

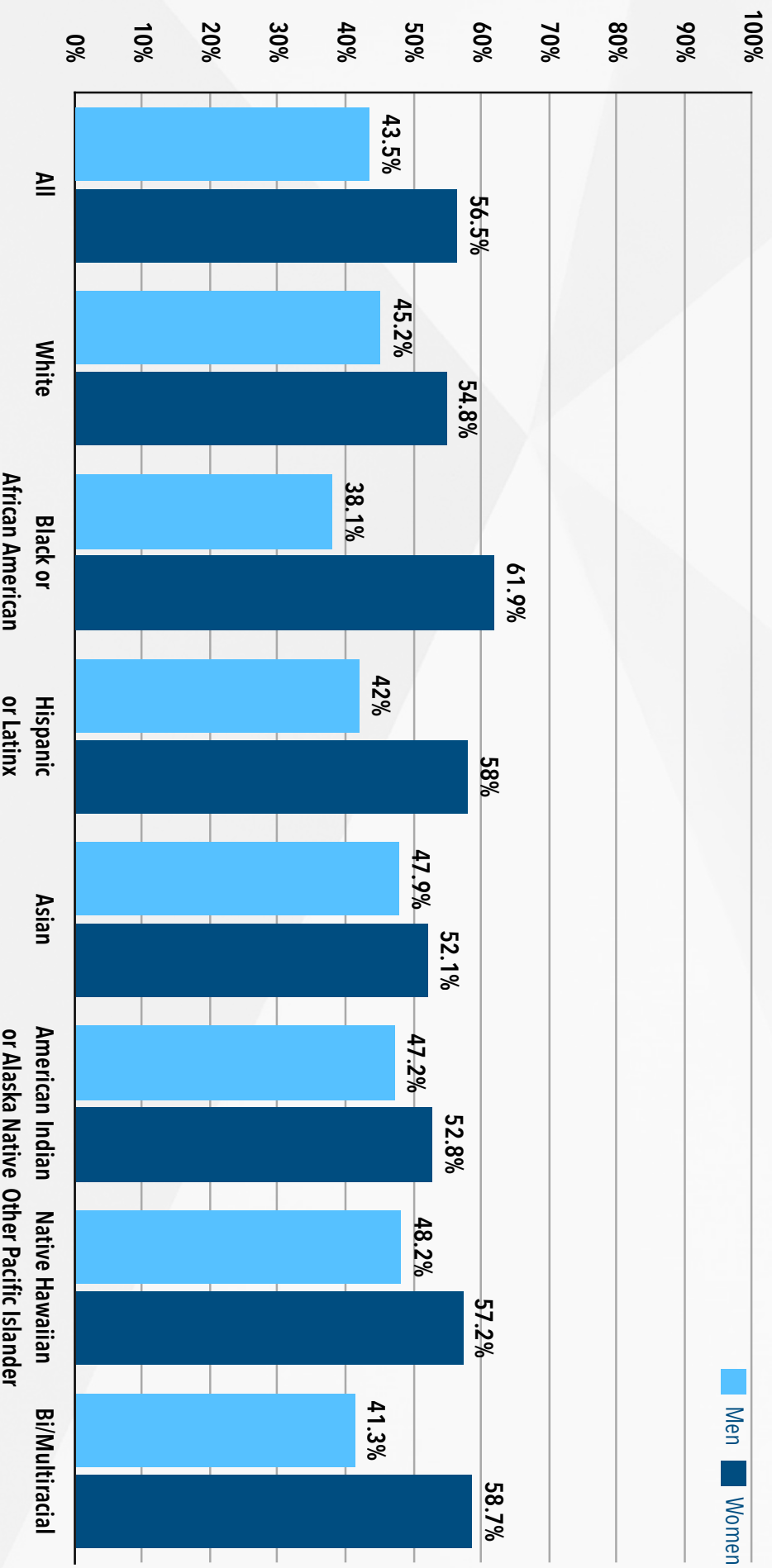
With regard to where Black students are enrolled in college, data reported in the 2016 National Postsecondary Student Aid Study show 44 percent of Black undergraduates were likely to be enrolled in 2-year colleges (United States Department of Education, 2016). An additional 16 percent of Black students were enrolled at for-profit institutions, most of which were also Black women, and were the largest racial group of all students represented in this sector. This is especially important given the associated costs of attending for-profit universities as well as the overall lack of efficacy related to degree completion, post-graduation job

<sup>3</sup> For example, although only 26 percent of all students enrolled have a dependent, 71 percent of students with dependents are women (AAUW, 2017). Students with dependents routinely borrow more to pay for their education (and additional costs of attendance) as well as work while in school. Across all racial groups, Black students are more likely to be parents and Black women – 2 in 5 that are mothers – are more likely to have dependents than women from other racial groups (Cruse, Holtzman, Gaul, Croom, & Polk, 2019).



placement, and increased likelihood of defaulting on loan payments. The remaining 40 percent of Black undergraduates were enrolled in 4-year public and private non-profit colleges and universities. At Historically Black Colleges and Universities, of which there are 102 federally designated institutions (including graduate-only institutions), Black student enrollment has increased 17-percent between 1976 and 2018. However, Black students now comprise just 76.5 percent of all students enrolled at HBCUs, slightly down from 81.1 percent in 2010 (United States Department of Education, 2019). Additionally, while HBCUs accounted for 35 percent of bachelor's degree and 21 percent of master's degree conferrals in 1976, today account for only 13 percent and 6 percent, respectively. Still, HBCUs produced 26 percent of all baccalaureate degrees conferred upon Black graduates despite representing just 9 percent of U.S. postsecondary institutions in 2016 (Center for Responsible Lending, 2020). Additionally, HBCUs confer roughly 40 percent of all science, technology, engineering and mathematics (STEM) degrees as well as 60 percent of all engineering degrees specifically to Black graduates. In 2011, Xavier University (Louisiana) and Howard University (Washington, D.C.) in particular accounted for the baccalaureate training of 92 Black graduates from U.S. medical schools, a number greater than the top four PWIs combined (Capers & Way, 2015). These shifts in enrollment and degree conferral indicate 1) an overall increase of Black student access to colleges and universities from which they were previously excluded, and 2) the increasing role that some HBCUs serve in educating other populations who have also been historically excluded (i.e., low-income, first-generation, and/or Latina/o/x) from access to postsecondary learning. At Gadsden State Community College (formerly Gadsden State Technical Institute) in Alabama, for example, Black students represent only 18 percent of all students enrolled following its mergers with several other area junior and technical colleges over the years. Similarly, and according to current data from the IPEDS, West Virginia State University, founded in 1891 following the Second Morrill Act, now has only 8.2 percent Black students enrolled. In the cases of smaller, lesser-known HBCUs, these demographic shifts are also reflective of changes in labor markets as mines and factories closed in the early 20th century, which forced migration of many Black families and resulted in expanding campuses to include enrolling mostly White commuter students.

