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# 4 graphics that highlight the student loan debt crisis

By [Matt Rocheleau](#) Globe Staff, May 20, 2019, 2:50 p.m.



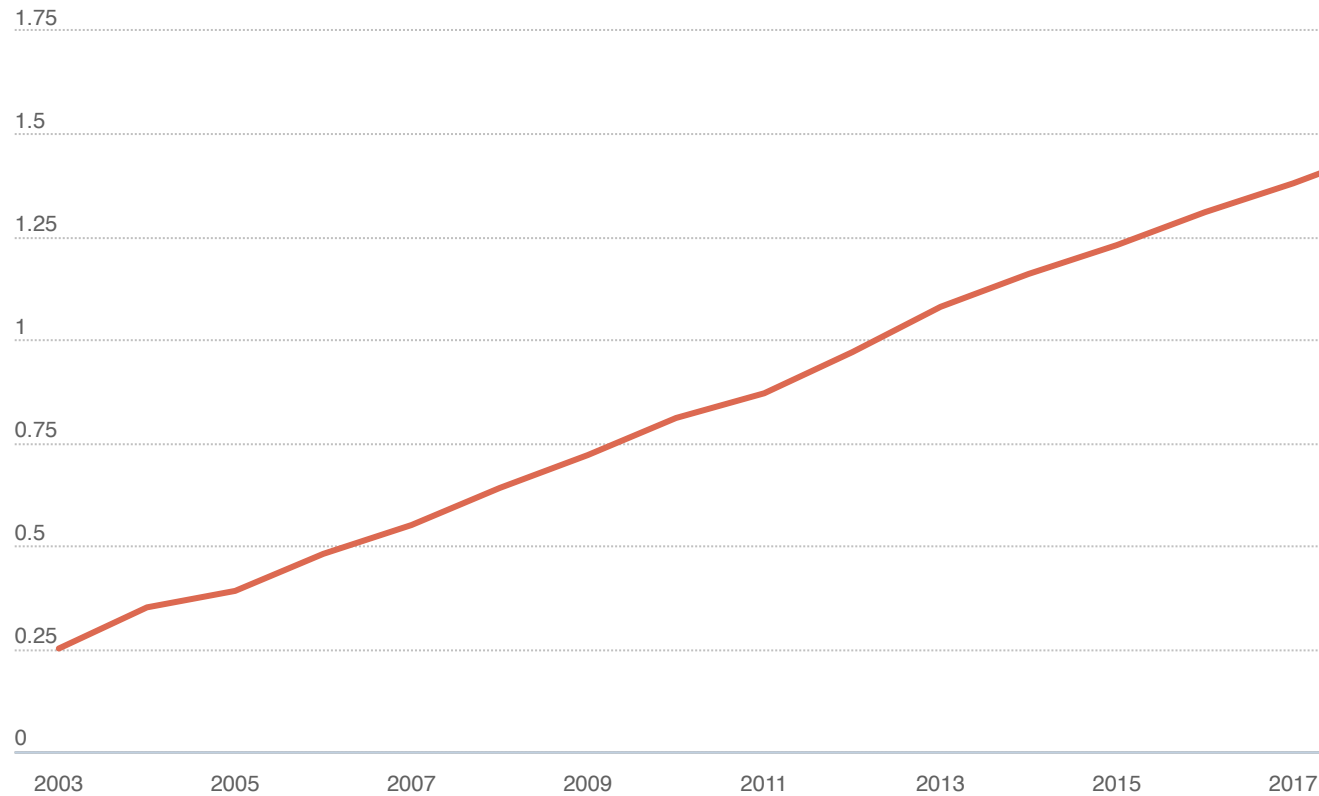
NYT

Billionaire technology investor and philanthropist Robert F. Smith said over the weekend he would provide grants to wipe out the student debt of the entire graduating class at Morehouse College — an estimated \$40 million gift.

The [generous move](#), announced by Smith as he gave the school's commencement address, comes as the country's staggering student loan debt crisis continues to grow and it has become [an issue](#) in the upcoming presidential election.

