

# Student-loan borrowers in their 50s and older are begging lawmakers: Don't let us die with this debt

[marketwatch.com/story/student-loan-borrowers-in-their-50s-and-older-are-begging-lawmakers-dont-let-us-die-with-this-debt-387fda0f](https://www.marketwatch.com/story/student-loan-borrowers-in-their-50s-and-older-are-begging-lawmakers-dont-let-us-die-with-this-debt-387fda0f)

## Student debt is increasingly becoming a problem among older Americans

By [Jillian Berman](#)

Published: Sept. 16, 2024 at 9:54 a.m. ET



A group of student-loan borrowers over age 50 took to Washington to call attention to how the debt is impacting their golden years. Photo: MarketWatch/Debt Collective

To many, student debt is a young people's issue. But last week, dozens of borrowers age 50 and over traveled to Washington to remind policymakers that it's increasingly becoming a problem for older Americans like them.

There was Alicia Barnes, 50, who said her challenges with student debt prevented her from getting a more affordable mortgage from the Department of Veterans Affairs. There was Renita Walker, nearly 60, who took on loans to attend school while she was taking care of two young children following the death of her husband. There was Gail Gardner, 77, who told members of her church back in Stone Mountain, Ga., who also struggle with student debt that she would advocate for them, too.

The message the borrowers had for staff in congressional offices, the Department of Education and the White House: They don't want to die still owing. Or as Becki Wells, 63, put it: "We know the only thing standing between us and student-loan relief is political will — and death."

Though more people in their 20s, 30s and 40s have student debt, borrowers over 60 are the fastest-growing population of student-loan borrowers by age. In some cases, these borrowers took on the debt to help pay for their children's education. In other cases, they borrowed later in life to facilitate their own career advancement. In some situations, the debt they hold is decades old.

Regardless of why they took on the student loans, the debt can be particularly pernicious for older borrowers. They have less time in their working lives to get it paid off. Making payments on student loans can prevent them from putting money toward other priorities that can help them have a secure retirement, like paying down a mortgage or contributing to a retirement account.

"It's worse than just owing money," said Teresa Ghilarducci, an economist at the New School in New York and the director of the university's Retirement Equity Lab. "What student debt at such an old age represents is a tip of an iceberg of the debt they've been living with. The opportunity cost of that student-loan payment is not represented by that sheer account balance."

To Ghilarducci — the author of "Work, Retire, Repeat: The Uncertainty of Retirement in the New Economy," carrying student loans into old age is a signal of the challenges in a "do-it-yourself" system of education and retirement.

"We're supposed to be able to know how much our education is going to pay off; we're supposed to know how long we're going to work," she said. Navigating that, however, "really does exceed the capability of most mortals."

## **A push for debt cancellation for older borrowers**

---

The trip to Washington was organized by the Debt Collective, a debtor activist organization that has been pushing for broad-based student-debt cancellation for more than a decade. Though that is still on the agenda, their demand for this action was narrower: They want the

Education Department to use its authority under the Higher Education Act to cancel older borrowers' debt.

There are programs in the federal student-loan system aimed at ensuring a borrower's debt is manageable and that it doesn't plague them for decades. But these initiatives can be difficult to navigate and advocates have charged that loan servicers — borrowers' primary contact when dealing with their student loans — exacerbate those challenges by not providing borrowers with the right, or enough, information about the programs. Many of the older borrowers in Washington had struggled to navigate the complex system, and their debt ballooned because of interest and fees.

Some of the Biden administration's student-loan relief efforts so far have been more likely to impact older borrowers. For example, the White House has pushed through about \$167 billion in debt relief, much of it geared toward borrowers who have been in repayment for at least 20 years.

In addition, the Biden administration proposed a broad student-debt cancellation program that, if implemented, would impact more than 25 million borrowers. Once again, some of the provisions were aimed at borrowers who have been in repayment on their debt for decades — a group more likely to be older. A federal court blocked this program earlier this month, preempting the Biden administration from implementing it.

Finally, the Education Department has said it would propose a rule that would allow it to cancel debt in cases of financial hardship, including when a borrower's age indicates they're unlikely to repay the debt. But the agency hasn't provided much detail on that plan.

In the past, the department has used its authority under the Higher Education Act to cancel debt for struggling borrowers on a one-off basis. Jeremy Flood, 32, traveled through the halls of Congress with the older borrowers, documenting their advocacy. Flood said he felt "compelled" to be there because of how the Debt Collective helped his grandmother, Betty Ann.

