



Another Failing Grade For Obama On Student Loan Debt

Obama Claims To Have Made College More Affordable, But Student Loan Debt Continues To Burden Grads Under His Watch

Obama: "We've Seen Millions Of Young People Be Able To Afford College." OBAMA: "And as a consequence, we've seen millions of young people be able to afford college, and that's going to make sure that young women are going to be able to compete in that marketplace."
(President Barack Obama, Presidential Debate, Hempstead, N.Y., 10/16/12)

ACCORDING TO A NEW REPORT, THE AVERAGE STUDENT LOAN DEBT FOR THE CLASS OF 2011 HAS INCREASED YET AGAIN TO \$26,600

Two-Thirds Of Graduates From The Class Of 2011 Have Student Loan Debt, With An Average Of \$26,600, An Increase Of Five Percent From Last Year. "We estimate that two-thirds (66%) of college seniors who graduated in 2011 had student loan debt, with an average of \$26,600 for those with loans. The five percent increase in average debt at the national level is similar to the average annual increase over the past few years. ("Student Debt And The Class Of 2011," [The Institute For College & Success](#), 10/12)

- **"It's The Latest Snapshot Of The Growing Burden Of Student Debt And It's Another Discouraging One."** It's the latest snapshot of the growing burden of student debt and it's another discouraging one: Two-thirds of the national college class of 2011 finished school with loan debt, and those who borrowed walked off the graduation stage owing on average \$26,600 — up about 5 percent from the class before." (Justin Pope, "Average Debt Up Again For New College Grads," [The Associated Press](#), 10/18/12)

"Ohio Students Who Borrowed For College And Earned A Bachelor's Degree In 2011 Graduated With An Average Of \$28,683 In Student-Loan Debt." "Ohio students who borrowed for college and earned a bachelor's degree in 2011 graduated with an average of \$28,683 in student-loan debt, which ranked seventh highest in the nation for the second year in a row, a new report finds." (Encarnacion Pyle, "College Debt Of New Ohio Graduates Rises 3.5%," [Columbus Dispatch](#), 10/18/12)

- **That's "8 Percent Higher Than The National Average Of \$26,600 And A 3.5 Percent Increase Over What Ohio Students Who Graduated In 2010 Owed."** "That's nearly 8 percent higher than the national average of \$26,600 and a 3.5 percent increase over what Ohio students who graduated in 2010 owed on average, according to the report by the Project on Student Debt."

(Encarnacion Pyle, "College Debt Of New Ohio Graduates Rises 3.5%," [Columbus Dispatch](#), 10/18/12)

- **"And Like The Previous Year, 68 Percent Of The State's 2011 Graduates Left School With At Least Some Student-Loan Debt."** (Encarnacion Pyle, "College Debt Of New Ohio Graduates Rises 3.5%," [Columbus Dispatch](#), 10/18/12)

New Hampshire Has The Highest Student Loan Debt, With An Average Of More Than \$32,000 Per Student, While Pennsylvania Is Second With An Average Of \$30,000 Per Student. CNBC's SCOTT COHN: "Much of the debt is concentrated here in the northeast. Connecticut is the fifth highest debt totaling nearly \$28,000. Rhode Island is fourth at just over \$28,000 per graduate. Number three is Minnesota with more than 70% of the graduates there in debt, averaging just under \$29,000 and Pennsylvania average student debt is just under \$30,000, and the most indebted state is New Hampshire, with more than \$32,000 in average student debt. Three-quarters of the graduates in New Hampshire have student loans." ([CNBC](#), 10/18/12)

Under Obama, The Cost Of College Has Reached A Record High

With In-State Tuition And Fees At Four-Year Public Colleges Rising An Additional \$631 Or 8.3 Percent In Fall 2011, The Cost Of College Is A "Kick In The Gut" For American Families. "It's a kick in the gut even for students and families hardened to bad financial news: Average in-state tuition and fees at four-year public colleges rose an additional \$631 this fall, or 8.3 percent, compared with a year ago." (Justin Pope, "College Prices Up Again As States Slash Budgets," [The Associated Press](#), 10/26/11)

