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Student Debt in Maryland:

A Cap and Gown Shouldn't be a Ball and Chain

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Household income has remained stagnant, increasing by just over 1 percent, while the cost of attending a public four-year college or university has increased by 25 percent, far outstripping the rate of inflation and wages

Some estimates put the debt burden for Maryland's college student borrowers as the highest in the nation, threatening not only their own economic futures, but that of the entire state. Student loan debt has become a topic of national concern as more and more college graduates are facing intimidating levels of debt before they even begin their working lives.

This paper describes the factors that lead to such high levels of debt for Maryland's student borrowers and discusses the consequences of this debt on borrowers and the economy. It also discusses potential solutions to the problem at the state level, particularly as they relate to state investment in higher education and the cost of tuition.

Support for public colleges and universities in Maryland has not kept up with increasing enrollment. Despite efforts to reduce the growth of tuition in recent years, such as temporary tuition freezes, Maryland's investment in higher education trends in the same direction as the rest of the country, decreasing by 12 percent – over $1,000 per student - since the start of the Great Recession in 2008. With less state funding, colleges and universities become more dependent on tuition to operate.

Meanwhile, household income has remained stagnant, increasing by just over 1 percent, while the cost of attending a public four-year college or university has increased by 25 percent, far outstripping the rate of inflation and wages. When tuition increases more quickly than wages, students, and families must make up the difference through increased borrowing.

This borrowing comes at a cost for students and the economy. Graduates with significant debt face much tougher economic challenges than those who do not have to borrow to finance their education. Those debtor graduates who do find good jobs lose a significant portion of their income to debt payments, and thus are less able to make investments that are crucial to improving their economic security. In this regard, higher education actually serves to widen existing social strata, even though many view a college degree as a class equalizer.

Reducing student debt will require policymakers to consider programs to help those who have already taken out loans to manage their payments, such as repayment schedules that are based on a graduate's income. But to address the underlying problem rather the symptoms, lawmakers will have to increase public investment in higher education and stabilize or reduce tuition. Maryland lawmakers need to see their support for higher education as a public good, with a specific focus on keeping the cost of tuition low.

Marylanders Face High – And Increasing – Levels of Student Debt

Recently, the amount of student loan debt nationwide eclipsed credit card debt for the first time.[1] It now surpasses $1.1 trillion, up from just over $300 billion a decade ago.[2] Some of this increase is due to more students borrowing to finance their education; however, borrowing per student also increased by 54 percent between 2001 and 2011. Recently, the amount of student loan debt nationwide eclipsed credit card debt for the first time. It now surpasses $1.1 trillion, up from just over $300 billion a decade ago. Some of this increase is due to more students borrowing to finance their education; however, borrowing per student also increased by 54 percent between 2001 and 2011. [3]

The student debt burden is particularly acute in Maryland. Due to the difficulty of obtaining accurate data on student debt, estimates vary regarding both the average amount of debt per borrower in Maryland as well as how Maryland compares to other states. For example, whereas the Project on Student Loan Debt ranks Maryland in the middle of all states in terms of average student debt burden, the Federal Reserve Bank of New York, using a different methodology, finds that Maryland residents borrow more than students in any other state [4] While the Project estimates that the average debt for borrowers in Maryland is $25,951, the New York Fed puts this figure at $28,330. According to the Project, 58 percent of Maryland's students take out loans to finance their education.[5]

However, the key issue is not the precise amount that Maryland graduates owe. It is the impact that this debt has on the lives of student borrowers and their ability to prosper in today's economy.

Decisions at the federal level have played a crucial role in the rise of student debt. These include diminishing Pell grants, the manner in which federal student loans are provided and administered, and inadequate oversight of for-profit colleges that abuse the federal student loan system. However, states also play a significant role in how their residents access quality higher education. This paper focuses in particular on state investment in higher education and the cost of tuition at public institutions.

1 See for example Tamar Lewin, "Burden of College Loans on Graduates Grows," *The New York Times*, April 11, 2011, http://www.nytimes.com/2011/04/12/education/12college.html

2 For current and historic data on student loan debt, see the Federal Reserve Bank of New York's Quarterly Reports on Household Debt and credit, available here: http://www.newyorkfed.org/regional/householdcredit.html

3 Dynarski, Susan and Daniel Kreisman. "Loans for Educational Opportunity: Making Borrowing Work for Today's Students," The Hamilton Project, Discussion Paper 2013-05, October 2013.