## 1. Americans owe a combined \$1.49 trillion in student loan debt

This chart shows the level of debt through the first quarter of 2019.



SOURCE: New York Fed Consumer Credit Panel/Equifax

MATT ROCHELEAU / GLOBE STAFF

That's about six times more than they owed in 2003, the earliest year available from the [Federal Reserve Bank of New York](#).

Today, more than 44 million people nationwide have student loan debt, according to the New York Fed.

Student loans are now the second largest category of household debt in the United States — larger than debt from auto loans, credit cards, and home equity lines of credit. (Mortgage debt remains, by far, the biggest category, as it has been historically.)

The New York Fed says student debt has increased because more people are taking out the loans, they're getting them for larger amounts, and repayment rates have slowed.

“Over the past two decades, there has been a significant change in the financing of higher education — with state and local funding covering a smaller share, and students and their families bearing a greater proportion of rising college costs,” the bank [says](#).

“While the federal student loan program has undoubtedly helped mitigate the impact of higher costs on college enrollment, more students now leave college with higher amounts of debt. At the same time, college dropout rates remain stubbornly high, and empirical evidence indicates that graduates from some colleges have had trouble finding good-paying jobs.”

## 2. More than 2.5 million people owe \$100,000 or more in student loans

The latest available figures are as of the end of 2017.

**Balance**

**Number of borrowers**

Balance	Number of borrowers
\$1 to \$5,000	8,547,500
\$5,000 to \$10,000	7,425,400
\$10,000 to \$25,000	12,277,200
\$25,000 to \$50,000	8,609,700
\$50,000 to \$75,000	3,681,000
\$75,000 to \$100,000	1,612,600
\$100,000 to \$150,000	1,347,400
\$150,000 to \$200,000	604,900
\$200,000+	609,800
Total	44,715,500

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel / Equifax

That includes some 610,000 Americans who owe \$200,000 or more, according to the [latest](#) available New York Fed figures covering the end of 2017.

Millions of other Americans owe sizable sums in the tens of thousands of dollars.

People with “significant” amounts of student debt “are much less likely to own a home at any given age than those who completed their education with little or no student debt,” the bank [says](#).

That’s a big deal because homeownership “has historically been an important form of wealth accumulation” and for many households “the principal form of wealth.”

“Thus, changes in the way we finance post-secondary education could also have important implications for the distribution of wealth,” the New York Fed says.

### 3. Students in the US graduate with nearly \$30,000 in debt, on average

This table shows states with the highest average debt amounts, as well as the national average. The latest available figures cover those who graduated college in 2017.

State	Average debt
Connecticut	\$38,510
Pennsylvania	\$36,854
Rhode Island	\$36,250
New Hampshire	\$34,415
Delaware	\$34,144
New Jersey	\$32,247
Massachusetts	\$32,065
Alabama	\$31,899
Minnesota	\$31,734
Maine	\$31,364
<b>National average</b>	<b>\$28,650</b>