**FIGURE 2. UNDERGRADUATE ENROLLMENT, BY RACE/ETHNICITY AND GENDER 2016-2017**



Source: SOURCE: U.S. Department of Education, National Center for Education Statistics, 2015-16 National Postsecondary Student Aid Study (NPSAS:16).

Note: Detail may not sum to totals due to rounding. Rounding may result in identical labels for bars with different underlying estimates. See Estimates and Standard Errors table for underlying estimates used in chart.

Computation by NCES QuickStats on 7/23/2020

## LEGISLATION, HIGHER EDUCATION POLICY, AND BLACK COLLEGE ACCESS AND AFFORDABILITY

In the United States, broad access to higher education for Black people has always depended on the advancement of policy at the institutional, state, and federal levels. Although a few individual Black students attended colleges as early as the 1820s in New England, it was not until after emancipation that Oberlin College in Ohio became the first postsecondary institution in the U.S. to implement a formal policy to admit Black applicants in 1833 (Bennett, 1988; Brazzell, 1996; Ranbom & Lynch, 1988; Roebuck & Murty, 1993). Still, widespread admission and enrollment of Black students in colleges and universities remained virtually non-existent in policy and practice during the first half of the 19th Century. Prior to the establishment of Lincoln University in Pennsylvania (originally known as Ashmun Institute) in 1854, the first all-Black postsecondary institution to award bachelor's degrees, U.S. colleges and universities were exclusively led by and for White people.

As more all-Black institutions formed through the 19th and 20th century, a foundation for college access was established through what are affectionately known today as Historically Black Colleges and Universities (HBCUs) (Anderson, 1988). With the passage of the Thirteenth Amendment in 1865, which formally abolished slavery (with the exception as criminal punishment), private colleges and universities for the education of formerly enslaved Black people were established across the South (Roebuck & Murty, 1993). Working with White missionaries, government organizations (e.g. Freedmen's Bureau), and private donations, Black communities were able to organize and build over 200 (private) historically Black colleges prior to any federal

funding appropriations for Black higher education (Brown & Davis, 2001). Thus, HBCUs have been and remain a vital access point to higher education for Black people.

**Federal Policy and Black Higher Education Access.** The passage of the Morrill Land Grant Act in 1862 expanded public higher education as a white only public good. The act provided funding and land for White agricultural and mechanical colleges and universities. However, it was not until the second Morrill Act of 1890 that Black people were explicitly offered access to legislative provisions and funds for Black public institutions (Brazzell, 1996; Bowles & DeCosta, 1971). The second Morrill Act formalized the legal segregation of postsecondary institutions and limited the curricular focus of public HBCUs to vocational education. As historians of higher education have argued, and with which we agree, this legislation was intended to facilitate the federal subsidy of developing White land-grant institutions, limit the educational opportunity for Black people to vocational training, and further exclude Black people from White colleges and universities. The segregation of schools was reaffirmed in the 1896 *Plessy v. Ferguson* decision that ruled such public goods could remain separate under the presumption they would be equal. Despite the ruling, research has shown even after the *Plessy* decision public land-grant HBCUs remained woefully underfunded in comparison to their White institutional counterparts (Sekora, 1968). The second Morrill Act never provided Black colleges with 17.5 million acres of land and the millions of dollars that were allocated to white colleges in the first Morrill Act of 1862 (Cohen & Kisker, 2010; Wheatle, 2019). This disparity in federal

subsidies between financial investments in HBCUs compared to PWIs remains consistent today (Williams & Davis, 2019).

Nevertheless, HBCUs persisted in awarding nearly all baccalaureate degrees earned by Black students through the 1940s (Davis, 1998). In fact, prior to the 1954 desegregation ruling by the Supreme Court of the United States (in the *Brown v. Topeka Board of Education* case), less than one percent of entering freshmen at PWIs were Black (Harper, Patton, and Wooden, 2009). But *Brown*, like *Plessy*, was not immediately adopted in practice. This is especially true in higher education as the realization of desegregated institutions did not begin to take shape until passage of the Civil Rights Act of 1964, Title VI of which restricted the disbursement of federal funding for colleges and universities that remained segregated (Brown, 2001; Malaney, 1987). Immediately following, the Higher Education Act of 1965, and Title III<sup>4</sup> specifically, made a considerable impact in closing the financial gap for HBCUs. The ‘developing institutions’ provision uniquely qualified HBCUs, especially those facing the threat of closure, to be the primary recipients of federal funding for improving curriculum and instruction, faculty, student services, and exchange programs for students seeking out other educational opportunities at institutions from which they were previously and legally excluded (Roebuck & Murty, 1993). The Civil Rights Movement combined with Black student campus activism served as the transformative source for legislation to contribute to advancing equity, not just in theory, but in results. Black students gained access to White colleges and universities in sizable numbers along with the

increased growth of HBCUs. As a result, overall Black enrollment in higher education from 1967 to 1975 – across two- and four-year institutions – increased from 13 to 20.4% (NCES, 2013).

**Race-Neutrality, Student Loans, and Higher Education Policy.** While the Higher Education Act of 1965 increased college enrollment and funding for HBCUs, the legislation also created the Guaranteed Student Loan Program (later renamed the Stafford Loan Program). For context, it is important to remember the HEA was created at the high point of Civil Rights legislation being passed, but fierce debates about racial integration in education and wider society shaped earlier legislation with similar provisions. In fact, Title III was originally proposed for the Education Defense Act of 1958, but was voted down out of fear it would increase integration. When it was included in the HEA of 1965, it was almost voted down, again, for fear it would *preserve* segregation (allocating funds to HBCUs rather than integrating them) (Cervantes et al., 2005). In just seven years the legislative debate around race in education had shifted, but racism and white supremacy still underpinned both segregation and integration arguments (Ladson-Billings, 2004). Therefore, student loans originally became financial aid policy in this racial-political context. Yet, little research has been done to understand how race shaped the creation of student loan programs. Similar to the passage of the Servicemen’s Readjustment Act of 1944 (G.I. Bill), which funded the college enrollment of military servicemen but the benefits of which remained largely inaccessible to Black war veterans (Mustaffa, 2017; Oliver & Shapiro, 2006; Rudolph, 1990), student loans were a race-neutral policy in that Black people *technically*

<sup>4</sup> To be sure, although HBCUs were uniquely qualified for Title III, it was never written explicitly for HBCUs to receive directed funds. It was not until the late 1980s that the Strengthening Historically Black Colleges and Universities (HBCUs) program (i.e., Title III-B) would award grants to eligible Black institutions to assist them in strengthening their academic, administrative, and fiscal capabilities.

had equal access to use them. When President Lyndon B. Johnson proposed student loan programs, his main selling point was “families will finance college education for their children in the same way that they finance the purchase of a home.” Yet, financing home purchases was a possibility only for White families, a legal discriminatory practice until the Fair Housing Act of 1968 and remains a *de facto* racialized practice today (Taylor, 2019). Again, by the time the HEA passed and student loans became policy, racial segregation was no longer legal in federally funded institutions, but for the legislation to pass it could not be seen as expediting racial integration either (a lesson learned from ongoing K-12 integration battles). While beyond the scope of this report, more work is needed to understand how student loans were created within this political tension of illegal segregation and White resistance to integration. Student loan programs provided the option for higher education to be funded, not as a public good, but as a private good to be individually financed. Several scholars have noted how the public good of higher education – defined as open access and fully funded for students – shifted to more of a focus on student loans at the same time Black students and other racially minoritized communities gained access to college (Steinbaum, 2017; Clabaugh, 2004; Bruce, 2013). Student loans likely did not escape the racist policy logics of the 1960s (from redlining to higher education funding) and therefore the race-issue in student loans is not solely a current one, but one with deep historical roots.