4 Halbach, Garret T. "College Affordability in Maryland," Presentation to the Senate Education, Business, and Administration Subcommittee and the House Education and Economic Development Committee, Department of Legislative Services Office of Policy Analysis, February 24, 2014.

5 Data available at the Project on Student Debt: http://projectonstudentdebt.org/state_by_state-data.php

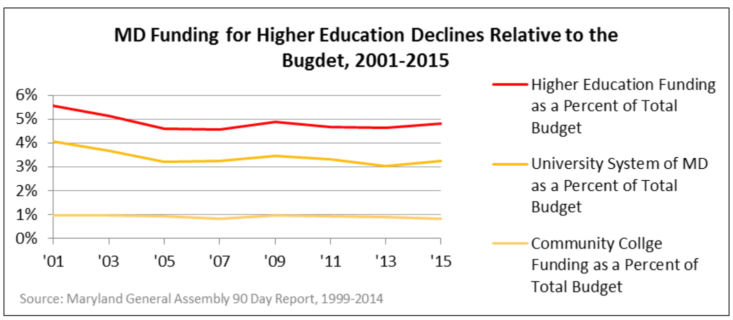
Causes of High Student Debt in Maryland

Increasing Enrollment

One reason for the increasing levels of student debt is straightforward: more students are enrolling in college. In Maryland, enrollment increased by 16.2 percent between 2008 and 2013.[6] This is not simply a matter of demographics; a college education is increasingly essential to gain the skills necessary to compete in today's economy and is a perquisite for even entry-level jobs.[7] Americans with four-year college degrees made 98 percent more an hour on average in 2013 than people without a degree, according to Economic Policy Institute, a non-partisan research group.[8] The timing of the increased enrollment is also significant; many people went back to school during the Great Recession to gain new skills and improve their chances in the job market.[9]

Decreasing Public Support Drives Increasing Tuition

Support for public colleges and universities has not kept up with increasing enrollment. Adjusted for inflation, nationwide state spending on higher education is at its lowest point since 1980.[10] Since the start of the Great Recession in 2008, state appropriations per full-time student have fallen by 23 percent.[11] This declining public support led one university president to remark that state colleges and universities have gone from "state-funded" to "state-supported" to finally just "state-located."[12]



Maryland has done a better job in investing in higher education than most states. It spends $650 more per student than the national average.[13] Despite this, Maryland's investment in higher

6 State Higher Education Executive Officers. "State Higher Education Finance – FY 2013," 2014.

7 See for example Catherine Rampell, "It Takes a B.A. to Find a Job as a File Clerk," *The New York Times*, February 19, 2013, http://www.nytimes.com/2013/02/20/business/college-degree-required-by-increasing-number-of-companies.html

8 Leonhardt, David. "Is College Worth it? Clearly, new Data Say." *The New York Times*, May 27, 2014, http://www.nytimes.com/2014/05/27/upshot/is-college-worth-it-clearly-new-data-say.html

9 Long, Bridget Terry. "The Financial Crisis and College Enrollment: How Have Students and Their Families Responded?" The National Bureau of Economic Research, November 2013, http://www.nber.org/chapters/c12862.pdf

10 State Higher Education Executive Officers, 2014.

11 Mitchell, Michael, Vincent Palacios, and Michael Leachman. "States are Still Funding Higher Education Below Pre-recession Levels," Center on Budget and Policy Priorities, May 1, 2014, http://www.cbpp.org/cms/?fa=view&id=4135

12 Quoted in Rampell, Catherine, "Higher education went from being a public good to a private one," *The Washington Post*, May 22, 2014, http://www.washingtonpost.com/opinions/catherine-rampell-higher-education-went-from-being-a-public-good-to-a-private-one/2014/05/22/50263a16-e1bd-11e3-9743-bb9b59cde7b9_story.html

