

TITLE:	Undergraduate Student Debt Levels in Kentucky
DESCRIPTION:	Staff will provide an overview of a study completed on undergraduate student debt levels at graduation from Kentucky's public institutions.
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SUPPORTING INFORMATION

Earlier this year, CPE staff conducted a study on undergraduate debt levels and how Kentucky's efforts around tuition caps, improving financial literacy and increasing grant aid have impacted those levels. The study investigated debt trends over the past five academic years among undergraduate completers at Kentucky's public institutions. (Debt at graduation was defined as the total debt accumulated through the end of the academic year in which a student earned their highest credential on record.)

Following last year's inaugural report, this edition shows that average debt levels for undergraduate completers in Kentucky continue to decline across sectors and credential levels. Moderating debt loads among Kentucky's graduates has been a key focus of campuses across the state, as well as CPE and state leaders. Specifically, increases in financial aid and better financial counseling and resources, along with decreasing times to degree, are contributing to lower debt levels across sectors.

- Average debt for all public undergraduates (including those graduating with and without debt) dropped 32.8 percent between 2018-19 and 2023-24. The proportion of graduates with debt declined from 54.8% to 40.9% over the same period.
- At KCTCS, average debt of graduates declined by 38.6 percent between 2018-19 and 2023-24. The proportion of graduates with debt declined from 42.7 percent to 28.0 percent over the same period.
- At four-year public universities, average debt of graduates declined by 15.5 percent between 2018-19 and 2023-24. The proportion of graduates with debt declined from 61.6 percent to 54.9 percent.
- Declining debt trends generally hold across demographic and academic subgroups and higher education sectors.

CPE staff will present the findings of this report, which was released in late March. The report is published here: <http://cpe.ky.gov/data/reports/2025debtreport.pdf>