A few years ago, he connected his grandmother, who is nearing 94, to a Debt Collective organizer, Eleni Schirmer. At age 91, Betty Ann owed \$329,309 in student loans, up from the \$29,000 she originally borrowed in 1983 to attend law school at age 52. Schirmer combed through Betty Ann's loan documents to try to understand them and wrote about her situation for the New Yorker. After a back-and-forth between Schirmer and the Education Department, the agency cancelled Betty Ann's debt.

Flood said that his grandmother was relieved to finally have the debt gone, but he thinks she shouldn't be the only one getting such relief.

"I can see my grandmother in all these other people, especially all these other Black women," Flood said of the borrowers visiting policymakers in Washington.

The similarities in some of their stories were so striking, Flood said, that it was hard to believe that what happened to his grandmother was unique and not part of a broader system that pushed people toward debt to get ahead, and made it difficult for them to get out from under it. Like Betty Ann, many were Black women who had pursued higher education to ensure a better life for themselves and their children, and had served their communities — and yet, their golden years were marred by debt and the challenge of navigating it.

### **‘I thought I was the only one’**

---

For Renita Walker, hearing other borrowers’ stories helped to normalize her situation, she said during a lunch break in between meetings with members of Congress and their staffs.

“I really thought I was the only one,” said Walker. “The only way things are going to change is if someone starts advocating,” she said in explaining why she came to Washington.

Walker is almost 60 and has more than \$200,000 in student loans. She recently took money out of a retirement account to put toward her student loans in an effort to lower her payments. Walker was widowed with two young children when she was in the process of getting her education in her 30s. That meant she had to stretch out the process to make it through school while also working and caring for her children, pushing her to take on more debt.

Later, Walker also borrowed through Parent PLUS, a federal loan program parents can use to pay for their children’s college. The PLUS program — and the way some schools use it to push an unsustainable debt burden onto parents to cover high tuition — has come under heightened scrutiny in recent years.

Now that her debt payments cost more than her mortgage, Walker works two jobs to make ends meet, she said on a recent call with reporters.

“The idea itself has become paralyzing,” she said of her loans. “It is the realization that I will probably, literally work myself to death.”

Gail Gardner got multiple degrees, including one later in life, because she thought the education would help her provide for her family. But her more than \$500,000 in loans have turned out to be a burden, she said, even with federal programs that can help borrowers manage their debts.

“You owe somebody money, you can’t forget it,” Gardner said, as other borrowers gathered at a table in a congressional cafeteria nodded in agreement.

The debt is “something that’s constantly growing,” she added. “It’s not going away — but we will.”

Gardner said she hopes that even if her advocacy doesn't help her directly, it will benefit future generations, and perhaps prevent her grandchildren and great-grandchildren from contending with the student-loan challenges she faced. The Sunday before she came to Washington, her pastor announced in church that she was traveling to advocate for student-loan borrowers. Gardner took down people's names and debt loads, and told them she would follow up with them on how the trip went.

In a marble Senate office lobby, Alicia Barnes said she also worries about her sons, who are 19 and 24. One is doing his best to get an affordable education by attending community college, which the state of Maine, where Barnes lives, recently made free. Still, he struggled for a year to access the classes he's interested in because they were oversubscribed, she said.

Barnes's experience with her student loans has made other parts of her financial life difficult. She's a military veteran — but when she was looking to buy a house, getting access to a cheaper mortgage through the Department of Veterans Affairs was nearly impossible because she had defaulted on her student loans. So instead, she took on a more expensive commercial mortgage.

At a meeting with the Education Department, which was part of the advocates' trip to Washington, Barnes learned for the first time that her loans were illegally placed into default while she was on active duty in the U.S. Navy.

Barnes first started college after high school, but left after three years, including one where she worked a full-time job to help afford her schooling. At 24 years old, she joined the Navy in part because she wanted to continue her education but didn't want to accrue more student-loan debt. In 2003, she deployed to Iraq.

When she returned, Barnes re-enrolled in college and ultimately went to graduate school — but the combination of the cost and the fact that she was raising her two sons as a single mother meant her G.I. Bill benefits didn't cover all of her expenses. So, she took on more debt.

Now, she's coping with PTSD and other health challenges, but worries she'll have to keep working in order to keep up with the debt. She's submitted an application for a level of veteran-related disability that, if approved, would qualify her to have her student debt entirely wiped out. In the meantime, Barnes said she's checking the website several times an hour.

"The system is completely rigged," she said.