Today, higher education policy has responded to persistent racial inequities in student enrollment, financial aid, graduation rates, and

student debt repayments with race-neutrality and universalism.

Specifically, most policies are created with the presumption that a policy technically available to all, or those based on socioeconomic class (i.e., income level), will automatically benefit Black people too. Unlike the Civil Rights of 1964 or Title III in the HEA, there has been no recent legislation that offers race-conscious benefits, protections, or opportunity specifically for Black people. In contrast, there has been more restriction, wherein race-conscious policies such as affirmative action have been banned or severely narrowed to the point of being rendered ineffective (Moses & Chang, 2006). Although California’s Proposition 209, which banned affirmative action in college admissions in 1996, was recently repealed by the University of California Board of Regents, such reversals are not yet common. In the current political context – where colorblind legislation has priority – most policies discussed rhetorically as beneficial to Black people do little legislatively to protect or ensure those benefits. Examples include all-grant/no-loan programs at private colleges, proposals for free college, and accountability policies. For example, free college programs or proposals like New York Excelsior and Tennessee Promise and Reconnect are designed to be tuition-only and “last dollar” funding programs, meaning that the state or federal government provides aid for the cost of a student’s tuition not already covered by other forms of aid. As a result, these new policies can provide no significant source of financial support for students whose tuition is already covered with Pell Grants and need-based aid, which, again, includes the majority of Black college students. These students still have to figure out how to pay for

fees, housing, books, and living expenses while well-off students, less likely to struggle with or borrow for these college costs, have their overall costs lowered (Jones & Berger, 2018). Similarly, universal accountability policies treat all institutions as if they have the same resources to produce similarly high outcomes. For example, these policies use accountability measures such as student withdrawal rates, cohort loan default rates, and post-school gainful employment to determine if institutional performance standards are being met (Miller, 2017). Yet, the racial histories, student populations, and ongoing underfunding of specific institutions (e.g., open-access two-year and four-year public institutions as well as HBCUs) are not taken into consideration when applying such measures. As a result, these institutions face disparate consequences to include being further denied access to federal funding sources. Remember, these institutions have historically provided access to Black students. Still, such policies fail to consider how past policymaking has undermined their inability to perform as well as enfranchised colleges and universities (Carnevale et al., 2018). As Miller (2017) argues, “no part of the federal [higher education accountability] system currently addresses issues directly related to equity” (p.3). Again, such universal or race-neutral policies only further the ongoing postsecondary shortcomings impacting Black students. Given disparities in access, enrollment, campus experiences, and institutional outcomes continue to be shaped by a history of racial exclusivity, only race-conscious policies in higher education can remedy racial inequities (Jones and Nichols, 2020).

## DID YOU KNOW?

*Although Historically Black Colleges and Universities represent only 3 percent of all 2-year and 4-year postsecondary institutions in the U.S., HBCUs award 17 percent of all Black bachelor's degrees overall and 24 percent of all Black bachelor's degrees in science, engineering, mathematics, and technology fields. Black students at HBCUs also report an overall greater degree of satisfaction due to supportive campus environments and higher levels of academic challenge.*

(Chen, Ingram, & Davis, 2014; Outcalt & Skewes-Cox, 2002; Williams & Davis, 2019)

