



Study: Ohio has eighth worst student debt in nation

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Ohio is the eighth worst state for student debt, according to a study by the financial website [WalletHub](#) that ranked every state and the District of Columbia on several different factors.

“[Sixty-two percent] of the state's students are in debt, student debt takes up more than half of people's income, and almost [eight percent] of those aged 50 [or older] are still paying off their student loans,” WalletHub analyst Jill Gonzalez told The Center Square via email. “The state also has the lowest number of paid internship listings per capita, and no ‘Student Law Ombudsmen’ legislation.”

To rank student loan indebtedness, WalletHub considered several differently weighted factors. The highest weighted factor was the state’s share of students in debt, while the student debt as a share of income and the share of student loan borrowers more than 50 years old were weighted the second highest factors.

Just this week, a plan was proposed to the Ohio State Board of Trustees that would increase tuition rates for incoming freshmen by 3.3 percent. This will cost students about \$350 more annually. Student healthcare costs and boarding costs will also increase. However, the university will be increasing student aid to cover the full cost of the tuition increase for students who qualify for aid.

Greg Lawson, a research fellow at The Buckeye Institute, told The Center Square via email that stronger government intervention is not the solution to this problem. The Buckeye Institute is an Ohio-based, free-market think tank.

“Tuition hikes always pose challenges for those entering higher education institutions, but the answer is not government imposed freezes or larger blank check taxpayer funded subsidies,” Lawson said. “Ironically, such policies have unintended consequences. Tuition freezes lead to special assessments and other ‘fee’ increases that fall outside tuition yet still add to bottom line costs and the accumulation of debt.”

Lawson said that Ohio has begun to use graduation rates as a performance-based metric to determine university subsidies. He said that the state should move further in this direction and allow universities to succeed or fail based on market forces.

Russell Rhine, a policy analyst for the Cato Institute's Center for Educational Freedom, also told The Center Square via email that government programs are not a good solution to rising tuition costs and student debt. He said that these programs often allow costs to continue to rise, but shifts the payment from students to taxpayers.

“Free college and debt forgiveness proposals from [Democratic presidential candidates] Bernie Sanders, Elizabeth Warren, and others will not slow rising costs, they simply transfer them to taxpayers,” Rhine said. “Additionally, those who paid their way through college or responsibly repaid their debt will garner resentment; and, with the expectation of government handouts, future responsible financial behavior will be discouraged.”

Many of Ohio's neighbors are in similar situations with high levels of student debt. Pennsylvania, West Virginia and Michigan are all within the top 15 worst states for student debt. Indiana fell just outside the top 15.