- **The Cost Of College Is Currently At "An All Time High."** "Nationally, the cost of a full credit load has passed \$8,000, an all-time high. Throw in room and board, and the average list price for a state school now runs more than \$17,000 a year, according to the twin annual reports on college costs and student aid published Wednesday by the College Board." (Justin Pope, "College Prices Up Again As States Slash Budgets," [The Associated Press](#), 10/26/11)

The Cost Of College Has Increased "Faster Than The Rate Of Inflation" And If The Current Trend Continues, The Cost Of College "Will Have More Than Doubled In Just 15 Years." "Nationally, state and local spending per college student, adjusted for inflation, reached a 25-year low this year, jeopardizing the long-held conviction that state-subsidized higher education is an affordable steppingstone for the lower and middle classes. All the while, the cost of tuition and fees has continued to increase faster than the rate of inflation, faster even than medical spending. If the trends continue through 2016, the average cost of a public college will have more than doubled in just 15 years, according to the Department of Education." (Andrew Martin and Andrew W. Lehren, "A Generation Hobbled By The Soaring Cost Of College," [The New York Times](#), 5/12/12)

- **The Price Of College Increased "More Than Double" The Rate Of Inflation Between July 2010 And July 2011.** "That increase is more than double the inflation rate of 3.6% between July 2010 and July 2011. Family earnings dropped across all income levels. And state funding per student declined by 4% in 2010, the latest year available, and 23% over the past decade, the report says." (Mary Beth Marklein, "Tuition And Fees Rise More Than 8% At U.S. Public Colleges," [USA Today](#), 10/25/11)

RECENT COLLEGE GRADUATES ARE UNABLE TO FIND WORK IN THE OBAMA ECONOMY

"Recent College Graduates Have Entered An Enormously Difficult Job Market, Which Poses Particular Challenges For Those Who Need To Begin Paying Back Student Loans." ("Student Debt And The Class Of 2011," [The Institute For College & Success](#), 10/12)

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“The Unemployment Rate For Young College Graduates In 2011 Remained High At 8.8 Percent.”

“The unemployment rate for young college graduates in 2011 remained high at 8.8 percent, a slight decrease from 2010, which saw the highest annual rate on record for this group (9.1%).” (“Student Debt And The Class Of 2011,” [The Institute For College & Success](#), 10/12)

19.1 Percent Of 2011 Graduates Were “Working Part Time Or Had Given Up Looking For Work.”

“In addition, many more young graduates were considered underemployed. Among those who wanted to be working full time, as many as 19.1 percent were either working part time or had given up looking for work.” (“Student Debt And The Class Of 2011,” [The Institute For College & Success](#), 10/12)

- **“Further, 37.8 Percent Of Working Young Graduates Had Jobs That Did Not Require A College Degree, Depressing Their Wages.”** (“Student Debt And The Class Of 2011,” [The Institute For College & Success](#), 10/12)

CNBC’s Scott Cohn: “What Makes This So Painful, Of Course, Is The Job Market. On The Surface, Unemployment Among College Grads Was 8.8% As Of Last Year, Still A Little Higher Than The National Rate. But Consider This, Nearly 38% Of The Recent Grads That Are Working, Are In Jobs That Don’t Require A College Degree.” CNBC’s BECKY QUICK: “America’s student loan debt has hit a new record, that’s according to figures that are just out this morning. Our senior correspondent Scott Cohn joins us right now with some ugly numbers.” CNBC’s SCOTT COHN: “Really tough for kids just starting out, like my kids. These numbers come from the Institute for College Access and Success. It’s the seventh year they’ve done this study and this is a new high. Get ready, the average student debt for the class of 2011, \$26,600. That is up 5% from 2010. Two-thirds of last year’s college graduates have student debt. What makes this so painful, of course, is the job market. On the surface, unemployment among college grads was 8.8% as of last year, still a little higher than the national rate but consider this, nearly 38% of the recent grads that are working, are in jobs that don’t require a college degree.” ([CNBC](#), 10/18/12)