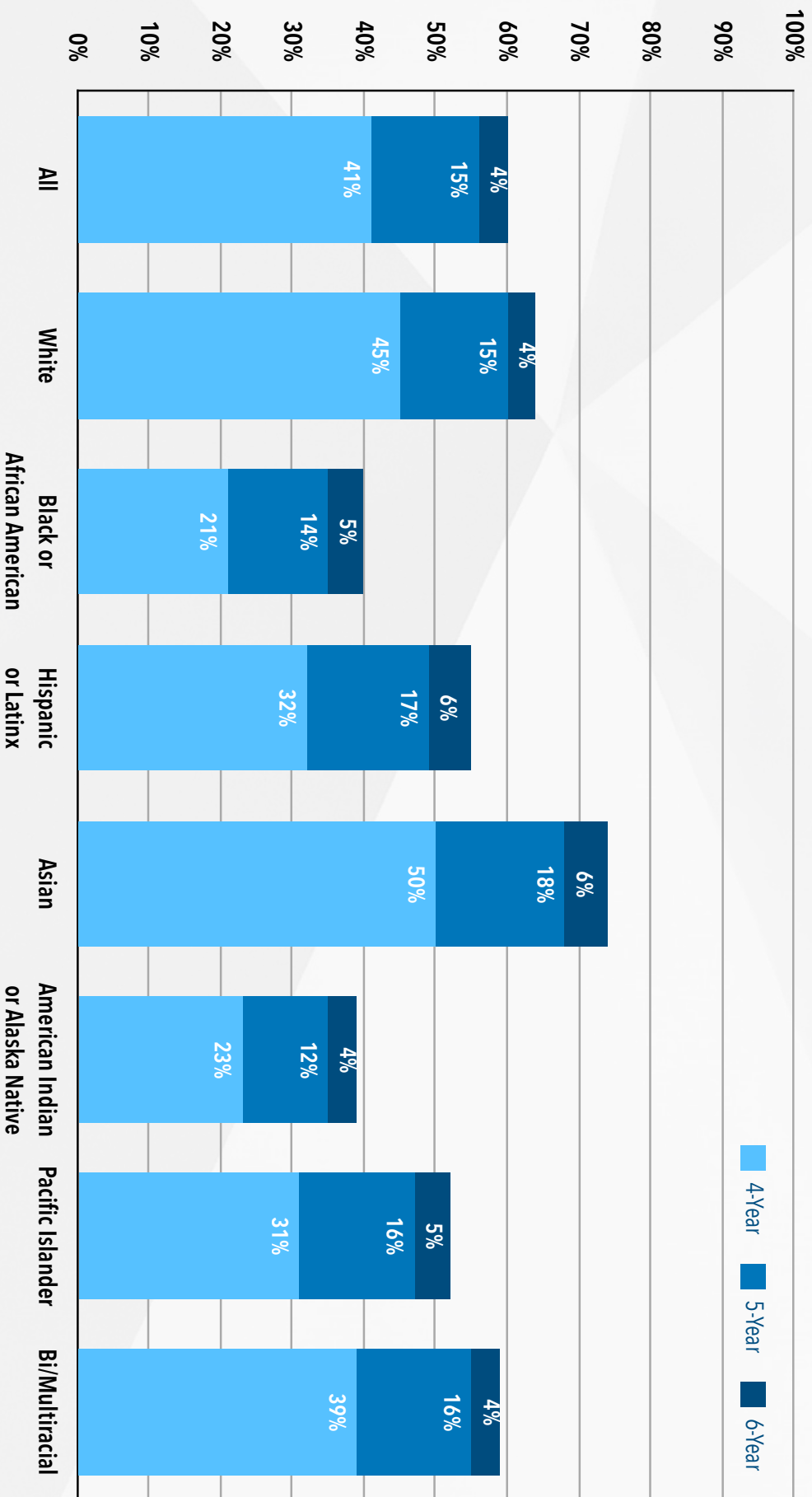
## CAMPUS EXPERIENCES AND INSTITUTIONAL OUTCOMES FOR BLACK COLLEGE STUDENTS

The campus experiences and institutional outcomes for Black college students are many and varied, particularly those across various differences in ability, (socioeconomic) class, gender identity, religion, and sexual orientation. Therefore, it is important for readers to remember that Black students, although sharing a category of racial difference, are not all the same. However, all Black students do encounter similar structures within the higher education system as they attempt to navigate college and university life. In this way, the various experiences and outcomes for Black students reflect broader racial realities consistent with the postsecondary environments' impact on college learners.

Despite the decades of policy implementation, including those directly related to financial aid, progress for Black students within the U.S. higher education system has remained relatively limited. For instance, the various policies discussed in this report notwithstanding, traditional institutional outcomes (e.g., rates of admission/enrollment, persistence, and degree completion) for Black students consistently lag behind those from other racial groups (Libassi, 2018), some of which we discuss earlier in this report. We frame these outcomes as institutional rather than individual to shift the onus of success away from Black students alone and toward the colleges and universities (and other institutions) responsible for their readiness, preparation, remediation, and ongoing instruction. For example, Harper and Simmons (2019) found that there was consistent institutional failure to achieve equitable outcomes for Black students attending four-year, non-specialized, public predominantly white colleges and universities in the United States.

While there were some individual exceptions, these state institutions on the aggregate overwhelming failed to 1) enroll 18-24 year old Black students at rates consistent with their overall representation in the state population, 2) enroll Black men and women students at rates less than or equal to the national gender enrollment gap, 3) graduate Black students at rates greater than or equal to rates of graduation all students, or 4) sufficiently employ Black faculty to reflect Black student enrollment across various fields and disciplines (Harper & Simmons, 2019). This failure is further evidenced in college completion data, which report U.S. postsecondary institutions graduate Black students at four-year colleges and universities at a rate of just 40 percent within six years, a 20-point difference from the rate for all students (see Figure 3) (de Brey, Musu, McFarland, Wilkinson-Flicker, Dilberti, Zhang, Bransetter, & Wang, 2019). Similarly, community colleges, especially those in which the majority of students enrolled are Black, often fail to grant certificates, degrees, or transfer Black students to four-year institutions (Harris III & Wood, 2013; Moore & Shulock, 2010; Wassmer, Moore & Shulock, 2004; Wellman, 2002). To be sure, there are some exceptions to the aforementioned data realities in which Black students have been meaningfully engaged and supported to achieve postsecondary success. As Nichols and Evans-Bell (2017) note, of the 676 predominantly White, public and private nonprofit institutions that enrolled nearly 60 percent of Black first-time, full-time students in 2014, 22 percent of those institutions had completion gaps of 5 points or less between Black and White students; 55 colleges and universities had less than a 5-point gap or no gap at all. And, among HBCUs serving

**FIGURE 3. GRADUATION RATES FROM FIRST INSTITUTION ATTENDED FOR FIRST-TIME, FULL-TIME BACHELOR'S DEGREE-SEEKING STUDENTS AT 4-YEAR POSTSECONDARY INSTITUTIONS, BY RACE/ETHNICITY AND TIME TO COMPLETION: COHORT ENTRY YEAR 2010**



SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Winter 2016-17, Graduation Rates component. See *Digest of Education Statistics 2017*, [Table 326.10](#).

Note: Data are for 4-year degree-granting postsecondary institutions participating in Title IV federal financial aid programs. Graduation rates refer to students receiving bachelor's degrees from their initial institutions of attendance only. The total includes data for persons whose race/ethnicity was not reported. Race categories exclude persons of Hispanic ethnicity. Although rounded numbers are displayed, the figures are based on unrounded data.



similar cohorts of first-time, full-time students (i.e., 40-percent to 75-percent Pell-eligible freshman), HBCUs consistently outperformed PWIs in graduating their Black students. These findings suggest institutions are finding ways to use disaggregated data to develop targeted interventions, consistently track Black student progress toward academic/degree-program milestones, and meet Black students where they are to support them in race-conscious and culturally-responsive ways.

For certain, longstanding racial disparities resulting from the use of racially-biased entrance exams, admissions standards, merit-based aid structures, Eurocentric curricular offerings, academic advising, etc. are among the institutional drivers for postsecondary inequities. Additionally, however, racialized experiences of education violence (Mustafa, 2017) – including but not limited to interpersonal microaggressions and overt acts of racism – commonly reported by Black students at PWIs deeply threaten their sense of belonging, safety, and ability to succeed (Chen, Ingram, & Davis, 2014; Jenkins, Tichavakunda, & Coles, 2020). These instances have been especially prevalent in recent years as the anti-Black rhetoric of the 45th Administration has been shown to directly relate to significant increases in the reporting of anti-Black campus racial violence (Stokes, 2020). Furthermore, the racial climates of many postsecondary institutions create hostile environments in which Black students' concerns are routinely ignored, invalidated, diminished, and dismissed by White peers, faculty, staff, and administrators (George Mwangi, Thelamour, Ezeofor, & Carpenter, 2018; Harper & Davis, 2016). While it is beyond the scope of this report to explain the nature and full magnitude of Black students racialized

experiences, suffice it to say as inequities persist we must always consider interpersonal and institutional racism as explanatory factors for racial differences.

Again, while many of the aforementioned experiences and outcomes have previously been used to frame Black students as the problem, we believe models of institutional responsibility are necessary to fully understand and rectify persistent racial inequities. To be clear, and to paraphrase Perry (2020), there is nothing wrong with Black students that dismantling anti-Black racism in higher education cannot solve.

While this includes anti-Blackness affecting HBCUs (and other predominantly Black institutions), it is especially relevant to the PWIs who disproportionately enroll and overwhelmingly under-serve the majority of Black students in higher education today. Additionally, notions of student progress, which are relative to a long history of disenfranchisement and injustice, must also consider the material and financial costs when framing the experiences of Black college students. As we describe in greater detail below, attending and even graduating college comes at a significant financial deficit that traps most Black borrowers into debt, which seriously challenges their ability for making a life after college. Put differently, whatever espoused gains associated with access to higher education are significantly diminished by the financial realities following Black student borrowers after college (Jackson & Reynolds, 2013).

