# Student Loan Debt in New York State

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller

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# Message from the Comptroller

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Countless New Yorkers have found higher education the path to a more satisfying and financially secure life. Each year, college graduates, young and not-so-young, embark upon new opportunities that may have been unattainable without the benefits of college and university studies.

But it is also true that many individuals who borrow to pay the costs of higher education face real difficulty in paying their debts. And by some indicators, such struggles have grown more common over the past decade. The delinquency rate among New York student loan borrowers rose by more than a third over the past decade while average borrower balances in the State increased by nearly 48 percent, to $32,200.

Fortunately, we can see some signs of improvement. Certain default rates for student loans declined noticeably from 2012 to 2014. And while average borrower balances in New York continue to rise each year, the level of annual increases has dropped from more than 7 percent in 2007 to less than 2 percent in 2015. It remains to be seen whether these positive trends will continue.

To the extent that student loans and other forms of household debt burden individuals, they also may create a drag on our broader economy. Anyone who has trouble paying student loans may be less able to make major purchases such as a home or car, and if such challenges are widespread, there may be negative implications for homebuilders, car dealers and other businesses. High debt levels also may make it harder to provide for other household needs.

As thousands of New Yorkers begin or return to college this month, and high school seniors plan campus visits, it's a good time to think about both the benefits and costs of student loans. New York State's network of public and private colleges and universities is among the best in the world. While the State has taken some steps to address the issue of student loans, we need to do all we can to ensure that higher education opportunities are not limited to a relative few. Clearly understanding the scope and structure of student loan debt can advance productive discussions of how we may best accomplish that goal.

Thomas P. DiNapoli
State Comptroller

# I. Student Loan Debt

Student loan debt represents a large and growing economic burden in New York and nationally. Nationwide, such debt totaled slightly more than $1.2 trillion in 2015, up more than 150 percent from 2006. In New York, student loan debt more than doubled during the last decade, growing to $82 billion, an increase of 112 percent.[1] The number of student loan borrowers also rose sharply in New York and nationally over the last ten years – with increases of more than 41 percent in the State, to 2.8 million, and nearly 60 percent in the nation, to 43.7 million.[2]

One factor reflected in these trends was increasing costs for students. In New York State, average tuition, fees, room and board costs rose by nearly 55 percent for in-state students at public 4-year institutions, and by more than 50 percent at private 4-year institutions from 2005-06 through 2014-15.[3] Both figures were more than twice the rate of inflation over the period. As of 2014-15, tuition and required fees for in-state undergraduates at public institutions averaged 35.4 percent of total costs while room charges were 41.8 percent and board was 22.8 percent. For undergraduates at private 4-year schools in New York, the share represented by tuition and required fees was 71.8 percent, with room and board making up the remaining share of charges.

While student loans provide access to higher education that might otherwise be unavailable for many individuals, such major increases in student loan debt levels and the share of borrowers with delinquent payments are cause for concern. The costs of such debt have implications not only for the individuals responsible for repayment, but also for the State and national economies. Although investments in higher education may lead to a stronger and more diverse economy, the cost of student loans may depress consumers' ability to purchase new homes and make other expenditures that generate economic activity and employment. This report examines data on overall levels of student loan debt, average debt for each borrower, and the proportion of borrowers who are delinquent with payments or in default, both across New York and within major areas of the State.[4] (Figures on student loan debt do not include other types of debt individuals and families may incur to pay for college, such as home equity loans, borrowing from retirement accounts, or credit

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[1] Federal Reserve Bank of New York (FRBNY), *State Level Household Debt Statistics 2003-2015* (February 2016), available with the *Q4 State Statistics By Year* link at https://www.newyorkfed.org/microeconomics/data.html.

[2] FRBNY, *Regional Household Debt and Credit Snapshots,* updated August 2016 with Q4 2015 data; Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

[3] Nationwide, average tuition, fees, room and board costs for full-time in-state undergraduates at public 4-year institutions increased by 53.9 percent from 2005-06 through 2014-15 while the increase in such costs for all students at private 4-year institutions was 39.1 percent. United States Department of Education, National Center for Education Statistics, Digest of Education Statistics: *Table 320. Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting institutions, by type and control of institution and state or jurisdiction: 2004-05 and 2005-06* at http://nces.ed.gov/programs/digest/d06/tables/dt06_320.asp; and, *Table 330.20. Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting postsecondary institutions, by control and level of institution and state or jurisdiction: 2013-14 and 2014-15* at http://nces.ed.gov/programs/digest/d15/tables/dt15_330.20.asp.

[4] FRBNY data and United States Department of Education, Office of Federal Student Aid (FSA) official cohort default rate data were used in this analysis. See specific sources noted under each chart or graph. The two FRBNY data sets are from the FRBNY Consumer Credit Panel, a representative sample of Equifax credit reports on individuals ages 18 years and older with a credit report and a Social Security number (consumers). The FSA data shows numbers of borrowers, by school, who entered repayment on certain federal loans during federal fiscal years 2010, 2011 and 2012.

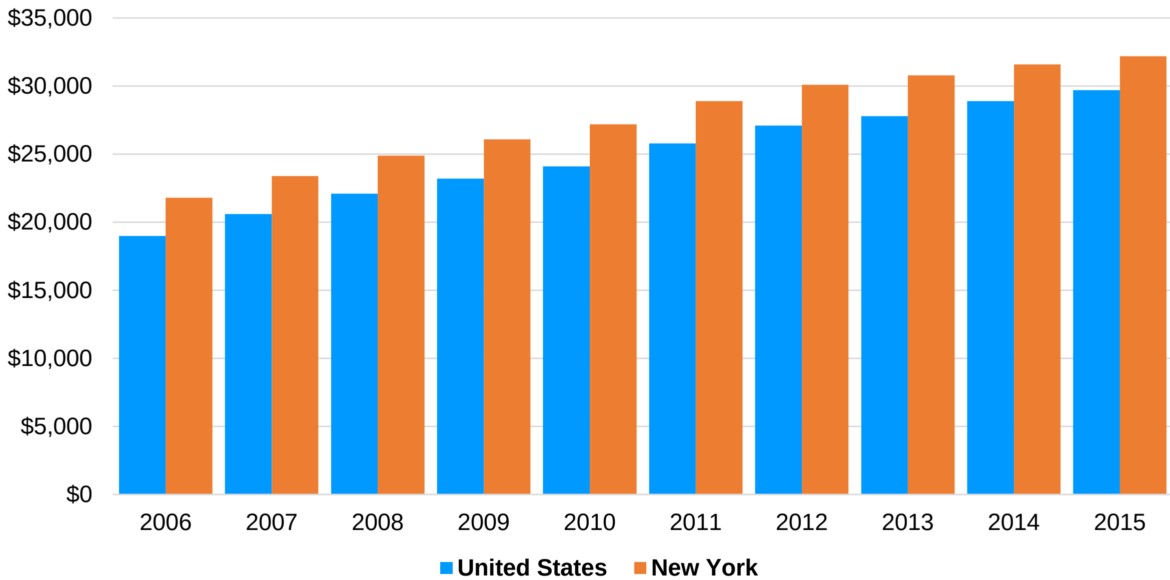
card debt. While these categories of debt may be reflected under total household debt, they are not reported as student loan debt.)

