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Student Debt Load Found to Vary by College and State



Eduardo Munoz/Reuters

Students at Princeton University, whose graduates had smaller debts on average than most other colleges, according to a report.

By **RICHARD PÉREZ-PEÑA**
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Rising student debt has become a national concern, but the picture is far from uniform, with students at some colleges borrowing 10 times as much as their counterparts at other colleges, a report released Wednesday says.

The Institute for College Access and Success, a research group, reported not only an enormous variation in student debt from college to college — from less than \$5,000 per borrower at some to almost \$50,000 at others — but also wide differences by region, with students in the East and Midwest borrowing far more than those in the West and South.

The report underscores the murkiness of college costs, with students and parents often focusing on sticker prices that have little to do with how much aid they might receive, how much they might pay out of pocket, and how much they might have to borrow.

“There’s a growing awareness of the importance of student debt, and there are many more tools available now for people to learn about costs, but we still have a long way to go in informing people about how to finance an education, and how much it varies from school to school,” said Lauren Asher, president of the institute.

The report came a day after the federal Consumer Financial Protection Bureau announced that it would regulate large loan servicers like Sallie Mae — companies that do not lend the money in the first place, but take over the management of the loans — in the \$1.2 trillion student debt market. The federal bureau, created after the 2008 financial crisis, already oversees lenders, but it recently reported that people with student debts are often tripped up by the loan servicers, particularly when they seek to change repayment terms.

The Institute for College Access and Success estimated that of the students who earned bachelor’s degrees in the United States in 2011-12, 71 percent had student loans, and the average borrower had \$29,400 in debt, compared with 68 percent and \$23,450 four years earlier. The group derived the figures from an annual survey of more than 1,000 colleges and a federal government survey of former students conducted every four years.

The numbers are skewed somewhat by for-profit colleges, which award about 6 percent of bachelor’s degrees, and where students are much more likely to borrow money, and borrow far more on average. Excluding for-profit schools, the institute reported that 68 percent of graduates had student debt, averaging \$27,850; a recent report by the College Board, using different methodology, put those figures at 60 percent and \$26,500.

The institute’s report lists some of the colleges where students borrow the most and the least, based on the college survey, but cautions that some colleges that did not take part in the survey might have made those rosters. Nearly all for-profit colleges did not take part. The high-debt private colleges listed are concentrated in the Northeast, while half of the high-debt public colleges are state schools in Pennsylvania or New Jersey.

The institute also posted college-specific figures on Wednesday in a searchable online database. It shows two private colleges, Anna Maria College and Wheelock College, both in Massachusetts, with more than 80 percent of graduates having student loans, and the highest average debt per borrower, around \$49,000, among colleges that provided figures. At two other private schools, Becker College in Massachusetts and Marylhurst University in Oregon, average debt was a few thousand dollars lower, but there were more borrowers — more than 90 percent of their graduates had debts.

The colleges on the report’s low-debt list are a geographically diverse mix of public and private, ranging from little-known places like Campbellsville University in Kentucky to Princeton University.

At California State University at Sacramento, fewer than half of graduates had student loans, which averaged less than \$4,500. At Bernard M. Baruch College of the City University of New York, the average debt per borrower was slightly higher, but only about one graduate in five borrowed any money for college.

State-wise, graduates of colleges in Arizona, California, Louisiana, Nevada, Utah and Wyoming were among the least likely to have student debt, and those who did borrowed relatively little. Graduates in New Mexico had the lowest average debt per borrower of any state, about \$18,000.

At the other end of the spectrum, graduates in New Hampshire, Pennsylvania, Rhode Island, Maine, Minnesota and Ohio were among the most likely to borrow and had some of the highest debt loads. Delaware colleges had the highest debt per borrower, almost \$34,000.