

THE STATE OF HIGHER EDUCATION IN NEW JERSEY



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ACTION

The State of New Jersey has some of the nation's oldest and most prestigious higher education institutions, but it is difficult for many New Jerseyans to afford college without incurring significant debt. Average annual tuition and fees at New Jersey public colleges are [rising, and are keeping pace with the rise in college costs at the national average](#). In 2015, the average [student loan debt](#) for students who borrowed to earn a bachelor's degree at New Jersey's four-year public and private institutions was [\\$33,264](#). What's more, it's not only young people who struggle with student debt; the [number of seniors](#) aged 60 and older who have student loan debt rose 48% between 2012 and 2017, with the median student loan balance among seniors being \$18,608 in 2017.

Borrowers in New Jersey 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 Navient Solutions 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. Even the state's own Higher Education Student Assistance Authority (HESAA) – the largest state-based student loan program – [has faced criticism for how it issues and collects repayments on loans made to borrowers](#). As New Jersey'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 New Jerseyans. Student debt affects 1 in 5 households nationwide, and here are some quick facts about the student debt crisis in New Jersey:

- [Over 1 million New Jerseyans](#) have student loan debt
- Borrowers in New Jersey have [an average of \\$29,878 in student loan debt](#).
- The [total student loan debt](#) for the state of New Jersey was over \$30.8 billion in 2015.
- The total student loan debt [among New Jersey seniors](#) was \$4.7 billion as of August 2017.

NEW JERSEY IS....

- **44.2%** people of color (1)
- **3.6%** LGBTQ people (2)
- **51.2%** women (3)
- **35,724** incarcerated people (4)
- **15.3%** seniors (5)
- **36.8%** of adults over 25 have a Bachelor's degree of higher (6)
- **4.4%** veterans (7)

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

- 9.8% of New Jersey student loan borrowers [are in default](#), unable to repay their student loans.
- 742,000 students in New Jersey 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 contrast between Republican gubernatorial nominee, Lt. Gov. Kim Ann Guadagno, and the Democratic nominee, Phil Murphy, couldn't be clearer. Murphy has campaigned on a platform to lower college costs for New Jerseyans overall – going so far as to propose free community college for high school graduates, and older students seeking new career training. He has also proposed helping borrowers by providing them with state-based loan forgiveness and loan refinancing, and reforming the New Jersey Higher Education Student Assistance Authority. Lt. Gov. Guadagno, meanwhile, has yet to produce any kind of specific plan to address the student debt crisis in New Jersey.

New Jersey needs a plan to not only help student loan borrowers in the state, but make higher education a public good again for all.

Phil Murphy (D):

- Wants to lower tuitions and fees by increasing state aid to public universities and community colleges.
- Wants to provide loan forgiveness to STEM graduates working in STEM jobs in the state.
- Wants companies that hire NJ college graduates to offer student debt relief as an employee benefit.
- Will fight for protections for student loan borrowers against bad student loan servicing, either by public or private loan agencies.
- Wants NJ to offer state-based student loan refinancing through a new public bank.

Kim Ann Guadagno (R):

- Criticizes Murphy's commitments to invest in college/career education and forgive the student loan debt crippling graduates, but does not have her own plan for New Jersey's student debt crisis.
- Says she wants to make higher education "more flexible and affordable," has no details or specifics on how she hopes to accomplish either.