***Average Borrower Balances Growing, Annual Rate of Growth Slowing***

As of 2015, New York State residents with outstanding student loans owed an average of $32,200, according to Federal Reserve Bank of New York (FRBNY) data. The average balance for New Yorkers was higher than the national average of $29,700.

**Figure 1**

**Average Student Loan Borrower Balances, New York and United States Growth From 2006-2015**

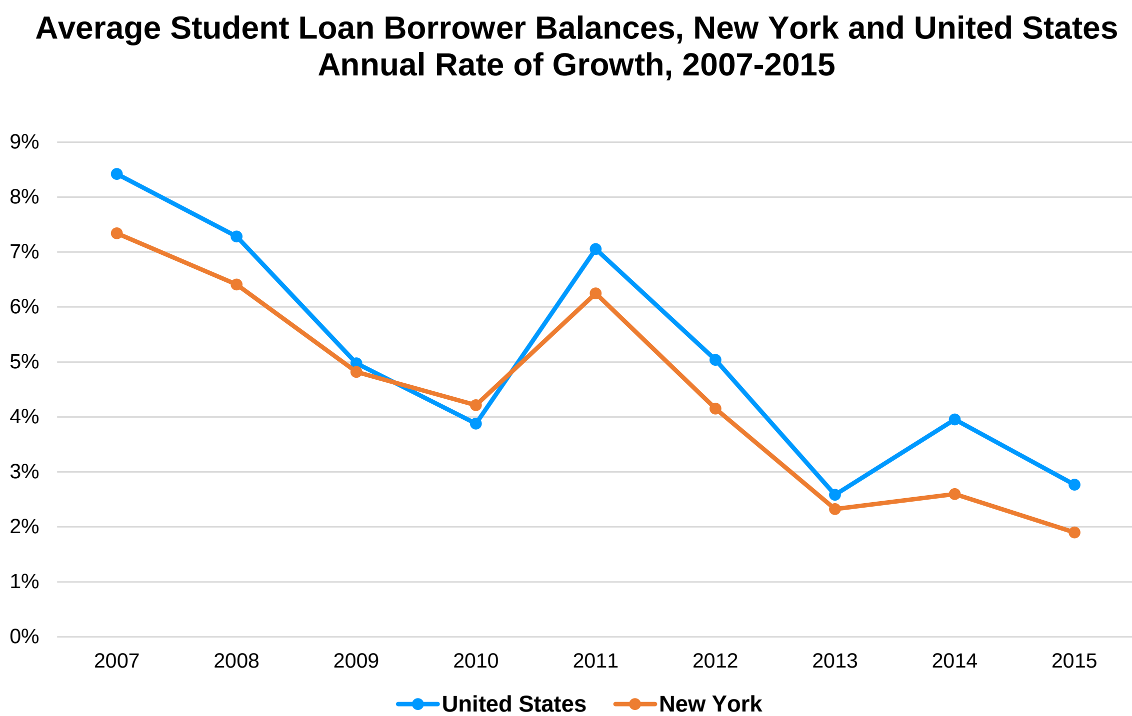



Note: Figures are rounded to the nearest $100. Average borrower balances are not adjusted for joint accounts. Source: Federal Reserve Bank of New York, *Regional Household Debt and Credit Snapshots,* updated August 2016 with Q4 2015 data: Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

As shown in Figure 1, average balances for student loan borrowers in New York have been consistently higher than in the nation overall in each of the last ten years. Over the decade ending in 2015, average balances in New York rose more than 47 percent, over twice the rate of inflation. That increase was more modest than the increase in the national average balance, which was over 56 percent.

Most of the growth in average balances occurred in the first half of this period, before annual increases in student loan debt moderated in recent years. For New York, annual percentage increases in the last three years were lower than in any preceding year during the decade. Annual increases at the beginning of the ten years were over 7 and 8 percent in the United States and over 6 and 7 percent in New York State. For the last three years, annual growth has been at or under 4 percent nationwide and well under 3 percent in New York, as shown in Figure 2.

**Figure 2**




Source: Federal Reserve Bank of New York, *Regional Household Debt and Credit Snapshots,* updated August 2016 with Q4 2015 data: Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

Growth in total student loan debt reflects increases in the number of borrowers and average balance per borrower, debt incurred before 2006 that was still outstanding during the period, and the cumulative impact of penalties and interest that was due but not paid. Lower repayment rates, with some borrowers delaying payments through deferments and forbearances, have also been cited as a factor.[5] The level of interest rates also affected such growth. For example, from July 1, 2006 through June 30, 2013, interest rates on Direct Plus Loans and Federal PLUS Loans were 7.9 and 8.5 percent, respectively.[6]

### *Growth in Student Loan Debt Outpaced Other Consumer Debt*

Of the more than $722 billion in outstanding consumer (or household) debt in New York in 2015, student loan debt represented approximately $82 billion, or 11.4 percent. Other categories of household debt include mortgages, auto loans, credit card debt and others, as detailed below. Student loans represented a larger share of overall household debt in New York than nationally, where the average was 10.1 percent.[7]

[5] Lee, Donghoon (Federal Reserve Bank of New York), *Household Debt and Credit: Student Debt*, February 28, 2013 at https://www.newyorkfed.org/medialibrary/media/newsevents/mediaadvisory/2013/Lee022813.pdf.
[6] United States, Department of Education, FSA at https://studentaid.ed.gov/sa/types/loans/interest-rates#rates.
[7] FRBNY, *State Level Household Debt Statistics 2003-2015* (February 2016), available with the *Q4 State Statistics By Year* link at https://www.newyorkfed.org/microeconomics/data.html.