- **Cohn: “Students Are Coming Out Already Sort Of Behind The Eight Ball With All Of This Debt And The Job Prospects For A Good Job? Not Good.”** CNBC’s SCOTT COHN: “But again, you know, students are coming out already sort of behind the eight ball with all of this debt and the job prospects for a good job, not good.” CNBC’s BECKY QUICK: “That number you threw out, 38% are in jobs right now that don’t require a college degree. That’s astounding.” COHN: “It’s astounding and again, you know, you hop on average of \$26,000 in student debt and for a lot of people it’s higher. You’re just, you’re already as I said, behind the eight ball starting out.” ([CNBC](#), 10/18/12)

RECORD STUDENT LOAN DEBT IS “CRUSHING THE ECONOMY”

“The Latest Figures Come At A Time Of Increasing Alarm About The Sheer Scope Of Student Debt Nationally.” “The latest figures come at a time of increasing alarm about the sheer scope of student debt nationally, which by some measures has surpassed \$1 trillion. Recent government figures show nearly 10 percent of borrowers of federal student loans in the most recently measured cohort had already defaulted within two years of starting repayment.” (Justin Pope, “Average Debt Up Again For New College Grads,” [The Associated Press](#), 10/18/12)

Student Debt Has Become “Everyone’s Problem Because It Is Crushing The Economy.” “Now we’re talking about how student debt is everyone’s problem because it is crushing the economy.” (Dan Kadlec, “New Frontier In Student Debt: It Stifles The Housing Recovery,” [Time’s “Moneyland.”](#) 9/4/12)

“Student Debt Has Stretched To A Record Number Of U.S. Households - Nearly 1 In 5.” “With college enrollment growing, student debt has stretched to a record number of U.S. households - nearly 1 in 5 -

with the biggest burdens falling on the young and poor.” (Hope Yen, “Student Debt Stretches To Record 1 In 5 Households,” [The Associated Press](#), 9/27/12)

- **“Because Of The Sluggish Economy, Fewer College Students Than Before Are Able To Settle Into Full-Time Careers Immediately Upon Graduation, Contributing To A Jump In Debt.”** “Because of the sluggish economy, fewer college students than before are able to settle into full-time careers immediately upon graduation, contributing to a jump in debt among lower-income households as the young adults take on part-time jobs or attend graduate school, according to Pew.” (Hope Yen, “Student Debt Stretches To Record 1 In 5 Households,” [The Associated Press](#), 9/27/12)

Student Loan Debt “Is Shutting Young People Out Of The Housing Market, Further Depressing What Is Already The Economy’s Most Troubled Sector.” “New findings conclude that this debt is shutting young people out of the housing market, further depressing what is already the economy’s most troubled sector.” (Dan Kadlec, “New Frontier In Student Debt: It Stifles The Housing Recovery,” [Time’s “Moneyland,”](#) 9/4/12)

- **“As Monthly Student Debt Payments Increase For College Graduates, So Does Their Struggle To Qualify For A Mortgage.”** “As monthly student debt payments increase for college graduates, so does their struggle to qualify for a mortgage. Looking at a key factor in qualifying for a mortgage—the debt-to-income ratio—we find some disturbing results.” (Jen Mishory and Rory O’Sullivan, “Denied? The Impact Of Student Debt On The Ability To Buy A House” [Young Invincibles](#), 8/14/12)
- **“Home Purchases Create Jobs And Spur Economic Growth. Cutting Out A Cohort Of Graduates Who Previously Participated In This Market Will Add Another Drag To An Economy Only Just Emerging From The Great Recession.”** (Jen Mishory and Rory O’Sullivan, “Denied? The Impact Of Student Debt On The Ability To Buy A House” [Young Invincibles](#), 8/14/12)

“The Student Loan Burden Can’t Help But Forestall Things Like Auto And Home Purchases. Starting Salaries For College Grads Have Not Kept Pace.” “Student debt held at graduation has jumped 46% since 2000; total debt held by the public has soared by 511% in that period. Fed Chief Ben Bernanke has said he does not believe student loans will foment another financial crisis, as mortgage debt did five years ago. But the student loan burden can’t help but forestall things like auto and home purchases. Starting salaries for college grads have not kept pace.” (Dan Kadlec, “New Frontier In Student Debt: It Stifles The Housing Recovery,” [Time’s “Moneyland,”](#) 9/4/12)