## REGION V AND REGION VI STUDENT DEBT BY STATE

The emerging work on student debt shows that student loans do not just impact individuals, but, in fact, impact the broader public. To study the geography of student loan debt, Steinbaum and Vagul (2016) utilized credit report data to map student loan delinquency rates by zip codes throughout the country. Throughout the nation, the researchers found that zip codes with high Black and Latina/o/x populations are most likely to have high student loan delinquency and default rates. While most college students are likely to attend an institution less than 50 miles from their home, Black students, in particular, are more place-bound as they are more likely to be non-traditional students. In this way, the place-based reality of student debt follows the place-based ways students enroll in higher education. In addition, place-based dynamics also shape student debt lawsuits from the Department of Education and the Department of Justice. Mattes and Yu's (2019) report on student debt collection lawsuits found:

Zip codes in which the sued student loan borrowers reside tend to have significantly higher percentages of people of color than the rest of the country. Specifically, ... the zip codes in which sued defaulted student loan borrowers live have Hispanic or Latino populations double the national average and triple the average Black or African American population (p. 5).

As these studies show, student debt delinquencies and resulting litigation are concentrated in racially minoritized communities. Therefore, as we argue with regard to the Black public good, the impact of debt is not primarily individual, but communal and has serious

implications for the economic instability of Black life-making. Similar results on student debt delinquency were found when regional Federal Reserve Banks analyzed student debt data in large cities (e.g., Washington D.C., Philadelphia, and San Francisco). Consistently, the higher the percentage of people of color in a neighborhood the higher the delinquency rate. To be clear, racially minoritized communities themselves are not the risk factor, but the often unfair terms and uneven economic base in which they are uniquely forced to acquire debt. While student loans are presented as a policy tool to increase college opportunity, loans for college have largely served as been an economic barrier for Black communities similar to other place-based debts (e.g., payday loans, car loans, subprime mortgages, and court fees and fines). Each of these debts has historically and continuously been administered to Black people through predatory terms and/or the willful neglect of particular Black communities' geography relative to their collective economic standing. Whether predation or neglect, the result leaves Black borrowers in an often inescapable racialized debt trap.

As a set of examples below, Table 2 highlights key states in Regions V and VI that are the focus of NAACP's advocacy work. Most of the states are near the national average for student loan debt of \$29, 309.

However, while borrowing student loans is a widespread experience, the place-based data shows that the experience changes along race and class lines. In particular, despite moderate to low state debt totals nationally, zip codes across these two regions demonstrate higher debt burdens, unemployment rates, and loan default rates among Black and

**TABLE 2. PERCENTAGE OF 2018 GRADUATES WITH DEBT AND AVERAGE DEBT OF THOSE WITH LOANS, BY NAACP REGION AND BY STATE**

State	Average Debt	National Rank	% with Debt	National Rank	Total Schools	CLASS OF 2018		% at Schools with Usable Data
						INSTITUTIONS (BA-GRANTING)	Schools with Usable Data	
Alabama	\$29,469	27	51%	13	33	13	75%	
Florida	\$24,428	8	44%	3	97	30	69%	
Georgia	\$28,824	23	57%	26	59	28	76%	
Mississippi	\$30,117	31	58%	30	16	6	74%	
North Carolina	\$26,683	14	56%	21	62	26	81%	
South Carolina	\$30,838	34	58%	30	33	18	85%	
Tennessee	\$26,838	16	55%	19	47	22	73%	
Arkansas	\$26,579	13	53%	15	23	8	53%	
Louisiana	\$27,151	17	49%	10	28	9	53%	
Texas	\$27,293	18	56%	21	97	47	67%	
Oklahoma	\$25,221	11	47%	6	28	13	71%	
New Mexico	\$21,858	3	49%	10	11	5	91%	

SOURCE: The Institute for College Access and Success (TICAS), Student Debt and the Class of 2018 Report, <https://ticas.org/wp-content/uploads/2019/09/classof2018.pdf>.

NOTES: The Class of 2018 national average debt is \$29,309. The rankings in this table were re-calculated by the authors to better demonstrate the inverse relationship between the average debt per state and its numerical ranking across all 50 states (i.e., higher debt average yields lower ranking). TICAS data were not available for disaggregation by race.

## THE IMPACT OF STUDENT DEBT ON BLACK BORROWERS

The national debt attributable to student loans is roughly \$1.5 trillion held by more than 44 million individual student loan borrowers (Huelsman, 2019). A greater proportion of that debt is held by first-generation, low-income, and racially minoritized borrowers, including Black students. Based on recent research examining the year-to-year trends in student loan debt acquisition and borrowing patterns across racial differences, serious concern and attention should be given to the specific burden of student debt on Black borrowers (Center for Responsible Lending, 2019; Espinosa et al., 2019; Holt, White, & Terrell, 2017). In particular, Black borrowers have consistently been found to be more likely to receive federal loans (and grants) to pay for their education, with 90 percent of Black students enrolled either full-time or part-time taking out loans for college in 2012 according to analyses of federal borrowing data conducted by the Consumer Federal Protection Bureau (Canchola & Frotnan, 2016). During the 2015-2016 school year, 72 percent of Black students enrolled full-time received Pell Grants at an average of \$4,900<sup>5</sup> (NCES, 2017). Thus, Black students are leaving college with the highest average debt per borrower and per graduate across all racial groups. This is true of both bachelor's and associate's degree holders – who were both more likely to borrow and borrowed more to finance their education – as well as for Black students across all public and private sectors of higher education.

The most common source of borrowing for all students comes from the subsidized and unsubsidized Federal Direct Loan Program, of which

49.8 percent of all borrowers were Black. Additionally, while 86.4 percent of Black bachelor's degree holders borrowed to earn their degree overall, 98 percent of Black students at for-profit institutions borrowed (Espinosa et al., 2019) to cover the costs of expensive, low-quality degree programs. In 2012, the average full tuition and fees associated with attending for-profit institutions were double that of public 4-year non-profit colleges and more than three times the cost of attendance for public 2-year non-profit institutions (Smith & Parish, 2014). In the same year, graduation rates at for-profit colleges were just 32 percent, a rate nearly half that of public and private non-profit institutions. This is particularly alarming given the documented exploitation by for-profit colleges in targeting Black students to enroll as well as the incredibly high rates (52%) of loan default among those entering for-profit institutions within 10 years (Center for Responsible Lending, 2019). What is more, for-profit institutions enroll more than 50 percent of all Black students pursuing doctoral degrees with an average debt of \$128,000 (Espinosa et al., 2019).

Such high proportions of Black borrowers across postsecondary sectors reflect the general lack of financial and other resources when they enter college. This particular challenge is intergenerational as many Black families remain affected by high loan balances and lower wages than other racial groups. In part, this is reflected in the greater proportion of Black degree holders having more debt than other racial groups.

Among 2015-2016 bachelor degree recipients, for example, nearly 40

<sup>5</sup> For According to the U.S. Department of Education (<https://www2.ed.gov/programs/foaf/index.html>), the maximum Pell grant award for the 2015–16 award was \$5,775. The award amount is calculated based on the federal determination of student financial need, costs to attend school, status as a full-time or part-time student, and plans to attend school for a full academic year or less.