Across the nation and in New York, student loan debt rose sharply as a proportion of all consumer debt over the past decade. In 2006, such debt represented 6.1 percent of the total for New Yorkers. Total household debt grew by 13.4 percent in New York State from 2006 to 2015, less than the inflation rate over the period. By contrast, overall student loan debt more than doubled, rising nearly 112 percent or more than six times the rate of inflation during the period.[8]

In fact, student loans constituted more than one of every two dollars of the net increase in household debt in New York over the decade – more than $43 billion of the approximately $85 billion total increase, as shown in Figure 3. Nationally, growth in student loan debt played an even larger role in the increase of overall household debt, more than 79 percent of the total $931 billion net increase. (Among other reasons for this difference between New York and the nation, mortgage debt rose in New York by more than 8 percent but by less than 1 percent nationally.[9])

**Figure 3**

**Composition of Total Household Debt, 2006 and 2015**

(in billions)

**United States**

| | | | Change, 2006 - 2015 | |
|---|---|---|---|---|
| | 2006 | 2015 | Dollars | Percent |
| **Student Loan** | $481.7 | $1,219.3 | $737.5 | 153.1% |
| Auto | $821.7 | $1,064.9 | $243.3 | 29.6% |
| Mortgage | $8,167.7 | $8,197.6 | $29.8 | 0.4% |
| Other | $858.3 | $821.6 | -$36.8 | -4.3% |
| Credit Card | $775.2 | $732.6 | -$42.6 | -5.5% |
| **Total** | $11,104.7 | $12,036.0 | $931.3 | 8.4% |

**New York**

| | | | Change, 2006 - 2015 | |
|---|---|---|---|---|
| | 2006 | 2015 | Dollars | Percent |
| **Student Loan** | $38.8 | $82.0 | $43.3 | 111.6% |
| Auto | $43.0 | $51.6 | $8.5 | 19.9% |
| Mortgage | $444.7 | $480.8 | $36.1 | 8.1% |
| Other | $55.6 | $55.9 | $0.2 | 0.4% |
| Credit Card | $54.8 | $52.0 | -$2.7 | -5.0% |
| **Total** | $636.9 | $722.3 | $85.4 | 13.4% |

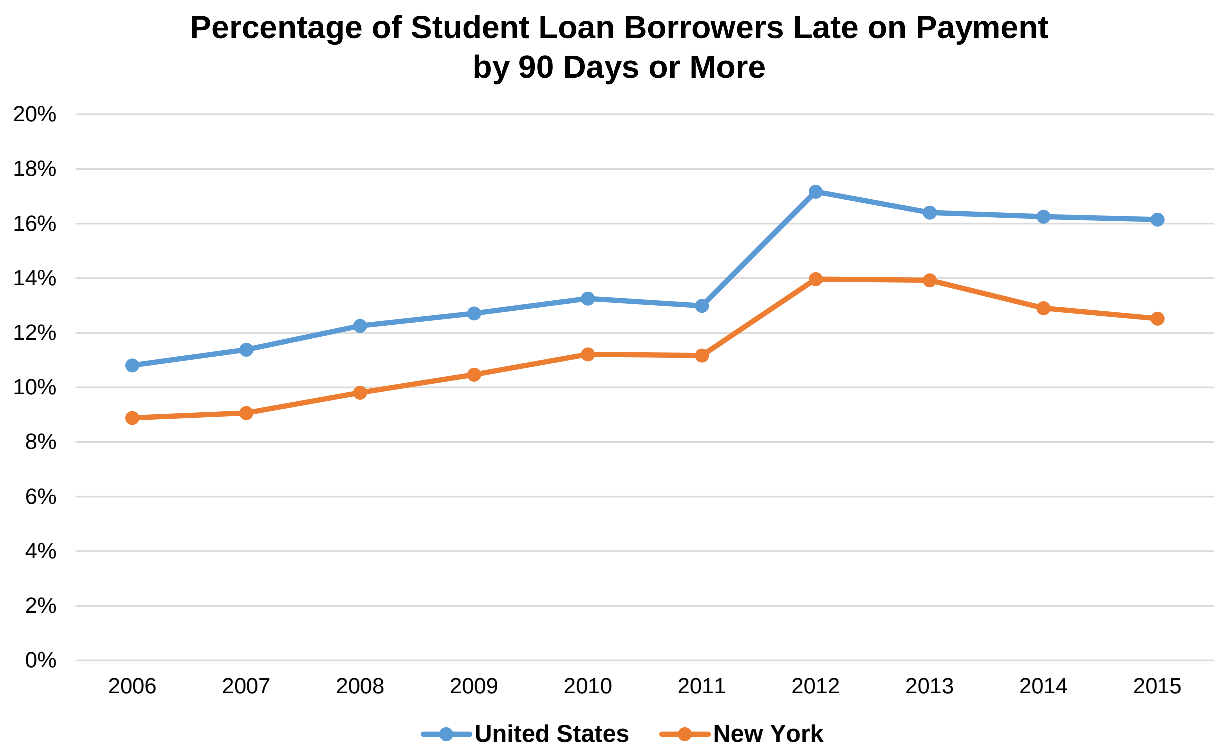
Source: Office of the State Comptroller calculations with Federal Reserve Bank of New York, *State Level Household Debt Statistics 2003-2015* (Feb. 2016), available with the *Q4 State Statistics By Year* link at https://www.newyorkfed.org/microeconomics/data.html.

[8] Ibid.
[9] Ibid.

### *Delinquency Rates: Annual Increases, Then Modest Declines*

The proportion of student loan borrowers in New York and the nation whose payments were 90 or more days late rose over the past decade, as shown in Figure 4. The share of borrowers with late payments in New York jumped from 8.9 percent in 2006 to 14.0 percent by 2012, before declining in each of the following three years to reach 12.5 percent in 2015. The rate of decrease in the State from 2012 to 2015 was almost twice that which occurred in the nation during this period.

