

# THE STATE OF HIGHER EDUCATION IN NORTH CAROLINA



ELECTION 2016  
GENERATION PROGRESS  
ACTION

*“The benefits of the University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense”* — North Carolina State Constitution

North Carolina’s constitution guarantees an affordable and accessible higher education system, but the expenses for education in the state are far from free, and a staggering number of North Carolinians struggle with student debt, with many left unable to even begin repaying their loans.

Borrowers in North Carolina are struggling more than ever before with their debt. Between 2006 and 2011, the percentage of students in North Carolina who defaulted or were unable to pay back even a dollar of their loans jumped from 18 percent to 31 percent.<sup>1</sup> Even with the proportion of North Carolinians unable to pay down their loans almost doubling, state leadership has done nothing to address the student debt crisis.

Senator Richard Burr has voted against common sense efforts like student loan refinancing, and Governor Pat McCrory has slashed support for the University of North Carolina (UNC) system, driving costs up even more for North Carolina students and families. On the national level, Donald Trump’s student debt “plan” to privatize loans [would increase student loan payments](#) by as much as 78 percent, costing North Carolinian borrowers between \$7,400 and \$24,800 more over the life of the loan.

North Carolina’s constitution calls for college to be free from expense, and the state is home to the oldest public university system in the country. It is past time for state leaders to follow the mandate of the state’s founders by reinvesting in the public higher education system and offering assistance for borrowers with debt—debt they never should have had to take out in a state where college is supposed to be free.

We know that student debt affects 1 in 5 households in the United States, but let’s see how it affects North Carolinians:

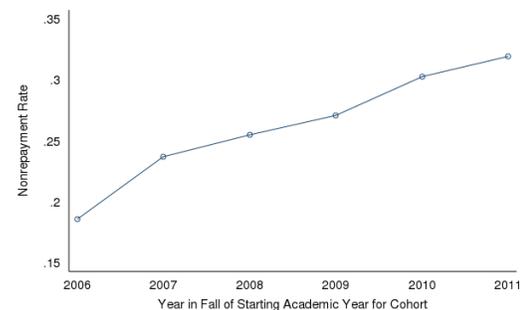
- **1,155,000** North Carolinians [have student debt](#)
- The [combined total student debt load](#) in North Carolina is **\$31,072,214,000**
- Borrowers in North Carolina have, on average, **\$28,094** in student loans
- **61 percent** of four-year college students in North Carolina [have student loans](#)
- **678,000** students in North Carolina [would benefit](#) from student loan refinancing

## NORTH CAROLINA IS...

- **37.8%** people of color (1)
- **3.3%** LGBTQ people (2)
- **51.3%** women (3)
- **0.7%** incarcerated people (4)
- **15.1%** seniors (5)
- **7.1%** college or graduate students (6)
- **7.1%** veterans (7)

North Carolina has no law ensuring the accessibility of higher education for undocumented students.

**Each year, fewer students in North Carolina are repaying their loans.**



**Donald Trump's higher education “plan” could cost**

**NORTH CAROLINA STUDENTS**  
an extra  
**\$24,754**

The race for North Carolina's next senator and governor is heating up, but it's clear that only some candidates have a plan to not only help student loan borrowers in North Carolina, but make higher education a public good again for all North Carolinians, present and future.

### Deborah Ross (D) [wants to](#):

- Reduce the student debt burden by allowing borrowers to **refinance their student loans**
- Make college a public good again by **establishing a fund for economically disadvantaged students**
- Reward families saving for college by creating a **tax deduction**

### As senator, Richard Burr (R) has:

- Voted [against allowing borrowers to refinance](#) their student loans
- **Rejected lowering interest rates** for some federal student loans
- Accepted \$9,000 in [campaign donations](#) from Bridgepoint Education, a **for-profit college that is under investigation** by the DOJ, SEC, CFPB, and multiple state attorneys general for evading federal law\*
- **Opposed efforts to investigate and regulate for-profit colleges** and their predatory tactics

\* Bridgepoint Education is a predatory online college that targets veterans, single parents, and the elderly.

### North Carolina Attorney General Roy Cooper (D) [wants to](#):

- **Lower interest rates** for private and federal student loans by establishing a state loan refinancing authority
- **Make community college free** for North Carolinians
- Create a **Borrower's Bill of Rights** so student loan borrowers know what their rights are
- Educate North Carolina students about **existing debt relief programs**

### As governor, Pat McCrory (R) has:

- Recommended [cutting funding](#) for North Carolina's community colleges and public universities by \$40 million
- Tried to turn the state's higher education system into a business, expressing interest in [tying funding to job placement rates](#)
- Decided against using North Carolina's budget surplus to [reinvest in the state's public education system](#)

<sup>1</sup> Author's analysis for the proportion [students entering repayment](#) in 2006 and 2011 who have defaulted or not paid down at least \$1 of the principal loan balance three years after repayment began.