Federal Loans: Annual Borrowing

After a decade of rapid growth in annual borrowing, total federal loans to undergraduate students declined by 22% ($15.6 billion in 2018 dollars) between 2013-14 and 2018-19; federal loans to graduate students rose by 2% ($620 million).

The share of federal education loans going to graduate students (who constitute about 15% of all postsecondary students) rose from 32% ($21.1 billion out of $65.6 billion in 2018 dollars) in 2003-04 to 42% ($38.8 billion out of $93.1 billion) in 2018-19.

In 2018-19, undergraduates taking subsidized and/or unsubsidized loans borrowed an average of $6,660—$1,110 less (in 2018 dollars) than a decade earlier and $660 less than in 2013-14.

The number of parents borrowing parent PLUS loans in 2018-19 was 12% of the number of undergraduates taking subsidized and unsubsidized Direct loans (749,000 vs. 6.2 million). However, the average parent loan was $17,220, 2.6 times as much as the average undergraduate student loan.

In 2018-19, 422,000 graduate students borrowed through the grad PLUS program; 1.4 million borrowed unsubsidized loans. The average amount borrowed through the PLUS program was $6,700 higher than the average unsubsidized loan ($25,950 vs. $19,250).

### ALSO IMPORTANT:

- The aggregate federal student loan limit for dependent undergraduate students is $31,000. No more than $23,000 can be subsidized loans. Independent students and dependent students whose parents are not eligible for parent PLUS loans can borrow an additional $26,500 in unsubsidized loans.

- Graduate and professional students can borrow up to a lifetime total of $138,500 from the subsidized and unsubsidized loan programs, including their undergraduate borrowing. Each year students are enrolled, they can borrow up to the full cost of attendance not covered by grant aid, including living expenses and books and supplies in addition to tuition and fees through the grad PLUS program.

- Like the grad PLUS program, the parent PLUS program allows borrowing to cover students’ entire budgets less grant aid received for an unlimited number of years of enrollment.

### NOTE:
Graduate students became eligible to borrow PLUS loans in 2006-07.

### SOURCE:
*Trends in Student Aid* website (research.collegeboard.org/trends), Table 6.