**Figure 4**

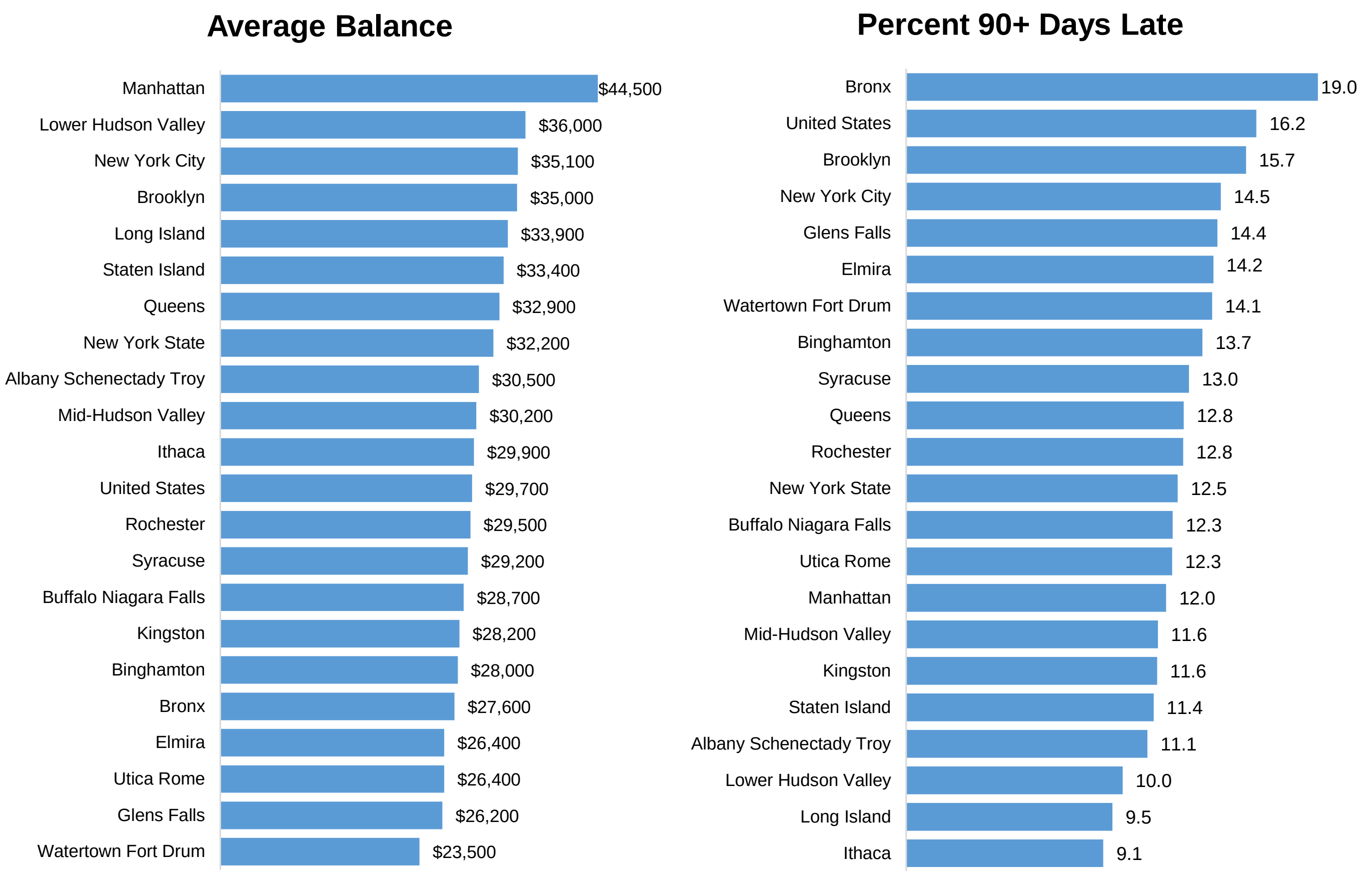



Source: Federal Reserve Bank of New York, *Regional Household Debt and Credit Snapshots,* updated August 2016 with Q4 2015 data; Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

Average student loan borrower balances vary significantly among local areas in New York State, with higher balances concentrated in downstate areas as shown in Figure 5. Manhattan led all areas of the State with an average student loan borrower balance of $44,500 in 2015, while the Watertown-Fort Drum area ranked lowest among areas for which data are available at $23,500. All local average balances over $30,000 occurred in the Capital District and south through the Hudson Valley and metropolitan New York area. The only downstate area with an average balance less than $30,000 was in the Bronx, at $27,600.

**Figure 5**

**Student Loan Borrowers, Average Balance and Delinquency Rate**
**Local Areas in New York, 2015**




Note: Delinquency rate indicates percentage of borrowers 90 or more days late on payment. Buffalo Niagara Falls includes Cheektowaga.
Source: Federal Reserve Bank of New York, *Regional Household Debt and Credit Snapshots,* Updated August 2016 with Q4 2015 data: Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

At 19 percent, the Bronx also had the highest percentage of student loan borrowers who were 90 or more days late in payment, the only area within the State where such delinquency was higher than the nation. The delinquency rate for borrowers in the Bronx was twice the rates in the Long Island and Ithaca areas.