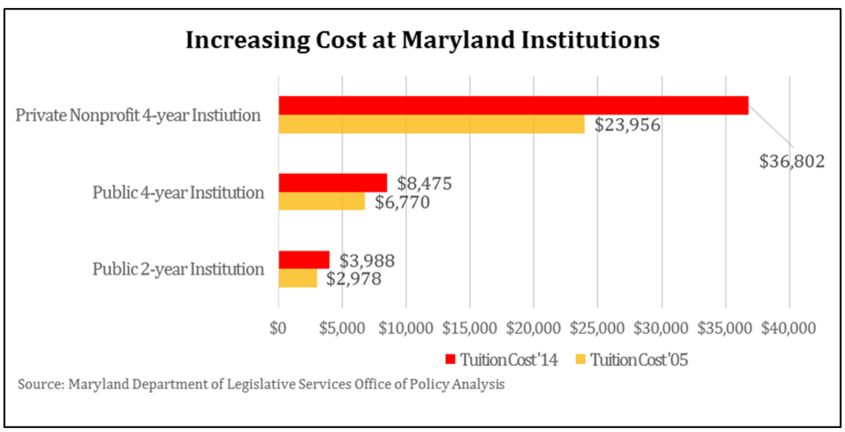
13 State Higher Education Executive Officers, 2014.

education has followed the same trajectory as the rest of the country, decreasing by 12 percent – over $1,000 per student - since the start of the Great Recession in 2008.[14] State funding for higher education is lower than before the recession, even though revenue collection in general has increased.[15]

With less state funding, colleges and universities become more dependent on tuition to operate. Across the country, between 1980 and 2011 tuition at public four-year universities increased by 244 percent and 156 percent at community colleges, both adjusted for inflation.[16]

Compared to other states, tuition at Maryland's public colleges and universities has increased less drastically. In 2006, Maryland policymakers froze tuition for public universities in the state until 2010. To compensate for Maryland's recent four year tuition freeze, the General Assembly increased funding for higher education in the state by about $20 million per year.[17] After the tuition freeze expired, Maryland continued to increase its support for colleges and universities to prevent tuition increases from exceeding 3 percent. [18] Yet even at this rate, tuition is still increasing faster than inflation and wages, making it difficult for families to keep up.

Over the past decade, household income has remained stagnant, increasing by just over 1 percent, while the cost of attending a public four-year college or university has increased by 25 percent—also outstripping the rate of inflation and wages.



When tuition increases more quickly than wages students and families must make up the difference somehow. They can turn to government aid or financial assistance from the colleges or universities

14 Mitchell, Michael, Vincent Palacios, and Michael Leachman. "States are Still Funding Higher Education Below Pre-recession Levels," Center on Budget and Policy Priorities, May 1, 2014, http://www.cbpp.org/cms/?fa=view&id=4135

15 Flavelle, Christopher. "Where's the Recovery for Public Colleges?" *Bloomberg View*, April 10, 2014, http://www.bloombergview.com/articles/2014-04-10/where-s-the-recovery-for-public-colleges

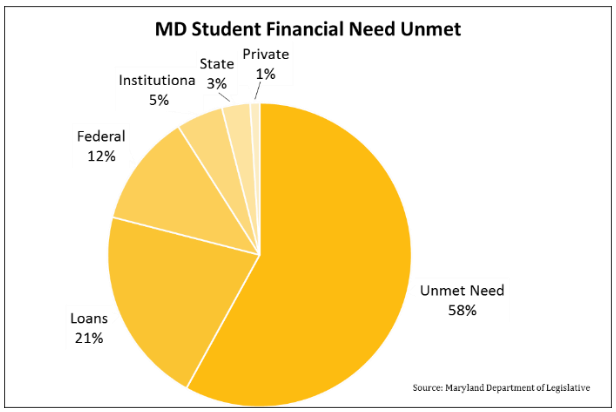
16 Mettler, 2014a.

17 De Vise, Daniel. "At University of Maryland, Tuition Freeze Ends with Mote Era," *The Baltimore Sun*, February 17, 2010, http://www.washingtonpost.com/wp-dyn/content/article/2010/02/16/AR2010021605794.html

18 Walker, Childs. "University Leaders Praise O'Malley's Proposed Budget," *The Baltimore Sun*, February 1, 2012, http://articles.baltimoresun.com/2012-02-01/news/bs-md-university-budget-20120201_1_state-budget-funding-increases-tuition-and-fees

themselves, but data from the Maryland Higher Education Commission suggests that student aid at Maryland's public campuses has not kept pace with the cost of attendance. Indeed, combined federal, institutional, state, and private sources of financial aid only covered 21 percent of student financial need in fiscal year (FY) 2012. Students turn to loans to partially make up the difference; loans also met 21 percent of student need in FY 2012.