**TABLE 3. CUMULATIVE DEBT OF 2015-16 BACHELOR'S DEGREE RECIPIENTS BY RACE/ETHNICITY**

Race	No Debt	\$1 to \$9,999	\$10,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 or More
Asian (7%)	41%	11%	14%	16%	9%	3%	6%
Black (12%)	14%	12%	10%	15%	16%	12%	21%
Hispanic (16%)	33%	14%	15%	15%	10%	6%	7%
White (61%)	30%	10%	13%	18%	12%	7%	10%

**TABLE 4. PARENTS' TOTAL INCOME FOR DEPENDENT 2015-2016 BACHELOR'S DEGREE RECIPIENTS BY RACE/ETHNICITY**

Race	Less Than \$35,000	\$35,000 to \$69,999	\$70,000 to \$119,000	\$120,000 or More
All Students	22%	21%	25%	32%
Asian (7%)	32%	23%	21%	23%
Black (12%)	49%	24%	16%	11%
Hispanic (16%)	37%	29%	17%	17%
White (61%)	13%	18%	29%	40%

SOURCE: National Center for Education Statistics, National Postsecondary Student Aid Study 2016

NOTE: Percentages in parentheses are shares of bachelor's degree recipients in each racial/ethnic group. Includes both federal and nonfederal borrowing for 2015-16 bachelor's degree recipients who were U.S. citizens or permanent residents. Excludes parent PLUS loans. Includes students who transferred as well as students who received their degrees at for-profit and two-year institutions. Percentages may not sum to 100 because of rounding.

percent of Black graduates left college with a \$30,000 or more debt total (see Table 3), the highest amount held by any race of borrowers. According to one study, such resource gaps for Black students are the result of generations of financial disparity compounded by student loan debt, which has been a modern mechanism for widening economic insecurity and the wealth gap between Black people and others (Addo, Houle, & Simon, 2016). For instance, more than half of all families with Black heads of household ages 25 to 40 have student debt (Center for Responsible Lending, 2019). Additionally, despite holding a bachelor's degree, Black borrowers ages 25 to 34 reportedly earned 15 percent less and were vulnerable to unemployment at a rate two-thirds higher than other bachelor degree holders in the same age range (Espinoza, et al., 2019). Among Black families with dependents graduating college in 2015-2016, 49 percent earned less than \$35,000 annually (see Table 4). Put simply, Black borrowers both acquire more debt and, due to wage and employment inequities in the labor market, are in more precarious positions when it comes to their ability to repay.

The result of these converging debt and income realities are longer-term entrapments with student debt that exacerbate the racial wealth gap. As Sullivan, Meschede, Shapiro, and Escobar (2020) note, the median debt of White borrowers has been reduced by 94 percent whereas Black borrowers at the median still owe 95 percent of their borrowing total twenty years after starting college, 50 percent of which defaulted within the same period. More specifically, while the typical Black student borrowed just \$3,000 more in loans than their White peers, the typical Black borrower owed about \$17,500 more than their

White peers within twenty years of beginning college (Sullivan et al., 2020). This detail is critical to challenging the persistent myth that attending and graduating from college is alone a sufficient condition for generational economic and social mobility. To the contrary, for many Black borrowers (and others) the financial costs and lifetime debt sentences of postsecondary education further disenfranchise them from achieving future economic stability. Although the desires for degree attainment, and thus debt acquisition, are closely aligned with the promise of gainful employment in jobs paying livable wages, the labor market realities facing Black borrowers reaffirm longstanding systemic racism in hiring practices, salaries and wages, and professional advancement (Bashay, Bergson-Shillock, & Johnson, 2019). Altogether, the trajectories of debt acquisition for Black borrowers and labor market racism exacerbate the racial wealth cap and have significantly contributed to reproduction of a fragile Black middle class (Houle & Addo, 2016).

## STUDENT DEBT AND BLACK WOMEN BORROWERS

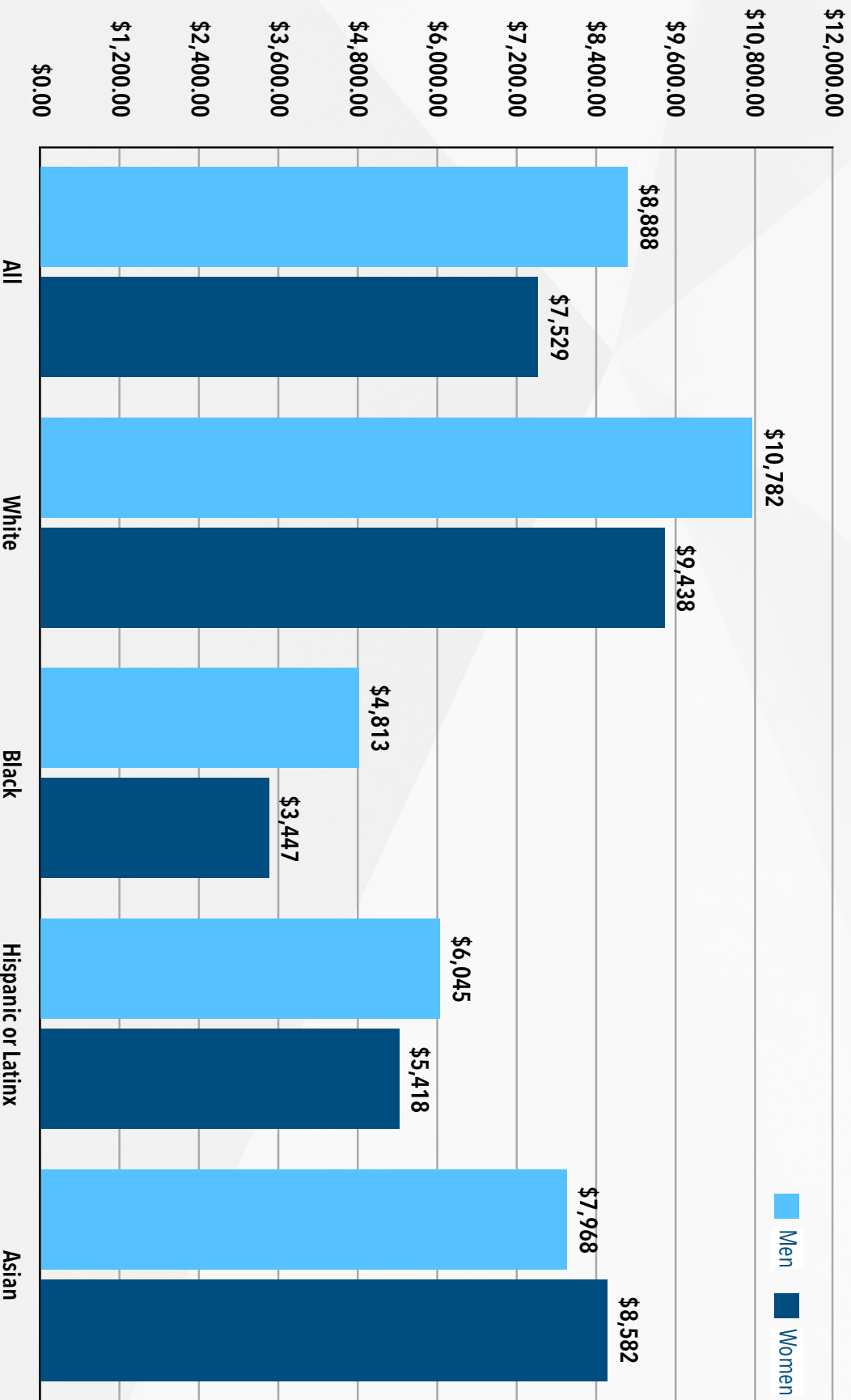
While the current student loan and higher education finance systems work to the detriment of Black students overall, there is an even more acute effect on Black women borrowers. This is attributable to ways both racism and sexism converge to shape the unique experiences of Black women borrowers before, during, and after college. As discussed earlier in the report, although Black women outpace Black men in enrollment and degree attainment, they also are burdened with a great amount of student debt and have higher debt-to-income ratios than all male borrowers, especially White men.