### *Federal Student Loan Cohort Default Rates*

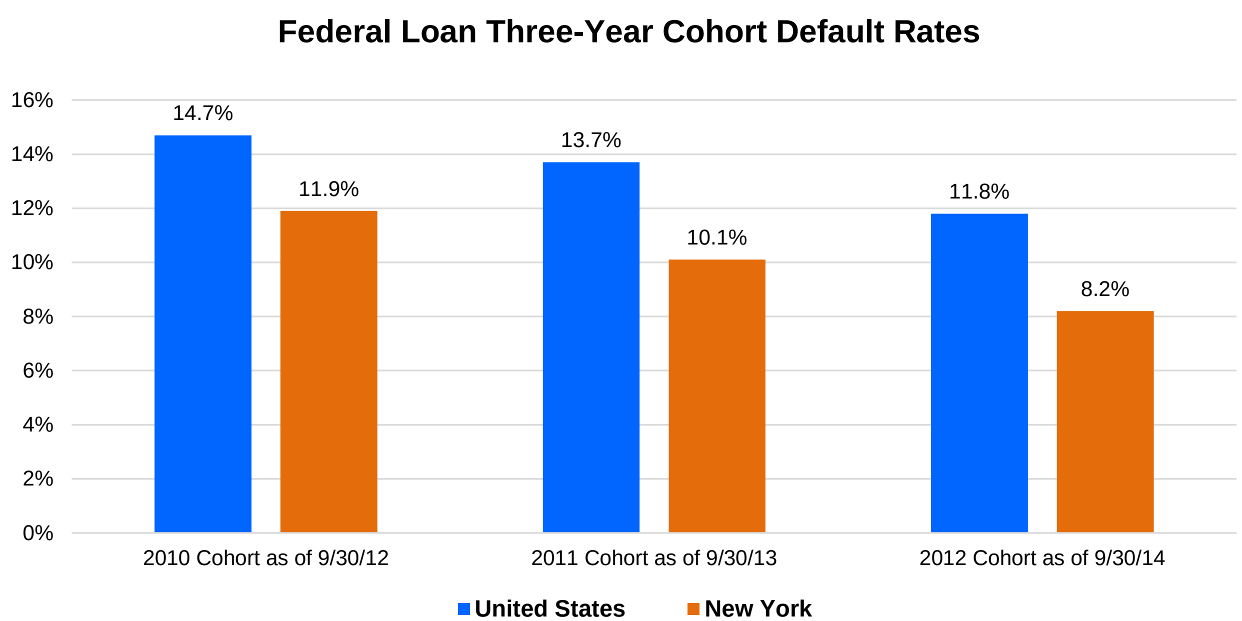
Student loans from the federal government under the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct Loan) Program represented nearly 80 percent of all federal loans and 72 percent of all public and private sector loans borrowed for higher education purposes in academic year 2014-15.[10] The

[10] College Board, *Trends in Student Aid 2015*, page 10 at http://trends.collegeboard.org/sites/default/files/trends-student-aid-web-final-508-2.pdf.

federal government calculates three-year cohort default rates on these loans for the nation and for the states where the students' schools are located. For this purpose, the federal government defines "default" as occurring when a scheduled payment is 360 days delinquent.[11]

Figure 6 below shows three-year default rates decreased in New York and nationally from 2012 to 2014 for students who began repayment in 2010 through 2012, the period for which state-level data are readily available. For example, among student borrowers who began repaying between October 1, 2009, and September 30, 2010 (the 2010 cohort), 11.9 percent of New York borrowers had defaulted by September 30, 2012, compared to 14.7 percent of those nationwide. Default rates for students who went to New York schools were lower than the national figure in each of the three periods for which data are currently available. New York's default rate during the latest available three-year period was 3.6 percentage points or more than one-quarter below the national rate, and had declined more than the national figure from the 2010 three-year cohort rate.[12]

**Figure 6**



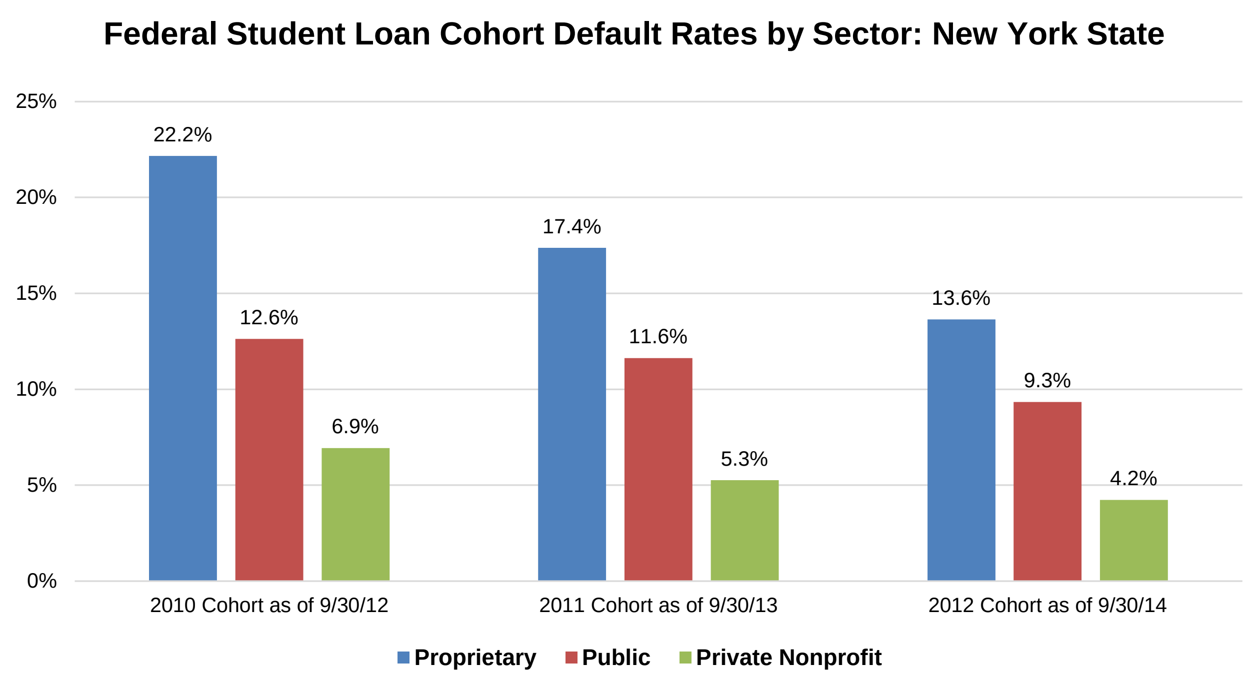

Note: The three-year cohort default period begins for most schools on October 1 of the federal fiscal year when the borrower enters repayment and ends on September 30 of the second fiscal year following the year in which the borrower entered repayment. The cohort years in the legend represent the first year of the three-year cohort.
Source: U.S. Department of Education, Federal Student Aid, *FY 2012 3-Year Official National Cohort Default Rates, FY 2010 3-Year Official Cohort Default Rates by State/Territory, FY 2011 3-Year Official Cohort Default Rates by State/Territory, FY 2012 3-Year Official Cohort Default Rates by State/Territory.*

[11] The FFELs included in the cohort default rate calculation are subsidized and unsubsidized federal Stafford loans. The Direct Loans included in the cohort default rate calculation are Federal Direct Subsidized Stafford/Ford Loans and Federal Direct Unsubsidized Stafford/Direct Loans. The following federal loans are not included in the calculation: PLUS Loans, Graduate/Professional PLUS Loans, Direct Graduate/Professional PLUS Loans, Insured Student Loans (FISLs), and Perkins Loans (Perkins Loans have a separate cohort default rate calculation). For more information, see http://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr.html and the *Cohort Default Rate Guide* at http://ifap.ed.gov/DefaultManagement/CDRGuideMaster.html.
[12] Such rates do not include defaults that occur later in scheduled repayment periods. According to FRBNY, 3-year default rates "dramatically understate lifetime defaults." See Federal Reserve Bank of New York, Liberty Street Economics, *Who Falters at Student Loan Payback Time?*, September 9, 2016 at http://libertystreeteconomics.newyorkfed.org/2016/09/who-falters-at-student-loan-payback-time.html.

