

# Hard truths about student debt

The federal government's loan programs should be fixed to improve college access

BY ROBERT A. SCOTT

News stories about college student debt are plentiful. Some call the \$1.4 trillion student debt total a scandal. We all should be concerned about the effects of costs and debt on access to higher education for talented students, but we also should be sure of our facts.

When many media outlets report on students with \$100,000 in debt after earning a bachelor's degree, they are relating incomplete reporting. Less than 6 percent of borrowers owe this amount or more, and they are mostly graduates of or graduate students in dentistry, law and medicine. The average student debt in New York State, for example, is \$30,000 at both public and private institutions, with only a \$3,400 difference between the sectors.

Nevertheless, debt for many college students is serious. Not only does the concern about debt lead some students and their families to decide against attending higher education in-

stitutions, but graduates also make career choices and major decisions about life — including marriage, housing and big purchases — because of the debt they have incurred.

A major factor in the issue is the role of often predatory proprietary schools promising successful careers. These schools focus on low-income, often older students and promote loans to cover tuition to prepare for jobs that simply do not exist. Earlier in this decade, enrollment in for-profit colleges tripled while the amount of loan debt for these students increased by more than 550 percent.

In addition, complaints about student debt do not take into account the practices of the federal government. In 2008, the government took some \$20 billion from the federal loan program, reducing the amount of subsidized loan funds available. This encouraged the growth of so-called “alternative” loans with interest rates of up to 16 percent. Also, the government did not keep student loan interest rates at the commercial rate, but raised them



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higher. And the government charges interest on unpaid interest when students legally defer payments. All of these factors contribute to the total of debt.

Moreover, unlike other consumer debt, student loan debt is not dischargeable by bankruptcy, and the deductibility of interest payments is limited to \$2,500.

A big problem with student debt is not college attendance but college graduation. About 40 percent of those who enter a

four-year college graduate in four years. After six years, the figure jumps to about 60 percent. For proprietary colleges, the rate barely reaches 25 percent. Those who do not complete their degrees have very different employment and income prospects, making their debt even more of a burden.

As presently designed, the proposed solution to student debt, making college free, would do nothing for those who need it most. While lower-income stu-

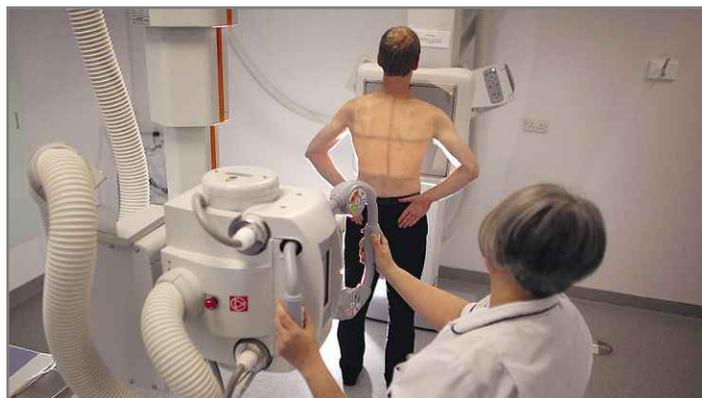
dents studying full time would be covered, the majority are studying part time because of family obligations.

Federal student loan programs were created to supplement state and federal grant programs to expand opportunities for advanced study by those from lower-income families. The problems with the programs are knowable and fixable. To improve the loan programs, the criteria for undergraduate and graduate loans should be revised for consistency, interest rates should be rationalized and colleges should be held accountable for graduation rates.

In addition, other programs should be expanded. There are the “pay as you earn” option and the “income-based repayment plan.” Both should become centerpieces in the next Higher Education Authorization Act. We need the will to ensure that the programs are designed to facilitate student access to higher education.



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GETTY IMAGES / CHRISTOPHER FURLONG

An X-ray is demonstrated at the Queen Elizabeth Hospital in Birmingham, part of England's National Health Service.

continue along our present path of providing huge tax breaks and subsidies for large corporations, agribusiness and other wealthy entities and individuals?

Grechen Shirley proposes to bring greater equality by requiring the wealthy — not the middle class — to pay their fair share so ordinary Americans can afford health care and col-

lege. Don't allow the greedy and wealthy to mislead us into believing the red scare tactics.

As someone who spent time living in Sweden and Britain, I can attest to the benefits of socialized medicine, where I never received a bill for treatment, had much shorter waits for appointments than here, and where my tax bills were ac-

tually lower because governments didn't spend the people's money on huge military budgets and on corporate welfare.

Howard Fredrics,  
Roslyn Heights

## Want good gov't? Make sure to vote

In the 2014 midterm elections, only 37 percent of registered voters went to the ballot box. That is disgusting. Whether you're a Democrat, Republican or independent, do not waste an opportunity to cast your ballot [“Writer stresses influence of voting,” News, Sept. 21]. Get off your butt and vote. If you don't vote, then don't complain about the government you had no hand in forming. You get the government you deserve.

Bob Cavaliere,  
Port Jefferson Station

Our political candidates need to have some substance beneath them. It is not enough

to demand and vote for change.

Do these candidates know the channels you need to go through to enact change they campaigned on? Do they have a working knowledge of what needs to be done, besides the hype that Republicans and Democrats try to push down the public's throat? Isn't anyone interested, not in following their party nominee but in what is good for America and the American people, the individual, who has one vote?

If you are one of the many who don't vote, remember the people who worked tirelessly to give you that right. Remember the politicians who are trying to take that right away by redistricting or making laws that limit people from choosing who is their representative or president.

Who speaks for me? I'd better be sure to vote for someone who will.

Patricia A. Simms,  
Massapequa

## Friends of the NRA enjoy their freedoms

Since 1993, the Nassau County Friends of the National Rifle Association have hosted dinners in Nassau County in conjunction with thousands of other Friends of the NRA dinners across the country [“Anti-NRA activists protest outside LI venue,” News, Sept. 17]. Respectable, law-abiding citizens gather to exercise their right to peaceably assemble in support of another right to keep and bear arms. The event poses no community danger.

So what is the issue here? The real issue is politics and a blatant attack on our First and Second Amendment freedoms and on the current administration, which supports those freedoms. Those who oppose us have a right to assemble, but we do, as well.

Laurence C. Dittmer,  
Levittown

**Editor's note:** The writer is an NRA member.