To be sure, gender disparities in total debt are true within and across all racial groups; women borrowers hold \$929 billion in student debt, nearly two-thirds of the nation's debt total. For Black borrowers as a racial group, Black women borrowed an average \$1,893 more in student loans than Black men. However, according to a 2017 report from the American Association of University Women (AAUW), in 2012, Black women with a bachelor's degree reportedly averaged \$8841 more in total loans compared to White women graduates (see Figure 4). This is accompanied by dramatic race and gender differences in expected family contribution (EFC), which is a measure for calculating financial need (i.e., the lower the EFC the higher the financial need). Across all borrowers, Black women had the lowest EFC at \$3,447 in 2012. Amongst women borrowers, Black women are required to borrow at higher frequencies as well as borrow higher amounts to complete their degrees. For instance, 34 percent of Black women bachelor's degree holders completed college with more than \$40,000 student debt compared to just 16 percent of Latina women, 10 percent of White women, and 8 percent of Asian women in 2012 (AAUW, 2017).

With regard to earnings, Black women are consistently underemployed and underpaid compared to other women and all men degree holders. This trend is consistent with racial and gender wage gaps across educational attainment in which Black people and women are routinely paid less than White men. For example, in 2016, women who worked full-time with bachelor's degrees were paid 26 percent less than men with the same credentials (AAUW, 2017). Overall, this gender wage gap yields men being paid 20 percent more than women, but 39 percent more for White men than for Black women according to U.S. Census Bureau data analyzed by the National Women's Law Center (Tucker, 2020). For Black women, their median income is only 64.4 percent the income of White men and 88.4 percent of Black men (DuMonthier et al., 2017). Just as connected, an Economic Policy Institute report found that "Black male college graduates (both those with just a college degree and those who have gone beyond college) newly entering the workforce started the 1980s with less than a 10 percent disadvantage relative to White college graduates but by 2014 similarly educated new entrants were at a roughly 18 percent deficit" (Wilson & Rodgers III, 2016, p. 1). The race-gender differences in the labor markets uniquely impact Black men and women.

Altogether, the higher amounts of debt acquired in tandem with a sexist-racist labor market widens repayment gaps and increases the likelihood of defaulting on loan payments. As highlighted in DEMOS report earlier this year (Fluetsman, 2020), twelve years after college, White men had reportedly paid off 44% of their student loan balance while White women had paid off 28%. For both Black women and men, however, their balances *increased* (by 13 percent and 11 percent respectively), which is attributable to the accruing interest compounding their debt while in tenuous employment and repayment circumstances.

**FIGURE 4. MEAN UNDERGRADUATE EXPECTED FAMILY CONTRIBUTION (EFC) BY GENDER AND RACE, 2011-12**



SOURCE: AAUW analysis of U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, *National Postsecondary Student Aid Study 2012* data.



## RECOMMENDATIONS

This report has made clear that student loans are predatory given 1) the historic racism and place-based inequities of Black communities, 2) the ongoing racial-gender barriers in the labor market and wealth-generating pathways, and 3) the racist stratification of the higher education system. Again, it does not matter if the predation comes from racism or willful neglect of the Black condition: the result is the same. With the overwhelming evidence in mind, we recommend a multi-prong approach to end the student loan debt trap for Black people, which includes debt cancellation, an opening of the policy making process, and centering Black voices in future student debt research.

### **Cancel Student Loan Debt and Eliminate Original Financial Need.**

There is growing support to cancel student loan debt. For Black borrowers, the call for cancellation is necessary because the terms of borrowing student loans were unequal. Black people had to borrow student loans with a weaker economic base, use them to attend underfunded colleges and universities, and struggle to repay them in an underpaying and under-employing labor market. These are structural issues that cannot be solved by offering more financial literacy, income-based repayment plans, or college scorecards. Such solutions have been repeatedly utilized, yet the Black debt crisis has continued to grow and its effects recently compounded due to socioeconomic impact of the COVID-19 pandemic. To be clear, *student debt cancellation offers the only solution to erase the racial disparities in student loan debt*. As leading policy experts have argued, cancellation will increase degree completion, boost the economy, and immediately close the racial wealth gap (Jones & Jackson, 2020).

Several student debt cancellation plans have been put forth, especially during the pandemic. Still, the most comprehensive plan is the College for All Act of 2019, introduced in Congress, that cancels all student loan debt and covers all tuition and fees at public higher education institutions. This legislation shows debt cancellation must include cancelling the original need for student loans, which includes the rapidly increasing costs of college for which students and families are responsible. Because increases in college costs and loan acquisition are directly linked, eliminating one without the other would be an insufficient solution.

**Race-Specific, Not Race-Neutral Policies.** In addition to the universal policy changes proposed by recently introduced legislation, advocacy must go further to specifically protect Black borrowers. The historical lack of efficacy of higher education policy for Black people and current disproportionate impact of student debt on Black borrowers makes evident that student loan policies cannot be framed simply as universal, income-based, or race-neutral. As decades of research on equity-mindedness in higher education has shown us, clear and racially-specific language, goals, and measures are vital to the efficacy of policy implementation (Bensimon, Dowd, & Witham, 2016; Jones & Nichols, 2020). Therefore, any legislation to cancel student debt must be able to explicitly answer how it contributes to a Black Public Good and offers protections to ensure Black borrowers are included. Cancellation is best measured not by the legislation passed, but the measurable evidence that demonstrates Black people benefit in an equitable, material way.