In Maryland, a staggering 58 percent of financial need went unmet. It is likely that many students resorted to home equity loans, retirement plan loans, and credit cards to cover unmet need, according to the Department of Legislative Services, even as the Great Recession drastically reduced the savings and wealth of American families.[19] [20]



Nationwide, the combination of increased enrollment and tuition accounts for three-fifths of the increase in student loan debt between 2002 and 2011, according to the Tax Policy Center.[21] The increasing cost of college, combined with the weak economy, has made students less and less able to pay for college without going into debt. Nationally, student loans financed 38 percent of the cost of college in 2000, compared with 50 percent over the past three years.[22]

High Student Debt Holds Back Maryland Graduates, Broader Economy

Despite the widespread attention that the student loan problem has gained, some argue that there is little cause for alarm. For example, Brookings Institution researchers Beth Akers and Matthew M. Chingos note that much of the increase in student loan debt can be attributed to more students attending college and graduate school.[23] They also argue that because lifetime earnings of college graduates have kept up with debt levels, the need to repay student loans remains manageable. However, there are wide disparities between those with student loans and those without that create

19 Halbach, 9.

20 McKernan, Signe-Mary, Caroline Ratcliffe, C. Eugene Steuerle, and Sisi Zhang. "Impact of the Great Recession and Beyond: Disparities in Wealth Building by Generation and Race," The Urban Institute, April 2014, http://www.urban.org/publications/413102.html

21 Gale, William, Benjamin Harris, Bryant Renaud, and Katherine Rodihan. "Student Loans Rising: An Overview of Causes, Consequences, and Policy Options." Tax Policy Center, May 2014.

22 Gale et al 2014.

23 Akers, Beth and Matthew M. Chingos. "Is a Student Loan Crisis on the Horizon?" Brookings Institution, June 2014.

inequalities of opportunity. Also, some students may be unwilling to take on high levels of debt and are unaware of the financial aid options available to them, which effectively create barriers to higher education for low-income young people. Further, evidence suggests that high student loan debt is holding back the economic recovery.

Graduates with debt face much tougher economic circumstances than those who do not have to borrow to finance their education. Many are starting their professional lives with negative net worth.[24] This holds them back in a variety of ways.

Student loan debt can influence the career choices and other decisions that graduates make after college, as the need to repay debt pushes students towards certain things and away from others. For example, student loan debt can lead graduates to avoid low-paying or public- sector jobs.[25] For women in particular, recent graduates with student loan debt are more likely to enter the workforce immediately rather than pursuing graduate education.[26] Student loan debt also increasingly causes borrowers to delay marriage and having children.[27]

Those with student loans are less likely to own a home than those without college debt.[28] As a result, median net worth for young households (below the age of 40) without student debt is seven times greater than for young households paying off student loans.[29] They are also more likely to have a greater overall debt burden due to higher levels of other forms of debt, such as credit card balances, according to the Pew Research Center. Student loan debt also prevents graduates from saving and making investments as young adults that are crucial to their lifetime financial security. For example, student loan debt discourages saving for retirement.[30] Student loans are now what recent graduates (18-29 years old) cite as their top money problem, and that makes it more difficult for them to focus on other investments that will help their economic security.[31]

24 Quoted in Lower, Annie, "Student Loan Debt Slows Growth as Young Spend Less," *The New York Times*, May 10, 2013, http://www.nytimes.com/2013/05/11/business/economy/student-loan-debt-weighing-down-younger-us-workers.html

25 Rothstein, Jesse and Cecilia Elena Rouse. "Constrained after College: Student Loans and Early-career Occupational Choices," *Journal of Public Economics,* volume 95, issue 1, pp149-163, 2011.

26 Akers, Beth. "Excess Sensitivity to Labor Supply and Educational Attainment: Evidence from Variation in Student Loan Debt." Working paper, 2013. (references in Gale et al 2014)

27 Baum, Sandy and Marie O'Malley. "College on Credit: How Borrowers Perceive their Education Debt." *Journal of Student Financial Aid,* volume 33, issue 3, 2003.