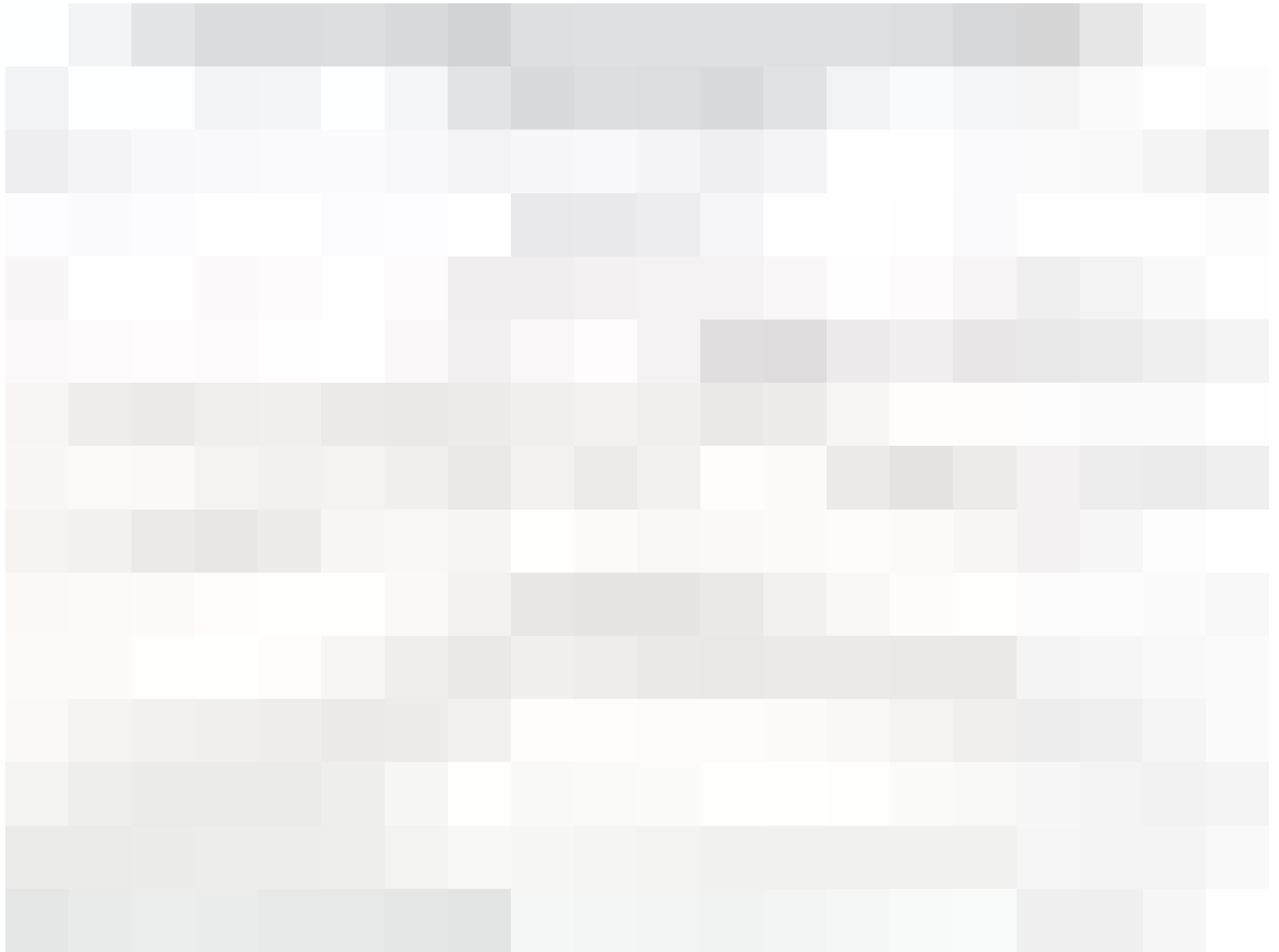
SOURCE: Institute for College Access & Success

According to the latest [annual report](#) on student debt from the Institute for College Access & Success, about two-thirds of students who graduated from college in 2017 had student loan debt. They owed, on average, \$28,650.

However, those figures don't account for students attending for-profit colleges because virtually none of those institutions report what their graduates owe, the institute says.

The average debt owed by 2017 graduates of public and private non-profit schools varies significantly by state, ranging from as low as \$18,850 in Utah to as high as \$38,500 in Connecticut. "High-debt states are located mainly in the Northeast, with low-debt states primarily in the West," the institute says.

#### **4. Delinquency rates remain 'stubbornly high'**



NEW YORK FED CONSUMER CREDIT PANEL/EQUIFAX



In 2003, the percentage of student loan debt balance that was 90 days or more delinquent was 6.1 percent, according to the [New York Fed](#).

But as of the first quarter of 2019, it was about 10.9 percent — a slight improvement from a peak of 11.8 percent in the third quarter of 2013.

“Despite an improving labor market, overall delinquency rates on student debt remain stubbornly high,” the New York Fed [wrote](#) in 2017. “Payment progress is particularly low for those with larger debts and for those from lower-income areas.”

The Fed also said those numbers might understate the problem — and the actual delinquency rate could be twice as high.

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