### **Increase Investments in Historically Black Colleges and**

**Universities.** As Williams and Davis (2019) analysis of funding sources details – and this report further highlights – despite HBCUs continuing to serve Black students beyond their otherwise limited representation among all U.S. colleges and universities, they still remain underfunded compared to PWIs. And, although the total dollar amount to Black colleges has increased, with \$325 million this fiscal year in Title III funding, the federal support per full-time enrolled (FTE) student steadily declined between 2003 and 2015, with private HBCUs seeing the sharpest decreases. This decline was coupled by steep cuts to state (and local) appropriations between 2007 and 2012 as well as in competitive grants and contracts awarded to HBCUs (Toldson & Washington, 2015). Because of HBCUs’ greater dependence on these types of funding streams to remain operational, economic downturns and budget cuts, including those experienced in the wake of the COVID-19 crisis, have a disparate impact on Black postsecondary institutions. This includes the ability for Black families to support their children, including through Parent PLUS loans, which affects enrollment and, therefore, tuition revenues. While these challenges are not exclusive to HBCUs, their effects remain disproportional as non-HBCUs access to private support (e.g., donations and gifts) and endowments, which are 70 percent larger (Williams & Davis, 2019), help to offset and more quickly recover from decreases in public funding. Therefore, even greater investments at the state, local, and federal levels in HBCUs and the students they support are needed to lessen the impact of year-to-year losses and the impending shortages created by the economic impact of COVID-19.

### **Engage and Create Space for Movement Workers.**

Student debt cancellation has not always been a welcomed notion by the broader public and policymakers at the state and federal levels. However, and as evidenced by this and other reports, debt cancellation is at the center of key economic and political discussions across the country. This begs the question: what moved cancellation from the margins when the issue is not new but the public support behind it is? The answer is movement building.

Higher education stakeholders must remember that it was direct action, advocacy, and research that moved cancellation from the margins to the center. Going back as far as the 1980s, both research and advocacy highlighted the impact of student loans are racially inequitable. Additional work has shown using debt as a tool of inclusion often leads to predation on and inequitable outcomes for Black people. Nevertheless, the concept of loan cancellation in both broader public and political conversations was slow to gain traction. Even as recent as the 2016 presidential election cycle, no major candidate put forth legislation to cancel student loan debt.

However, with continued efforts put forward by social movement organizations, this year has offered a sizable shift in student debt discourses. For instance, the College for All Act, along with proposals from the former presidential campaigns of Bernie Sanders and Elizabeth Warren and the current campaign of Former Vice President Joe Biden have all yielded policy proposals to address the student debt crisis. Similarly, dozens of Congress members and more than 70 policy

and advocacy organizations have issued public support for varying levels of debt cancellation, although many included class-based rather than race-conscious approaches.

The current mainstream conversation has roots in movement building starting at the grassroots level with coalitions like the Debt Collective and Movement for Black Lives who both issued some of the earliest calls for full debt cancellation (Bishop, 2020). These coalitions helped show the everyday entanglements of student loan debt and reframe student loans as less of a tool of opportunity and more as an iteration of a debt trap. In fact, Debt Collective won some of the earliest forms of debt cancellation for borrowers defrauded by for-profit colleges. This work and victories provided a new vocabulary to discuss student loan issues and solutions.

The federal response to the current economic downturn, unlike the 2008 recession, already has included student debt relief like payment and interest waivers. In this way, a type of debt cancellation has already been secured although temporary. What is more, \$3.6 trillion in COVID-19 relief spending was approved through legislative measures like the CARES Act and other legislation earlier this year (with an additional \$3 trillion already approved by House Democrats) (Lobosco, 2020), which challenges the narrative that federally supported debt relief is not financially possible.

While many stakeholders in higher education policy spaces often make recommendations about better data, information, and policy metrics, it is critical to remember that better movement building is a proven strategy to garner broad political support for debt cancellation.

Policymakers and policy organizations must ensure they are not only

engaging analysts, academics, and other traditional stakeholders on this issue. Instead, movement workers and those in closest proximity to the impact of the student debt crisis must be provided greater access to policy generation. Movement building accounts for how we have made progress on student debt relief issues and will determine our ability to continue to do so in the future.

**Center Black Voices in Future Research.** Congressman Pressley offers a simple but critical framing: “I fundamentally believe that the people closest to the pain should be closest to the power, driving and informing our policymaking.”

It is a necessity for advocates and policymakers to capture Black people’s experiences, perspectives, and knowledge about how student debt has been a source of pain and how they believe policies can fix it. For example, most of the research studies and reports on student debt provide evidence for racial disparities in student loan outcomes, but almost none of the existing projects claim to have spoken directly to Black people. Big data, not Black voices, are currently driving the student debt conversation and this must change. Thankfully, a new study being conducted by Dr. Jalil Mustafa Bishop, one of the co-authors of this report, and the Education Trust is centering Black voices in their research. The National Study on Black Student Loan Debt (<https://ledtrust.org/black-student-debt-study/>) is interviewing and surveying Black parents, graduates, and non-degree earners with student debt. We encourage readers of this report to widely share the project with their network and encourage Black borrowers to take the survey and participate in interviews.

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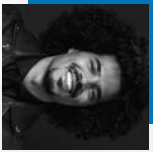
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## ABOUT THE AUTHORS



**Charles H.F. Davis III, Ph.D.** is an Assistant Professor of Higher Education at the Center for the Study of Higher and Postsecondary Education at the University of Michigan. Dr. Davis' research broadly focuses disparate impact of systemic racism on Black faculty, staff, students, and their families. He is the former Chief Strategy Officer and Director of Research for the University of Southern California Race and Equity Center and the founder and director of the Scholars for Black Lives Collective.

**Email:** [hfdavis@umich.edu](mailto:hfdavis@umich.edu)

**Twitter:** [@hfdavis](https://twitter.com/hfdavis)



**Jalil Mustafa Bishop, Ph.D.** is a Vice-Provost Postdoctoral Scholar and Lecturer at the University of Pennsylvania Graduate School of Education. His research examines how education pathways are structured through race, class, and place and the ways marginalized Black communities challenge and build power. In collaboration with Education Trust, Dr. Bishop is also the principal investigator of the National Study on Black Student Loan Debt, which investigates the ways Black borrowers and their families are disproportionately affected by the student debt crisis.

**Email:** [jbish@gse.upenn.edu](mailto:jbish@gse.upenn.edu)



**Kyan King, M.Ed.** is a doctoral student at the University of Nevada Las Vegas where her research interests broadly focus on the experiences of Black women in higher and postsecondary education. Mrs. King is a former research associate at the USC Race and Equity Center where she supported the production of original research on issues of race, racism, and anti-Blackness in college as well as student activism among Black college-goers.



**Ayan Jama, M.Ed.** is a recent graduate of the postsecondary administration and student affairs master's program at University of Southern California. While at USC, Ms. Jama served as a research assistant at the USC Race and Equity Center where her research broadly examined institutional policies for equity, diversity and inclusion and their impact on the campus and classroom experiences of multiply marginalized students. Her work supported the production of original research on higher education policy, racial disparities in financial aid, and Black student debt.

### ABOUT THE NAACP

**The National Association for the Advancement of Colored People (NAACP)** was Founded in 1909 in response to the ongoing violence against Black people around the country and is the largest and most pre-eminent civil rights organization in the United States. Our membership includes over 2,200 units and branches across the nation and more than 2 million individual members. The mission of the NAACP is to secure the political, educational, social, and economic equality of rights in order to eliminate race-based discrimination and ensure the health and well-being of all persons.





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