Default rates in New York vary dramatically among the three types of higher education institution: public, private nonprofit, and proprietary (also known as for-profit schools). Cohort default rates for students who attended proprietary schools were more than triple the level of those who attended private nonprofit institutions for each of the three-year cohorts for which data are currently available, while rates for students who went to public schools were about twice the level of those who went to private nonprofit institutions.

As shown in Figure 7, default rates for students in all three categories of higher education institutions declined over the three periods for which data are readily available. The rate for borrowers who attended proprietary institutions, more than 22 percent in the 2010 cohort, fell by more than a third to 13.6 percent for the 2012 cohort. Still, that rate was higher than the rates for public or private nonprofit institutions during any of the periods shown. Borrowers who attended private nonprofit institutions had the lowest default rates in each period. Default rates also vary by the length of the educational program in which students enrolled. For example, in the public and private nonprofit sectors, students enrolled in programs of 4 or more years in length had comparatively lower default rates than those in programs with a length of 3 years or less. This pattern existed for both the United States and New York in all three cohort periods. In the proprietary sector, the relationship among default rates by length of program varies for the United States and New York and by cohort. Additional information related to this topic appears in the Appendix.

**Figure 7**




Note: State cohort default rates may be marginally different than would be calculated by the federal government because data for schools with ten or fewer borrowers in repayment are not provided in the U.S. Department of Education's database. Source: U.S. Department of Education, Federal Student Aid, *Cohort Default Rate Database* at http://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr.html.

# II. Conclusion

New York State has a proud tradition of excellence in higher education in both the public and private sectors. Our colleges and universities not only provide a wide variety of educational opportunities, but are also major employers in many communities across the State.

Higher education is recognized both as an important determinant of career potential for individuals, and as a contributing factor in the State's overall economic growth. While student loans facilitate access for individuals who might not otherwise have the opportunity to achieve a higher education, the costs associated with rising student loan debt have implications not only for borrowers, but also for the broader economy. As the federal government and states including New York take steps to address the burden of student loans on borrowers, additional costs for taxpayers may result as well.

The affordability of student loan debt depends in large part on the borrower's employment status after finishing college and, in some cases, on family resources. Varying wage and income levels in different regions and different occupations may also affect such affordability. The average New York student loan balance was $32,200 in 2015, with some borrowers owing amounts well below that level and others considerably more. Even students who leave college with lower-than-average debt levels may struggle. Student loans are rarely discharged in bankruptcy as a result of provisions in federal law limiting such discharges to cases of "undue hardship."

New Yorkers who face difficulties in repaying student loans may have less disposable income to provide for their own or family members' needs. From a broader perspective, they may be less able to purchase a home or otherwise make expenditures that contribute to growth of local and statewide economies. Some borrowers may find that a heavy burden of student debt creates lasting financial difficulties. The State's declining rates of student loan delinquency and default in recent years, as well as more moderate annual increases in average borrower balances, are positive signs. Still, the figures and trends provided in this report reflect ongoing financial challenges for many New Yorkers.

Researchers and policymakers continue to study factors underlying the trends described in this report. In the years immediately following the Great Recession, enrollment growth helped drive increases in numbers of student borrowers and in the average per-student loan amount, according to the Federal Reserve Bank of New York.[13] Certain changes in recent years to federal repayment requirements, including programs that base payments on borrowers' income levels, may reduce reported delinquency and default rates by

[13] Rajashri Chakrabarti, Michael Lovenheim and Kevin Morris, "The Changing Role of Community-College and For-Profit College Borrowers in the Student Loan Market," *Liberty Street Economics* (blog), Federal Reserve Bank of New York, September 8, 2016.

providing more flexibility for borrowers, but could postpone some defaults to later periods, analysts at Standard & Poor's conclude.[14]

The importance of higher education for individuals and the overall economy requires ongoing attention to the implications of rising costs and increased levels of student loan debt. This report is intended to help inform continued analysis of the most effective ways to preserve higher educational opportunities for as many New Yorkers as possible.

[14] "The U.S. Student Loan ABS Outlook Remains Stable As Debt Plateaus And Payment Plan Debates Heat Up," S&P Global Market Intelligence Global Credit Portal, September 17, 2015.

# III. Appendices

## Appendix A

### Total Household Debt Balance

(in billions, calendar year fourth quarter)

#### United States

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Change, 2006-2015 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Student Loan | $481.7 | $547.1 | $639.8 | $720.8 | $812.1 | $872.0 | $963.1 | $1,078.9 | $1,158.3 | $1,219.3 | 153.1% |
| Auto | $821.7 | $817.0 | $793.1 | $725.6 | $710.9 | $734.7 | $787.3 | $868.2 | $959.7 | $1,064.9 | 29.6% |
| Mortgage | $8,167.7 | $9,058.0 | $9,222.8 | $8,815.3 | $8,436.4 | $8,237.9 | $8,000.6 | $8,029.4 | $8,131.5 | $8,197.6 | 0.4% |
| Other | $858.3 | $928.9 | $927.3 | $862.1 | $730.1 | $956.3 | $883.6 | $837.7 | $838.4 | $821.6 | -4.3% |
| Credit Card | $775.2 | $848.7 | $879.4 | $807.1 | $735.0 | $710.6 | $686.2 | $687.9 | $704.3 | $732.6 | -5.5% |
| Total | $11,104.7 | $12,199.7 | $12,462.4 | $11,930.9 | $11,424.4 | $11,511.4 | $11,320.8 | $11,502.2 | $11,792.3 | $12,036.0 | 8.4% |

