College Savings Accounts: More Degrees, Less Debt

Student Debt: Up 31% in Five Years

2007: $18,957
2012: $27,253

America’s Total Student Debt

2007: $548 Billion
2012: $966 Billion

Higher Student Debt = Lower Graduation Rates

<$10K in Debt
60% Completion Rate

>$20K in Debt
35% Completion Rate

Debt above $10,000 has a negative relationship with college completion for all income groups at public institutions, especially the bottom 75% of the income distribution.

*Confidence intervals show that there is a fair amount of uncertainty about the specific graduation probability at a given level.

Early Savings = College Success for Low-Income Students

High School Students with No College Savings

- Ever Enroll in College: 45%
- Graduate: 7%

High School Students with College Savings*

- Ever Enroll in College: 72%
- Graduate: 33%

Even College Savings of Less than $500 Boost Chances of College Entry and Success for Low- and Moderate-Income Students

3X More Likely to Enroll

4X More Likely to Graduate

* Savings of less than $500