

Date: August 4, 2011
Subject: Comparative Measures of Student Debt Levels by State

Kiplinger Shows Low Debt to Income Ratio for Washington State Graduates

Kiplinger has released a [map](#) (see page 2 of this brief for an image) showing average student debt versus average income across all fifty states, as well as categorizing institutions they have identified as the most expensive and the 'best values'. The UW comes in as the 10th best value public institution in the nation for 2010-11.

The map illustrates that students in Washington State have a low debt to income ratio compared to those in other states. Kiplinger identifies average student debt in Washington as being between \$15,000 and \$20,000, while average income is around \$40,000 to \$50,000, with about 61 percent of all students in the state taking out loans. Utah boasts the smallest amount of debt per student (under \$15,000), while New Hampshire has the highest average debt load (over \$25,000 per student).

These state level data are consistent with our most recent UW data. In 2009-10, 50 percent of all UW undergraduates borrowed and their average cumulative debt was \$19,500. Although these figures are lower than the national average, they have increased over the last several years, especially as state funding cuts have necessitated tuition increases.

Education Sector Shows Low Debt to Degree Ratio for Washington Institutions

Education policy think tank Education Sector recently released a report entitled "[Debt to Degree](#)," which measures the ratio of student/parent government-backed loans taken by all students to the number of credentials awarded by an institution per year. They find that:

- Across all institutions and sectors, for each degree awarded in 2008/2009, \$18,102 was borrowed.
- Degree to credential ratios varied considerably across institution types: On average, families at four-year public institutions borrowed \$16,247 per degree, compared to \$21,827 at private four-years, and \$43,383 at for-profit schools.
- Washington state institutions rank among the lowest borrowing to credential ratios in the nation, with debt to degree ratios in the \$5,000 to \$9,999 range (a range that includes only ten states).
- Indicating that the measure is consistent with Kiplinger's debt to income ratio, Education Sector identifies Utah as having the lowest debt to degree ratio, and New Hampshire as having the highest.

Ultimately, both of these recent reports and UW data show that student borrowing has increased measurably in recent years, and that new investments in financial aid are playing an increasingly key role in maintaining access for students from lower income households. Because state investment per student FTE is significantly negatively correlated with the amount that students borrow, we might expect this trend to continue due to recent state budget cuts. So, while Washington is doing better than most states on these measures, concerns about access and debt burden remain.

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Kiplinger Student Debt vs. Average Income

Best Values for Private and Public Colleges

PUBLIC UNIVERSITIES	In- State 2009		School	State	Enrollment	SAT or ACT	Admission Rate	Student/faculty Ratio	4-Year Grad. Rate	6-Year Grad. Rate	In-State Total Costs	In-State Costs After Aid	Total Out-of-State Costs	Out-of-State Costs After Aid	% Met by Aid	Avg. Debt at Grad.
	1	3														
	1	3	University of North Carolina at Chapel Hill	NC	17,628	75/80	35%	14	71%	83%	\$13,731	\$4,960	\$30,629	\$21,858	100%	\$14,912
	2	4	University of Florida	FL	36,189	63/69	42%	22	53.5%	81%	\$11,888	\$6,486	\$28,733	\$23,331	83%	\$14,988
	3	8	University of Virginia	VA	15,078	75/80	35%	15	84.1%	93.1%	\$18,460	\$4,284	\$38,760	\$24,584	100%	\$18,847
	4	14	University of Georgia	GA	25,335	61/62	55%	18	48.2%	78%	\$14,458	\$7,918	\$30,770	\$24,230	75%	\$14,420
	5	9	College of William and Mary	VA	5,792	85/84	34%	11	83.1%	90.7%	\$19,156	\$6,272	\$38,236	\$25,352	86%	\$15,602

PRIVATE UNIVERSITIES	In- State 2009		School	State	Enrollment	SAT or ACT	Admission Rate	Student/faculty Ratio	4-Year Grad. Rate	6-Year Grad. Rate	In-State Total Costs	In-State Costs After Aid	Total Out-of-State Costs	Out-of-State Costs After Aid	% Met by Aid	Avg. Debt at Grad.
	1	3														
	1	3	Cal. Institute of Technology, Pasadena	CA	913	17%	97%/100%	3	82%	88%	\$45,777	\$19,613	\$9%	\$18,679	18%	\$6,268
	2	4	Yale, New Haven	CT	5,311	10%	97%/97%	6	88%	95%	\$46,950	\$15,676	90%	\$46,950	0%	\$12,237
	3	8	Princeton, Princeton	NJ	4,918	10%	97%/98%	8	89%	94%	\$46,895	\$18,222	95%	\$46,895	0%	\$5,592
	4	14	Rice, Houston	TX	3,051	25%	88%/92%	5	78%	89%	\$42,036	\$21,315	88%	\$34,858	29%	\$12,249
	5	9	Duke, Durham	NC	6,394	25%	92%/94%	8	86%	92%	\$48,915	\$22,410	85%	\$23,754	7%	\$23,392

