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Average Debt for 2013 Grads Tops $30k in 6 States; Only 1 Below $20k

New report shows student loan debt still rising for bachelor's degree recipients; includes state-by-state and college-by-college debt levels

Oakland, CA – Student debt levels for newly minted bachelor's degrees continue to rise, but how high varies greatly by state and by college, according to a new report from the Project on Student Debt at The Institute for College Access & Success (TICAS). In 2013, seven in 10 (69%) graduating seniors at public and private nonprofit colleges had student loans. Nationally, the average debt for these graduates was $28,400, two percent higher than for public and nonprofit graduates in 2012, but there was significant variation by college: at nearly one in five colleges, average debt levels increased 10 percent or more. In both years, about one-fifth of new graduates' debt was in private loans, which are typically more costly and provide far fewer consumer protections and repayment options than safer federal student loans.

Student Debt and the Class of 2013 draws on the most recent available data, which are reported voluntarily by colleges around the country. Because virtually all for-profit colleges decline to disclose their graduates' debt, the national, state, and college figures in this report are for public and nonprofit colleges, which award most four-year degrees.

Recent graduates still face a tougher job market than before the recession, with a 2013 unemployment rate of 7.8%. However, it is less than half the 2013 rate for those who only finished high school (16.5%).

"A college degree is still the best path to a job and decent pay, and while loans are increasingly needed to get through school, graduating with burdensome debt is not a foregone conclusion," said **Lauren Asher**, TICAS president. "Where you go to college matters, and the kind of loans you have matter, too. Federal student loans come with crucial consumer protections like income-based repayment plans, while private loans offer little or no relief if you hit a rough patch."

State Highs and Lows. At the state level, borrowers' average debt at graduation ranges from $18,656 to $32,795, with six states topping $30,000 and only one under $20,000. Nearly all the highest debt states are in the Northeast and Midwest, with the lowest debt states in the West and South.

High-Debt States	
New Hampshire	$32,795
Delaware	$32,571
Pennsylvania	$32,528
Rhode Island	$31,561
Minnesota	$30,894
Connecticut	$30,191
Maine	$29,934
Michigan	$29,583
Iowa	$29,370
South Carolina	$29,092

Low-Debt States	
New Mexico	$18,656
California	$20,340
Nevada	$21,666
District of Columbia	$22,048
Oklahoma	$22,174
Arizona	$22,253
Utah	$22,418
Hawaii	$22,785
Wyoming	$22,879
Louisiana	$23,358

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"Graduates from New Hampshire colleges are almost twice as likely as Nevada graduates to leave school with student loan debt, and they owe almost twice as much as graduates from New Mexico colleges," said **Debbie Cochrane**, research director at TICAS and coauthor of the report. "The importance of state policy and investment cannot be overstated when it comes to student debt levels."

College highs and lows. Average debt at graduation varies even more widely from college to college, from less than $2,500 to more than $71,000 in 2013. The odds of graduating with loans also vary from 10 percent to 100 percent.

The report lists public and nonprofit colleges with especially high or low debt compared to other schools that provide data. Colleges with higher costs tend to have higher average debt at graduation, but not all high-debt colleges are high-cost. Fourteen of the 40 high-debt colleges – four public and 10 nonprofit – have tuition and fees below the national average for their sector. The composition of graduates' debt also varies: at almost half of the 40 high-debt colleges and at eight of the 20 low-debt colleges, more than one-third of graduates' debt came from private loans.

Recommendations include call for better data. The report uses the best available data on debt at graduation, but the data have significant limitations. Because colleges are not required to report debt levels for their graduates, only some do. Only 57% of public and nonprofit bachelor's degree-granting colleges provided data, representing 83% of 2013 graduates in these sectors. Even colleges that do provide data may understate graduates' debt loads if they are not aware of their students' private loans, and the quality of reported data varies. For-profit colleges could not be included in the analysis because so few report their graduates' debt loads. However, the most recent national-level data show for-profit schools have much higher borrowing rates and debt at graduation than other types of four-year schools.

"Only with comprehensive, reliable data for every college will we see the full picture of student debt. This is too important an issue for students, schools, and policymakers to rely on voluntary, self-reported data," said **Matthew Reed**, TICAS program director and coauthor of the report. "Federal collection of both federal and private loan debt at graduation is both necessary and long overdue."

In addition to making the case for better debt data, the report's policy recommendations include reducing students' need to borrow by containing college net costs, helping keep loan payments manageable by simplifying and raising awareness of income-driven repayment plans, helping students and families make informed choices about college enrollment and financing, strengthening college accountability to more closely tied a college's eligibility for federal funding to student and taxpayer risk, and reducing private loan borrowing.

NOTE: For more information on state and college debt for the Class of 2013, see our companion interactive map with details for all 50 states, the District of Columbia, and more than 1,000 public and nonprofit four-year colleges.

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An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. TICAS' Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. Follow us on Twitter.