



EMBARGOED UNTIL 9AM ET

December 1, 2009

CONTACT: Edie Irons
510/883-7302
Gretchen Wright
202/371-1999

Recent College Grads Face Record Debt and Unemployment

New report includes state-by-state and campus-by-campus student debt averages for class of 2008

Berkeley, CA - College seniors who graduated in 2008 carried an average of \$23,200 in student loan debt. Meanwhile, unemployment climbed from an already challenging 7.6 percent in the third quarter of 2008 to 10.6 percent in 2009 – the highest third-quarter rate for college graduates aged 20 to 24 this decade. The Project on Student Debt’s new report, [*Student Debt and the Class of 2008*](#), and an [interactive online map](#) include debt levels for the 50 states and District of Columbia and nearly 2,000 U.S. colleges and universities.

Students in the District of Columbia and Iowa graduated with the highest average debt levels: \$29,793 and \$28,174, respectively. Those in Utah had the lowest average debt at \$13,041. In four states, more than 70 percent of students graduated with student debt: Pennsylvania (71 percent), Minnesota (72 percent), West Virginia (73 percent), and South Dakota (79 percent). As detailed in the report, state figures are likely even higher than these estimates, which are based on data reported voluntarily by public and private nonprofit colleges. The report also includes lists of high- and low-debt colleges.

“With debt and unemployment at record levels, young college graduates may feel stuck between a rock and hard place,” said Lauren Asher, president of the Institute for College Access & Success, home of the Project on Student Debt. “Rising student debt is a serious problem, but struggling borrowers do have options to help manage their federal student loan debt, such as unemployment deferments and the new Income-Based Repayment program.”

The report also highlights the limitations of available data, especially the lack of college-level information about the use of risky private (nonfederal) loans, which lack the important consumer protections and repayment options that come with federal loans. The recommendations call on colleges and the federal government to provide more thorough, accurate data about student debt to the public

“More reliable information from all colleges about federal and private loan borrowing would help policymakers and college officials limit the burden of student debt,” said Asher. “Two reforms currently moving through Congress – the Student Aid and Fiscal Responsibility Act and legislation creating a Consumer Financial Protection Agency – could help limit the need to borrow and reduce the unnecessary use of risky private student loans.”

The Institute for College Access & Success recently launched a major new web site, College InSight (www.college-insight.org), which puts student debt in context with affordability, diversity, and student success. The site includes more than 150 variables for thousands of colleges and universities, and makes it easy to search, compare, and explore data.

Student Debt and the Class of 2008 is available online at www.projectonstudentdebt.org. For more information about Income-Based Repayment and links to other loan-repayment resources, see www.IBRinfo.org.

#

The Project on Student Debt is an initiative of the Institute for College Access & Success, an independent, nonprofit organization working to make higher education more available and affordable for people of all backgrounds. For more information see www.projectonstudentdebt.org and www.ticas.org.