#### New York

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Change, 2006-2015 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Student Loan | $38.8 | $43.4 | $50.1 | $55.2 | $60.9 | $64.1 | $68.6 | $76.0 | $79.1 | $82.0 | 111.6% |
| Auto | $43.0 | $39.7 | $38.2 | $36.7 | $37.8 | $39.5 | $41.3 | $44.0 | $47.4 | $51.6 | 19.9% |
| Mortgage | $444.7 | $504.0 | $513.0 | $499.8 | $492.5 | $487.2 | $482.7 | $483.0 | $485.1 | $480.8 | 8.1% |
| Other | $55.6 | $58.0 | $57.8 | $56.6 | $49.7 | $66.4 | $61.8 | $59.3 | $58.2 | $55.9 | 0.4% |
| Credit Card | $54.8 | $58.9 | $60.3 | $55.2 | $50.9 | $49.6 | $48.7 | $48.8 | $49.8 | $52.0 | -5.0% |
| Total | $636.9 | $704.1 | $719.4 | $703.4 | $691.9 | $706.8 | $703.1 | $711.1 | $719.7 | $722.3 | 13.4% |

Source: Office of the State Comptroller calculations using data on consumer population and debt per capita from FRBNY, *State Level Household Debt Statistics 2003-2015*, February, 2016 available with the *Q4 State Statistics By Year* link at https://www.newyorkfed.org/microeconomics/data.html.

## Appendix B

### Student Loan Borrowers
(calendar year fourth quarter)

**Average Balance**

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Change, 2006-2015 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| United States | $19,000 | $20,600 | $22,100 | $23,200 | $24,100 | $25,800 | $27,100 | $27,800 | $28,900 | $29,700 | 56.3% |
| New York State | $21,800 | $23,400 | $24,900 | $26,100 | $27,200 | $28,900 | $30,100 | $30,800 | $31,600 | $32,200 | 47.7% |
| New York City | $24,600 | $26,100 | $27,800 | $28,900 | $29,900 | $31,400 | $32,500 | $33,700 | $34,700 | $35,100 | 42.7% |
| Bronx | $17,900 | $19,200 | $21,100 | $21,800 | $23,000 | $24,000 | $25,000 | $25,500 | $27,100 | $27,600 | 54.2% |
| Brooklyn | $23,000 | $24,700 | $26,300 | $27,700 | $28,700 | $30,500 | $31,800 | $33,200 | $34,600 | $35,000 | 52.2% |
| Manhattan | $34,500 | $35,500 | $37,300 | $38,600 | $39,900 | $41,200 | $42,500 | $44,500 | $44,900 | $44,500 | 29.0% |
| Queens | $21,100 | $23,200 | $24,900 | $25,800 | $26,900 | $28,600 | $29,500 | $30,900 | $31,800 | $32,900 | 55.9% |
| Staten Island | $20,100 | $22,500 | $24,500 | $25,900 | $27,300 | $29,100 | $30,000 | $31,400 | $33,000 | $33,400 | 66.2% |
| Long Island | $22,600 | $24,300 | $25,700 | $27,100 | $28,100 | $30,100 | $31,900 | $32,200 | $33,100 | $33,900 | 50.0% |
| Lower Hudson Valley | $23,300 | $25,000 | $27,100 | $28,900 | $29,800 | $31,800 | $33,500 | $34,500 | $35,300 | $36,000 | 54.5% |
| Mid-Hudson Valley | $21,100 | $22,900 | $24,500 | $25,300 | $26,300 | $27,900 | $29,100 | $28,800 | $29,600 | $30,200 | 43.1% |
| Albany Schenectady Troy | $20,800 | $22,400 | $23,500 | $24,500 | $25,800 | $27,300 | $28,100 | $28,600 | $29,600 | $30,500 | 46.6% |
| Binghamton | $17,100 | $18,600 | $20,300 | $21,300 | $23,600 | $25,100 | $26,400 | $26,700 | $26,800 | $28,000 | 63.7% |
| Buffalo Niagara Falls* | $19,400 | $21,000 | $22,600 | $24,000 | $25,000 | $26,000 | $27,200 | $27,700 | $28,400 | $28,700 | 47.9% |
| Elmira | $15,200 | $17,800 | $18,500 | $20,200 | $21,600 | $23,300 | $24,100 | $25,400 | $24,900 | $26,400 | 73.7% |
| Glens Falls | $17,400 | $18,500 | $19,300 | $21,000 | $22,500 | $23,700 | $25,500 | $25,900 | $25,900 | $26,200 | 50.6% |
| Ithaca | $22,600 | $24,900 | $25,900 | $26,000 | $27,400 | $28,700 | $30,000 | $31,500 | $31,500 | $29,900 | 32.3% |
| Kingston | $20,100 | $21,600 | $22,500 | $24,100 | $24,400 | $25,400 | $26,900 | $27,000 | $26,900 | $28,200 | 40.3% |
| Rochester | $19,500 | $21,200 | $22,500 | $23,700 | $24,700 | $26,700 | $27,900 | $28,100 | $28,800 | $29,500 | 51.3% |
| Syracuse | $18,600 | $20,400 | $22,000 | $23,700 | $24,800 | $26,500 | $27,700 | $28,000 | $28,900 | $29,200 | 57.0% |
| Utica Rome | $16,500 | $18,100 | $19,200 | $20,300 | $21,700 | $22,900 | $23,900 | $24,100 | $25,400 | $26,400 | 60.0% |
| Watertown Fort Drum | $16,200 | $16,900 | $17,700 | $19,800 | $20,300 | $21,700 | $22,400 | $22,400 | $23,600 | $23,500 | 45.1% |

