

The Telegraph

It's Your Community.

This is a printer friendly version of an article from www.nashuatelegraph.com
To print this article if a print dialogue does not open automatically, open the File menu and choose Print.

[Back](#)

Published: Friday, October 19, 2012

At \$32,440, New Hampshire once again tops in nation in average student debt

By DANIELLE CURTIS

Staff Writer

CONCORD – If New Hampshire’s class of 2010 thought it had it rough, the class of 2011 just topped it.

Students graduating from Granite State colleges and universities last year headed into the real world carrying the highest average student debt load in the nation, to the tune of \$32,440, according to a report released by The Project Student Debt on Thursday.

This marks the second year New Hampshire ranks highest in the nation. In 2010, students left with an average debt load of \$31,048. And this year the state is the only one with student debt that tops \$30,000.

For Thomas Horgan, the executive director of the New Hampshire College and University Council, the report was no surprise.

“We’re reaping what we’re sowing,” he said. “We had very little money in scholarship aid to students, and we’ve seen student debt loads go up. Now there is no scholarship aid, and I think the expectation is that the student debt load is going to continue to rise.”

Nationwide, the report found that two-thirds of college seniors who graduated in 2011 had student loan debt, with an average of \$26,600 per borrower. The report points out that meanwhile, unemployment for young college graduates remained at 8.8 percent in 2011.

At the University of New Hampshire in 2011, graduates left with an average debt of \$34,194, up nearly 6 percent from \$32,323 in 2010. Locally, Rivier University did not report its data to the study. Last year, the school reported an average debt load of \$36,462.

Graduates in 2011 from Thomas More College of Liberal Arts in Merrimack left with an average debt \$18,355.

The state’s struggle with rising student debt and costs for higher education is nothing new.

During the past decade at UNH, the cost of attendance rose 147 percent for in-state

students and 113 percent for out-of-state students.

The issue was exacerbated in 2011, when the Legislature voted to cut the state's funding to the university system by nearly 50 percent, a move that legislators maintain was necessary to restore order to a university system that had grown bloated.

Last month, the USNH trustees pledged to freeze tuition for in-state students for the next two years, but only if the legislature restores the historic cuts.

The student loan data released Thursday is for 2011 graduates, whose tuition rates were not effected by the cuts.

Horgan said those increases were likely due, at least in part, to decreasing state scholarship aid for residents.

The state has traditionally offered much lower aid than other states in the nation, he said. In fiscal 2010, the state would have had to increase its grant aid by nearly 300 percent just to match the next lowest New England state's grant expenditure, according to information from the USNH Chancellor's Office.

Two years ago, a final \$3.5 million in aid for needy students – awarded as \$1,000 scholarships – was cut completely, said Higher Education Commission Director Richard Gustafson. Another \$6 million was cut from the state's UNIQUE college savings program.

"I don't believe there is any other state in the nation that has no funding for any scholarships for any student," Horgan said.

USNH Chancellor Ed MacKay said that as the state's contributions to scholarships waned, Granite State institutions had to contribute more, from \$5.2 million in fiscal 2002 to \$30.8 million in fiscal 2012.

"It had a big impact on us," MacKay said. "But it still left many students with a gap."

Much of the tuition increases in last decade, meanwhile, have gone toward the increases in aid payouts, Horgan said, while the loss of scholarships for needy students has been made up for in additional loans.

MacKay said that while freezing tuition alone would likely not lower student loan rates significantly, the university system has also pledged to increase its financial aid offerings if the state restores its appropriation.

The proposal also asks for the reinstatement of scholarship programs from the state.

If these things were to happen in tandem, MacKay said, there would be a change.

"I believe it would have a very significant impact over the course of the biennium and provide stability to New Hampshire families in lowering that net price of a higher education," he said.

But Horgan said it is important to remember that funding is not the only factor that leads to the Granite State's distinction as having the highest average student debt.

Tara Payne, of the NHHEAF Network's Center for College Planning, said too often students have their hearts set on a particular college, and are willing to get any loan to help pay for it.

However, loans can differ greatly, she said, and it is important for families to think about the loans they are acquiring and what repayment plans will look like after graduation.

Horgan, meanwhile, said there needs to be better collaboration between K-12 institutions and higher education institutions to ensure students get the greatest value from their education.

"We can't just point to the Legislature and say, 'They didn't give us any money and so now students are in debt,'" he said. "I think there has to be an honest conversation about what is the state's obligation to residents to help them achieve a college education, and what the university system's obligation is."

Danielle Curtis can be reached at 594-6557 or dcurtis@nashuatelegraph.com. Also follow Curtis on Twitter ([Telegraph_DC](#)).

© 2012, Telegraph Publishing Company, Nashua, New Hampshire