

THE STATE OF HIGHER EDUCATION IN VIRGINIA



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ACTION

The Commonwealth of Virginia has some of the nation's oldest and most prestigious higher education institutions, but it is difficult for many Virginians to afford college without incurring significant debt. Average annual tuition and fees at Virginia public colleges are rising, and are already higher than the national average. In 2015, the [average student loan debt](#) for students who borrowed to earn a bachelor's degree at Virginia's four-year public and private institutions was \$26,432. What's more, it is not only the young that struggle with student debt; the number of seniors aged 60 and older [who have student loan debt rose](#) 47% between 2012 and 2017, with the median student loan balance among seniors being \$14,950 in 2017.

Borrowers in Virginia and across the nation are in crisis because of the high price of a college education. But it's not just tuition bills beleaguering student loan borrowers; poor management and excessive fines by student loan servicers like Nelnet and Navient Solutions—the latter of which is [headquartered in Virginia](#)—make it even harder for borrowers to pay back their loans. These student loan companies have a track record of failing to inform borrowers of their repayment options or how they can avoid default. As Virginia's 2017 gubernatorial election draws near, there couldn't be a sharper contrast between the two candidates on policies that would address college affordability and help borrowers with repayment and basic consumer rights. Young people are eager to see solutions to the student debt crisis, and we know that policies like free or debt-free college and putting predatory student loan servicers on a leash via a [Borrower's Bill of Rights](#) would help young Virginians. Student debt affects 1 in 5 households nationwide, and here are some quick facts about the student debt crisis in Virginia:

- Over [one million Virginians](#) have student loan debt.
- Borrowers in Virginia have [an average of \\$27,716](#) in student loan debt.
- The [total student loan debt](#) for the state of Virginia was over \$30 billion in 2015.
- The total student loan debt [among Virginia seniors](#) was \$2.7 billion as of August 2017.
- 45% of Virginia student loan borrowers [are repaying their loans](#) after three years in repayment.
- 9.1% of Virginia student loan borrowers [are in default](#), unable to repay their student loans.

VIRGINIA IS....

- **37.6%** people of color (1)
- **3.4%** LGBTQ people (2)
- **50.8%** women (3)
- **38,403** incarcerated people (4)
- **14.6%** seniors (5)
- **36.3%** of adults over 25 have finished college (6)
- **706,539** veterans (7)

Virginia offers in-state college tuition rates to undocumented students and recipients of Deferred Action for Childhood Arrivals (DACA).

- 629,000 students in Virginia would benefit from being able to [refinance their student loans](#) at a lower interest rate, something currently not possible for the majority of borrowers.

Nationally, President Donald Trump and Secretary of Education Betsy DeVos [have yet to produce](#) any sort of comprehensive plan to deal with college affordability and the student debt crisis. Even worse, they want Congress to eliminate important programs and repayment options that limit interest accumulation for borrowers with financial need or provide loan forgiveness for nonprofit and public sector workers.

The same rollback of progress is happening on the state-level in Virginia; Republican gubernatorial nominee Ed Gillespie has similarly failed to come up with tangible policies to address Virginia’s student debt crisis. Virginia Republicans recently blocked efforts in the state legislature to establish a Borrower’s Bill of rights, which would have protected students struggling with their loans and inadequate student loan servicers, and established a consumer watchdog to remedy these problems. Moreover, Gillespie—a professional lobbyist—has both worked many years for and [taken many dollars](#) from [student loan servicing companies](#) and [big banks](#), trying to change laws to make it easier for them to profit off of student debt. Gillespie represented Nelnet when it was accused of improperly billing taxpayers for over \$278 million.

The contrast with the Democratic gubernatorial nominee Ralph Northam couldn’t be clearer. He has campaigned on a platform to make college debt-free and wants to help borrowers by providing them with greater consumer protections. Virginia needs a plan to not only help student loan borrowers in the state, but make higher education a public good again for all.

Ralph Northam (D):

- Wants to put money back into public higher education and expand access to dual-enrollment programs.
- Wants to offer a free associate degree or workforce credential and mentorship for community college students seeking certain careers.
- Will fight for protections for student loan borrowers against bad student loan servicing.
- Wants to protect students from predatory for-profit colleges by increasing accountability and transparency in the industry.

Ed Gillespie (R):

- Wants [to limit](#) the kinds of degrees universities offer.
- Wants [to appoint](#) advisors to slash or privatize school services.
- As a paid lobbyist, worked to make laws favorable for student loan servicers – namely Nelnet and [College Loan Corps](#).
- Has no plan to increase accountability and transparency in the for-profit college industry.