28 Marte, Janelle. "College Debt is Still Keeping Grads from Buying Homes," *The Washington Post,* May 13, 2014, http://www.washingtonpost.com/blogs/wonkblog/wp/2014/05/13/college-debt-is-still-keeping-grads-from-buying-homes/

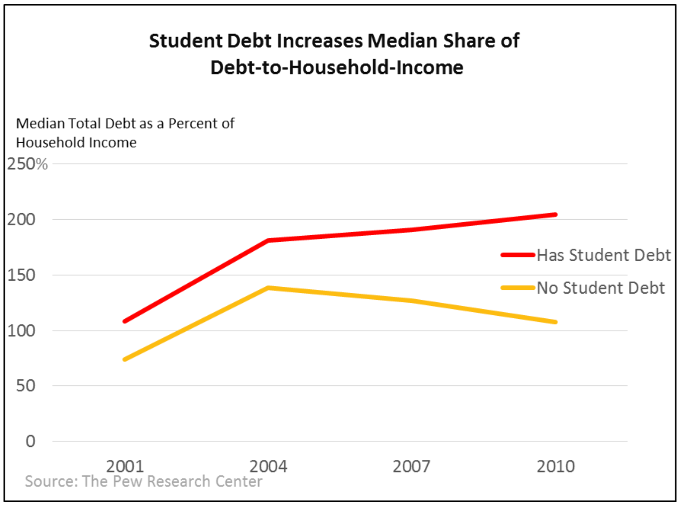
29 Fry, Richard. "Young Adults, Student Debt and Economic Well-being." Washington, D.C.: Pew

Research Center's Social and Demographic Trends project, May 2014.

30 Cavanagh, Joyce A., and Deanna L. Sharpe. "The Impact of Debt Levels on Participation in and Level of Discretionary Retirement Savings." Association of Financial Counseling and Planning Education, 2002.

31 Saad, Lydia. "Young Adults Cite College Costs as Their Top Money Problem," Gallup, April 21, 2014, http://www.gallup.com/poll/168584/young-adults-cite-college-costs-top-money-problem.aspx

Over time, this means young households with student loans will have much more debt as a share of their median income than their counterparts without student debt, which is helping to drive increasing economic inequality.



Those who are already wealthy enough to afford college without taking on loans are able to generate more wealth, as their earnings do not have to go to paying off debt. Meanwhile, the income of students who had to borrow to pay for college is effectively decreased through debt payments. In this regard, the current system of debt-fueled higher education actually serves to widen existing economic disparities.[32]

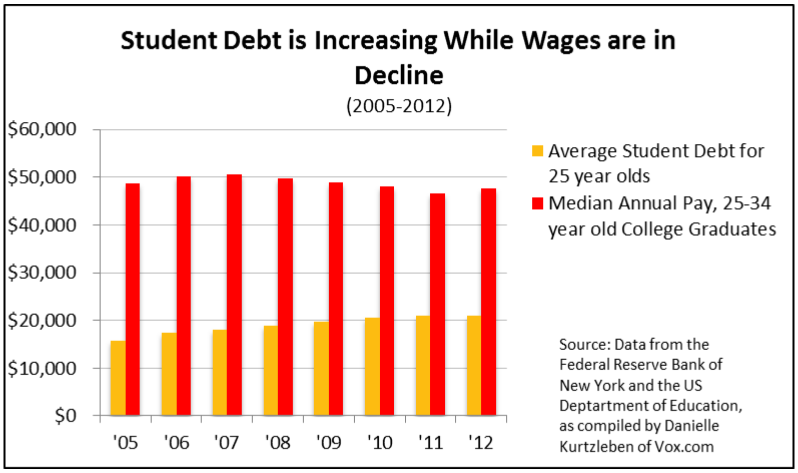
Having less disposable income to spend and invest not only hurts indebted graduates, it holds back broader economic growth. Because of the need to find stable, high-paying employment right away in order to pay off loans, those with major student debt are less likely to take the risk of starting their own business.[33] Areas with higher levels of student loan debt have lower small-business growth.[34] Furthermore, because young adults with student debt have to delay other wealth-generating investments such as buying homes, this drags down the economy as a whole, and is one of the reasons the housing market has not fully recovered from the Great Recession.[35]

32 Mettler, Suzanne. “Equilizers No More: Politics Thwart Colleges’ Role in Upward Mobility,” *The Chronicle of Higher Education*, March 3, 2014, http://chronicle.com/article/Equalizers-No-More/144999

33 Korkki, Phyllis. “The Ripple Effects of Rising Student Debt,” *The New York Times*, May 24, 2014, http://www.nytimes.com/2014/05/25/business/the-ripple-effects-of-rising-student-debt.html

