

Understanding Undergraduate Student Loan Debt Among Colorado Residents

Average debt for students attending public colleges and universities has leveled off and even declined recently

When adjusting for inflation, debt levels at two and four-year institutions have declined since 2014.



By the numbers

- Associate Degree Graduates**

56 percent graduated with debt for an average of \$13,300.

Only 3 percent of graduates accrued debt greater than \$30,000.

- Bachelor's Degree Graduates**

69 percent graduated with debt for an average of \$25,500.

Just 10 percent of graduates accrued debt greater than \$40,000.

Certificate or Associate Graduate		
2014	2016	2018
Percent of Graduates with Debt		
65%	60%	56%
Average Debt		
\$14,900	\$14,300	\$13,300

Bachelor's Graduate		
2014	2016	2018
Percent of Graduates with Debt		
69%	71%	69%
Average Debt		
\$26,900	\$27,200	\$25,500

Attending college remains a good investment

To compare, let's look at a similar cost investment: buying a car. Student loans and auto loans make up approximately the same amount of consumer debt, but the returns are dramatically different.



Student Loan Debt

11 percent
of total consumer debt

Average debt:
\$25,500

+ **Appreciates 8%**
every year for the first four years after graduation and 4% each year after



Auto Loan Debt

9 percent
of total consumer debt

Average debt:
\$31,100 for a new car
\$19,600 for a used car

- **Depreciates 15%**
per year

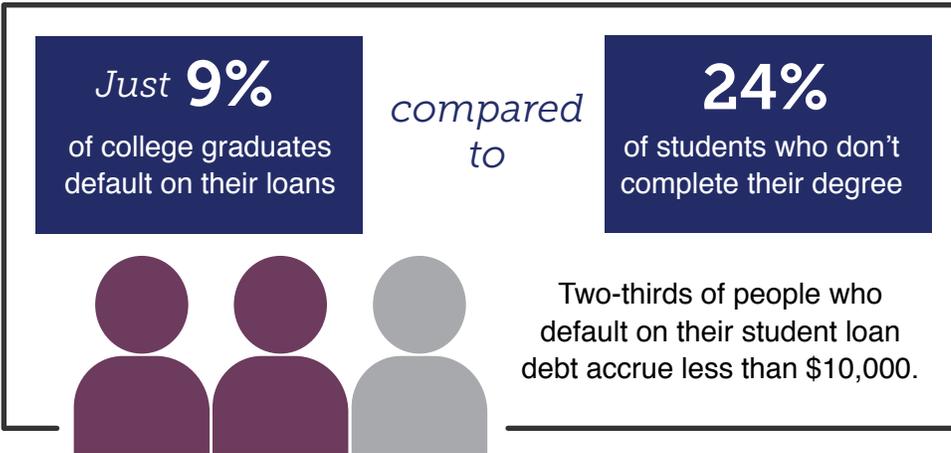
Median Wage Outcomes for Graduates Over 10 years



Students with a degree also have significantly lower unemployment rates over the last decade.

How to make the most of student loans

Although taking on debt feels daunting for many, it's a tool to make college affordable—as long as students finish what they start:



There are also several programs that can help reduce graduates' debt burden once they begin working:

Income Driven Repayment

These plans make payments manageable by basing them on a borrower's ability to pay. Graduates pay lower amounts over a longer period and may qualify for loan forgiveness at the end of the loan term (*typically after 15 to 25 years*).

Student Loan Forgiveness

The federal government allows teachers in high needs areas and individuals who work in public service for more than 10 years to have their student loans forgiven after a shorter time frame if they meet the program requirements.



Colorado holds loan servicers accountable

In 2019, Governor Jared Polis signed SB19-002, [Regulate Student Education Loan Services](#), which creates a new student loan ombudsperson in the Colorado Attorney General's office and provides other important protections for student loan borrowers.

Why does the average debt seem less than what's often reported nationally?

These data reflect undergraduate debt taken on by students attending Colorado public institutions. Debt accrued while attending graduate school, private schools, for-profit educational institutions or out-of-state institutions inflated averages reported in other sources.



For More Information

Colorado Department of Higher Education
<https://highered.colorado.gov/>

Colorado Rises: Advancing Education and Talent Development
<http://masterplan.highered.colorado.gov/>

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