



National Association for
College Admission Counseling
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High School Counselors Say Debt Worries Affect College Choices **Survey: Student loans support access, but present challenges to families**

According to our nation's high school counselors, worries about the risks of student loans influence families' decisions about whether children go to college as well as which college they should attend. Meanwhile, most school counselors themselves are concerned about how much debt students are taking on to cover rising college costs. These are among the findings of a national survey of high school counselors, co-sponsored by the National Association for College Admission Counseling (NACAC) and the Project on Student Debt, and released today in *Balancing Acts: How High School Counselors View Risks and Opportunities of Student Loans*.

The survey found widespread concern about student debt; some significant challenges in advising students and parents about loans; and generally positive views of how student loans can expand educational opportunities mixed with worries about the risks loans pose for low-income and less academically prepared students. Some of the key findings include:

- Most counselors believe student loans are a good investment for a typical student at their school: 83 percent believe loans are at least a *somewhat* good investment, while 37 percent believe they are a *very* good investment.
- Most counselors (89 percent) agree with a general statement that student loans help low-income students attend college. However, more than one-third (37 percent) believe that low-income students should avoid student loans because of the risks of default.
- Most high school counselors (78 percent) say that students' and parents' concerns about loan debt affect whether and where students go to college.
- Even more high school counselors (86 percent) are themselves concerned about how much debt students are taking on to pay for college.
- Nearly all high school counselors (97 percent) say that students and families need a lot of help making decisions about student loans, and most counselors feel generally prepared to discuss loans with them. Eighty percent feel at least *somewhat* prepared, but only 25 percent feel *very* prepared.

- Counselors find certain common questions that students and parents ask about loans much more difficult to answer than others.
 - Easier questions: More than half of counselors find it at least “somewhat easy” to answer questions about *whether* to borrow to pay for college (62 percent) and what happens if the student does not graduate from college (53 percent).
 - Harder questions: Three-fourths (76 percent) of counselors find it at least “somewhat hard” to advise students and families about *how much* they can afford to borrow. Two-thirds say it is hard to answer questions about what type of loan to get (66 percent) and what happens if borrowers cannot pay back their loans (64 percent).

“Historically, loans for college have provided opportunities for many students, and counselors generally see student loans as potentially effective levers for college access,” said NACAC president Mary Lee Hoganson. “However, with borrowing at record levels, counselors must strike a balance between encouraging young people to pursue their best college opportunities and acknowledging the real risks of taking on student debt. The survey results demonstrate that counselors could use more information to help students navigate the increasingly complex market for student loans.”

Balancing Acts also includes two recommendations for addressing the issues raised by the survey findings. The first is for the U.S. Department of Education, state education agencies, and school districts to significantly improve the student-loan related training and materials available to high school counselors. The second is to implement the student loan policy changes outlined in the Project on Student Debt’s Plan for Fair Loan Payments, which would limit payments to a reasonable percentage of income and strengthen other borrower protections.

“Students and families rely on high school counselors’ guidance in the complicated and high-stakes world of student loans, and counselors certainly deserve better information and support,” said Robert Shireman, executive director of the Project on Student Debt. “But what we really need is a student loan system that isn’t so risky or hard to explain in the first place, so that counselors can focus their limited resources on preparing students to get into and succeed in college.”

The full report, including survey methodology, is available online free of charge at www.nacacnet.org and at www.projectonstudentdebt.org.

For more about NACAC, see www.nacacnet.org. For more about the Project on Student Debt and the Plan for Fair Loan Payments, see www.projectonstudentdebt.org.

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