**Percent 90+ Days Late on Payment**

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Change, 2006-2015 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| United States | 10.8 | 11.4 | 12.3 | 12.7 | 13.3 | 13.0 | 17.2 | 16.4 | 16.3 | 16.2 | 49.4% |
| New York State | 8.9 | 9.1 | 9.8 | 10.5 | 11.2 | 11.2 | 14.0 | 13.9 | 12.9 | 12.5 | 41.0% |
| New York City | 11.1 | 11.1 | 11.9 | 12.7 | 13.7 | 13.1 | 15.9 | 16.6 | 14.8 | 14.5 | 30.7% |
| Bronx | 15.2 | 15.0 | 16.4 | 17.2 | 18.7 | 17.6 | 21.7 | 22.3 | 19.1 | 19.0 | 25.2% |
| Brooklyn | 12.6 | 12.5 | 13.6 | 14.7 | 15.5 | 14.7 | 17.6 | 17.7 | 15.9 | 15.7 | 24.0% |
| Manhattan | 8.5 | 8.5 | 8.9 | 9.4 | 10.2 | 9.9 | 11.5 | 13.0 | 12.3 | 12.0 | 41.1% |
| Queens | 10.1 | 10.3 | 10.9 | 11.4 | 12.6 | 11.8 | 14.3 | 15.2 | 13.3 | 12.8 | 27.4% |
| Staten Island | 8.5 | 7.7 | 7.6 | 8.8 | 9.8 | 9.9 | 13.3 | 13.0 | 11.6 | 11.4 | 34.7% |
| Long Island | 6.4 | 7.0 | 7.6 | 8.2 | 8.9 | 9.2 | 10.8 | 11.3 | 10.1 | 9.5 | 49.5% |
| Lower Hudson Valley | 7.1 | 7.1 | 7.9 | 7.9 | 8.9 | 9.0 | 10.7 | 11.2 | 10.4 | 10.0 | 40.2% |
| Mid-Hudson Valley | 7.3 | 7.1 | 8.3 | 8.2 | 8.9 | 9.7 | 12.8 | 12.2 | 11.7 | 11.6 | 59.9% |
| Albany Schenectady Troy | 8.0 | 7.9 | 8.4 | 9.3 | 9.2 | 9.3 | 13.4 | 12.4 | 11.8 | 11.1 | 39.3% |
| Binghamton | 6.9 | 7.9 | 9.5 | 9.3 | 10.6 | 11.2 | 14.0 | 12.6 | 13.0 | 13.7 | 98.3% |
| Buffalo Niagara Falls* | 8.4 | 8.3 | 9.4 | 10.5 | 11.0 | 11.6 | 13.6 | 13.1 | 12.6 | 12.3 | 46.5% |
| Elmira | 10.3 | 10.2 | 12.4 | 12.6 | 10.8 | 11.8 | 16.6 | 14.8 | 15.0 | 14.2 | 38.1% |
| Glens Falls | 9.1 | 8.5 | 9.0 | 11.6 | 11.7 | 10.7 | 13.0 | 13.4 | 12.4 | 14.4 | 57.3% |
| Ithaca | 4.2 | 5.8 | 6.4 | 6.4 | 7.6 | 5.9 | 10.5 | 9.9 | 9.9 | 9.1 | 114.9% |
| Kingston | 8.4 | 7.2 | 8.5 | 9.3 | 9.6 | 10.0 | 14.6 | 11.6 | 11.2 | 11.6 | 37.7% |
| Rochester | 7.9 | 8.4 | 9.5 | 9.9 | 10.2 | 10.1 | 14.4 | 13.5 | 12.8 | 12.8 | 62.4% |
| Syracuse | 7.6 | 8.3 | 9.1 | 9.5 | 10.4 | 11.1 | 14.4 | 13.7 | 13.7 | 13.0 | 72.0% |
| Utica Rome | 9.4 | 8.4 | 9.2 | 9.4 | 9.9 | 9.9 | 14.4 | 13.0 | 13.2 | 12.3 | 30.1% |
| Watertown Fort Drum | 11.8 | 11.9 | 10.4 | 12.1 | 13.2 | 13.2 | 15.6 | 14.4 | 15.3 | 14.1 | 20.1% |

* Buffalo Niagara Falls includes Cheektowaga.

Source: FRBNY, *Regional Household Debt and Credit Snapshots,* Updated August 2016 with Q4 2015 data: Excel data set at https://www.newyorkfed.org/outreach-and-education/regional-household-credit.

# Appendix C

## Federal Loan Three-Year Cohort Default Rates

(By type of institution and program length, federal fiscal year)

| | 2010 Cohort as of 9/30/12 | | 2011 Cohort as of 9/30/12 | | 2012 Cohort as of 9/30/12 | |
|---|---|---|---|---|---|---|
| | United States | New York | United States | New York | United States | New York |
| **Public** | 13.0% | 12.6% | 12.9% | 11.6% | 11.7% | 9.3% |
| Less than 2 years | 16.5% | 15.1% | 13.6% | 12.3% | 12.2% | 11.4% |
| 2 - 3 years | 20.9% | 19.6% | 20.6% | 17.6% | 19.1% | 14.9% |
| 4 years (+) | 9.3% | 7.9% | 8.9% | 7.4% | 7.6% | 5.3% |
| **Private Nonprofit** | 8.2% | 6.9% | 7.2% | 5.3% | 6.8% | 4.2% |
| Less than 2 years | 21.8% | 11.9% | 25.0% | 15.9% | 22.4% | 12.9% |
| 2 - 3 years | 14.2% | 10.3% | 12.0% | 6.3% | 14.6% | 6.5% |
| 4 years (+) | 8.0% | 6.9% | 7.0% | 5.2% | 6.3% | 4.2% |
| **Proprietary** | 21.8% | 22.2% | 19.1% | 17.4% | 15.8% | 13.6% |
| Less than 2 years | 20.9% | 20.2% | 20.6% | 17.7% | 17.7% | 12.0% |
| 2 - 3 years | 21.4% | 25.3% | 19.8% | 16.8% | 17.7% | 12.9% |
| 4 years (+) | 22.1% | 21.0% | 18.6% | 17.6% | 14.7% | 15.3% |

Source: Office of the State Comptroller calculations for New York using U.S. Department of Education, FSA, *Cohort Default Rate Database* New York State data.

Note: New York's cohort default rates may be marginally different than would be calculated by the federal government because data for schools with ten or fewer borrowers in repayment are not provided in the database. The United States' rates were released by the federal government and include such data. See U.S. Department of Education, FSA, *FY 2012 3-Year Official National Cohort Default Rates* and *Cohort Default Rate Database,* both at http://www2.ed.gov/offices/OSFAP/defaultmanagement/cdr.html.

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