34 Ambrose, Brent W., Joseph Cordell, and Shuwei Ma. “The Impact of Student Loan Debt on Small Business Formation,” March 31, 2014 Available at SSRN: http://ssrn.com/abstract=2417676 or http://dx.doi.org/10.2139/ssrn.2417676

35 Irwin, Neil. “The Role of Student Debt in Stunting the Recovery,” *The New York Times*, May 14, 2014, http://www.nytimes.com/2014/05/15/upshot/the-role-of-student-debt-in-stunting-the-recovery.html



Likewise, the legacy of the Great Recession compounds the problems that borrower's face. Students graduating today have both high levels of student loan debt and poorer prospects to pay it off, as they enter a labor market where good-paying jobs are harder to find than they were prior to the Great Recession. In 2011, 54 percent of recent college graduates were unemployed or working part time even though they wanted full time work.[36] Further, as student loan debt is increasing, wages have actually fallen, even for many with a college degree.[37]

More generally, graduates face an economy with fewer high-paying jobs and more low-wage jobs.[38]

Fixing the Problem of Growing Student Debt

Because federal policy plays such a large role in how much students borrow, many recommendations to curb student debt focus on changes at the federal level, including how the federal government sets the interest rate for student loans and how for-profit colleges are regulated. But there are also steps that state lawmakers can take on their own.

Increase FAFSA Completion

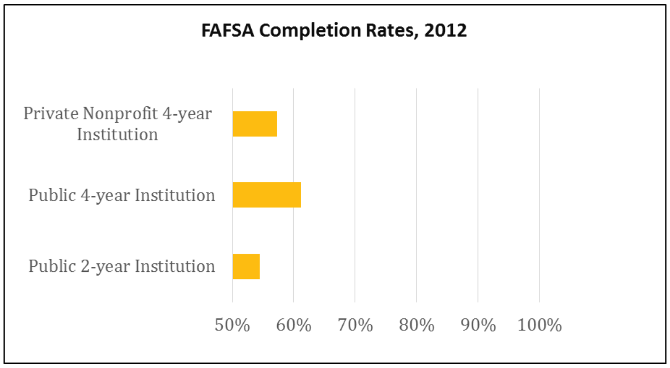
One simple but smart thing Maryland policymakers could do is encourage families to complete the Free Application for Federal Student Aid. The income information that families provide on the application is used to determine how much each family is expected to contribute to the cost of attending a college or university. The application is a gateway to sources of aid from the federal government and individual colleges and

36 Hope, Ye. "Half of New grads are Jobless or Underemployed," the Associated Press, April 24, 2012, http://www.nbcnews.com/id/47141463/ns/business-stocks_and_economy/#.T5WOgDJSTkE

37 Kurtzleben, Danielle. "Student debt is going up. Graduates' incomes aren't," Vox.com, May 24, 2014, http://www.vox.com/2014/5/14/5714546/student-debt-is-going-up-graduates-annual-salaries-arent

38 Henry, Ben and Allyson Fredericksen. "America's Changing Economy: Searching for Work that pays in the New Low Wage Job Market," Alliance for a Just Society, December 2013, http://jobgap2013.files.wordpress.com/2013/12/job-gap-study_2013.pdf

universities. According to Maryland's Department of Legislative Services, just over half of Maryland public college and university students complete the application, though .participation varies by type of institution.



Encouraging more applications while students are in high school, when they are applying to colleges, or while already enrolled in higher education programs will ensure that more students are taking advantage of existing sources of financial aid.

Increased Institutional Financial Aid

Increasing the amount of aid that individual colleges and university are able to provide, especially need-based aid, would offset rising tuition and reduce the amount that aid recipients would need to borrow to pay for their degree. To do so, Maryland could provide more funding for institutions earmarked for institutional aid. In addition, specific institutions could devote more funding for financial aid, especially need based financial aid. However, as discussed below, ameliorating tuition costs through increased aid still does not solve the problem of tuition costs that are increasing much faster than wages. To more effectively address high tuition costs, Maryland should instead aggressively focus on keeping tuition low, rather than trying to offset tuition with increased aid.

'Pay it Forward' and Other Income-based Repayment Models

This approach removes tuition from the student's experience entirely. Though the plan could be implemented in various ways, the general idea of Pay it Forward is that rather than paying any upfront tuition and fees to attend college, graduates instead would contribute a fixed percentage of their income for a predetermined number of years. The actual tuition is paid for by a trust fund, which would initially need to be publicly funded but would later be funded by graduates who are working and paying into the fund.