Source: kiplinger.com

Percentage of Grads w/ Debt

AR - 59%	ND - 80%
AZ - 58%	NE - 67%
CA - 49%	NH - 73%
CO - 53%	NJ - 67%
CT - 58%	NM - 57%
DC - 64%	NV - 48%
DE - 54%	NY - 63%
FL - 54%	OH - 68%
GA - 50%	OK - 57%
HI - 35%	OR - 67%
IA - 74%	PA - 71%
ID - 68%	RI - 66%
IL - 58%	SD - 62%
IN - 62%	SC - 81%
KS - 86%	TN - 47%
KY - 65%	TX - 58%
LS - 59%	UT - 42%
MA - 62%	VA - 59%
ME - 68%	VT - 63%
MI - 64%	WA - 61%
MO - 65%	WI - 67%
MS - 63%	WV - 71%
	WY - 49%

	Avg. Income	Avg. Debt		Avg. Income	Avg. Debt		Avg. Income	Avg. Debt
AK	\$31,266	\$20,373	KY	\$31,826	\$16,897	NY	\$31,826	\$21,199
AL	\$33,643	\$20,666	LS	\$36,271	\$22,151	OH	\$35,511	\$22,049
AR	\$31,266	\$19,489	MA	\$50,735	\$20,220	OK	\$36,899	\$19,821
AZ	\$32,953	\$25,628	MD	\$48,091	\$17,599	OR	\$35,956	\$20,285
CA	\$31,266	\$18,687	ME	\$35,381	\$23,533	PA	\$40,265	\$23,626
CO	\$42,377	\$20,429	MI	\$35,299	\$23,135	RI	\$41,008	\$22,753
CT	\$56,248	\$22,092	MN	\$42,772	\$24,499	SC	\$31,884	\$20,112
DC	\$64,991	\$20,789	MO	\$35,228	\$19,129	SD	\$37,375	\$23,437
DE	\$40,852	\$17,509	MS	\$29,569	\$18,000	TN	\$34,330	\$19,031
FL	\$39,070	\$20,666	MT	\$34,256	\$19,691	TX	\$38,575	\$19,024
GA	\$33,975	\$17,375	NC	\$34,439	\$17,254	UT	\$30,291	\$13,299
HI	\$40,490	\$15,199	ND	\$39,321	\$21,899	VA	\$42,876	\$18,100
IA	\$36,680	\$26,210	NE	\$37,730	\$19,555	VT	\$38,880	\$24,321
ID	\$32,133	\$22,718	NH	\$42,830	\$25,466	WA	\$42,456	\$19,301
IL	\$42,397	\$18,569	NJ	\$50,919	\$21,787	WI	\$37,314	\$20,788
IN	\$34,103	\$21,530	NM	\$32,091	\$19,171	WY	\$49,719	\$16,005
KS	\$37,970	\$18,840	NV	\$40,353	\$16,957	WV	\$30,831	\$19,867

Source: State and sector data from National Center for Education Statistics (IPEDS), Fall 2006

Most Expensive Colleges

Figures are total cost (tuition + room and board) for the 2008-2009 school year

1. Sarah Lawrence College	\$53,166
2. George Washington University	\$50,312
3. New York University	\$50,182
4. Georgetown University	\$49,689
5. Connecticut College	\$49,385
6. Bates College	\$49,350
7. Johns Hopkins University	\$49,278
8. Skidmore College	\$49,266
9. Scripps College	\$49,236
10. Middlebury College	\$49,210

It Doesn't End There - Debt For Grad Students

Graduate & Professional Degree Programs	Graduate Education Debt		All Education Debt (Grad & Undergrad)	
	Percent Borrowing	Cumulative Debt	Percent Borrowing	Cumulative Debt
Total	56.40%	\$40,297	69.50%	\$47,503
Master's Degree	55.20%	\$31,031	69.40%	\$40,208
Doctoral Degree	45.80%	\$57,860	56.30%	\$58,967
Professional Degree	86.20%	\$87,308	87.90%	\$98,711
PHD	35.40%	\$44,995	48.00%	\$45,455
EdD	65.10%	\$43,812	73.30%	\$44,880
Master of Business Administration (MBA)	55.50%	\$31,997	68.90%	\$41,676
Master of Social Work (MSW)	72.30%	\$35,516	77.70%	\$49,017
Master of Science (MS)	49.80%	\$30,684	63.50%	\$40,362
Master of Arts (MA)	60.80%	\$29,975	73.70%	\$40,500
Law (LLB or JD)	88.60%	\$80,081	88.50%	\$92,937
Medicine or Osteopathic Medicine	83.90%	\$119,424	83.20%	\$127,272
Pharmacy (PharmD)	82.20%	\$63,412	85.00%	\$81,838

Student debt data from Peterson's Undergraduate Financial Database 07/08

Source: ipedsdatacenter.org

Source: Federal Reserve Board