

# State Impact of Student Loan Interest Rates Doubling

Higher Education is worth the investment, but it is getting harder to afford. As states cutback on funding to education it drives tuition higher, increasing the costs to students and families typically in the form of additional student loan debt.

If Congress does nothing, this July 1st over 7.8 million undergraduates will see interest rates on new subsidized Stafford loans double from 3.4% to 6.8%, further increasing their debt burden.

Borrowers who will take out the maximum \$23,000 in subsidized Stafford loans will see their interest balloon to an additional \$5,200 over a 10-year repayment period and \$11,300 over a 20-year repayment period.<sup>i</sup>

The following chart estimates where these almost 8 million students attend school and the percentage of new Stafford loans which will be affected per state:

State	Number of Impacted Borrowers*	Portion of Stafford Loans Impacted*	State	Number of Impacted Borrowers*	% of Stafford Loans Impacted*
AI	125,000	49%	MT	22,000	51%
AK	10,000	44%	NE	47,000	49%
AZ	498,000	49%	NV	26,000	52%
AR	63,000	51%	NH	35,000	48%
CA	594,000	52%	NJ	133,000	49%
CO	163,000	50%	NM	37,000	53%
CT	72,000	47%	NY	435,000	50%
DE	18,000	47%	NC	149,000	50%
FL	423,000	51%	ND	19,000	47%

GA	218,000	50%	OH	341,000	50%
HI	15,000	53%	OK	78,000	52%
ID	41,000	54%	OR	110,000	51%
IL	375,000	50%	PA	375,000	49%
IN	268,000	50%	RI	37,000	49%
IA	235,000	48%	SC	96,000	50%
KS	76,000	50%	SD	31,000	43%
KY	114,000	51%	TN	134,000	50%
LA	84,000	50%	TX	437,000	51%
ME	32,000	52%	UT	85,000	56%
MD	105,000	50%	VT	19,000	50%
MA	171,000	49%	VA	178,000	48%
MI	293,000	50%	WA	100,000	51%
MN	253,000	48%	WV	60,000	49%
MS	66,000	51%	WI	147,000	50%
MO	167,000	50%	WY	11,000	50%

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<sup>i</sup> Calculated by the Institute for College Access and Success,  
<http://views.ticas.org/?p=753>

\* Data is an estimate derived from 2007-2008 National Postsecondary Student Aid Study (NPSAS) data and 2010-2011 new loan originations from the Department of Education Data Center. Numbers represent an underestimate of those who will be impacted in the 2012-2013 school year based on economic conditions. All numbers are rounded.