According to the Economic Opportunity Institute, a non-partisan research group that developed the idea, Pay it Forward is "an effort to move financing of higher education from a debt-based system toward pooled contributions that build a community of responsibility around higher education as a public good."[39] Numerous states are considering legislation to study Pay it Forward, and the Maryland Department of Legislative Services has recommended that the state do the same.[40] [41]

Assessing Policy Options: The Importance of Education as a Public Good

Each of these proposals has merit. Income-based repayment programs such as Loans for Educational Opportunity and Pay it Forward are pragmatic attempts to deal with growing student debt, seeking to make loan payments more manageable. However, the very pragmatism of these proposals is also their fundamental flaw: they accept and seek to institutionalize a higher education system in which students pay for their education decades after they have left school. While lawmakers do need to help those who already have loans manage their payments, they also need to address the underlying problem rather the symptoms. That requires focusing on the front-end problem of dwindling public investment in higher education and increasing tuition.

Federal Income-Based Repayment Programs

Many proposals to address growing student debt focus on graduates' ability to manage their monthly payments. In particular, the "Pay it Forward" model, which eliminates traditional tuition altogether, has started to gain traction in state legislatures across the country. However, it is important to understand the context in which state-level action can occur, so we briefly address current proposals to address student debt at the national level, including a discussion of existing federal income-based repayment programs and the Loans for Educational Opportunity model.

Existing federal policy does this by providing borrower's with the opportunity to reduce their monthly payment and extend the total repayment period. Various federal income-based repayment options allow students to reduce their monthly payments to a percentage of their income (10 to 15 percent). In addition, the repayment term is extended from the standard 10 years to as much as 25 years, and whatever balance remains is forgiven after a certain period of time (20 to 25 years). There are currently a few federal programs that employ variations of this approach, including the Income-Based Repayment Program and Pay As You Earn. Because income-based repayment is not a default option, not many graduates take advantage of it. In addition, some organizations, such as the Brookings Institution, have expressed concern that such a program may disproportionately benefit those who chose to attend expensive schools.

Loans for Educational Opportunity
Loans for Educational Opportunity is a proposal similar to income-based repayment, but would automatically incorporate loan repayment into employer payroll systems Payments would automatically rise and fall with the borrower's earnings in a manner similar to the Social Security system. They would vary from 3 to 10 percent of income, and any outstanding debt would be forgiven after 25 years of payment.
Proponents point out that borrowers need not opt into the program or file additional paperwork if their income changes.

Akers, Beth and Matthew M. Chingos. "Student Loan Safety Nets: Estimating the Costs and Benefits of Income-based Repayment," The Brookings Institutions, April 2014.
Dynarski and Kreisman. 2013.

Proponents of Pay it Forward argue that a system in which one generation of students pays for the next will instill a sense that higher education is a public good. However, the states making investments to provide their residents with affordable, high-quality public education is also a public good.[42] Most students gain access to higher education through public institutions. Nationwide, 73 percent of

39 Economic Opportunity Institute, "Pay it Forward: Debt Free Access to Higher Education," October 2013 http://www.eoionline.org/education/higher-education/pay-it-forward-debt-free-access-to-higher-education-2/

40 Economic Opportunity Institute, "Pay it Forward: An Update on National Progress," http://www.eoionline.org/education/higher-education/an-update-on-national-progress/

41 Halbach, 2014.

42 See for example Mettler's (2014a) lengthy discussion of this history in *Degrees of Inequality*.

America's college students attend public colleges and universities.[43] But as this report has shown, these students face increasing tuition amid decreasing public support of higher education.

To address this, Maryland lawmakers should focus on keeping the cost of tuition low by boosting funding for higher education. To be sure, this is a difficult task that will require difficult choices. Higher education funding has fallen as a percent of state spending because lawmakers face pressure to fund a variety of other investments and programs such as health, transportation, and K-12 education. As lawmakers work to craft annual budgets, which always require making difficult choices and trade-offs, they should do so with the goal of providing higher education as a public good and keeping tuition low at public colleges and universities.

A good place for lawmakers to begin is by being more prudent in how they spend money on public colleges and universities. Many critics point to the rise in administrative pay and a disproportionate focus on college athletics as driving up the cost of education.[44]

Lawmakers should continue the practice of "buying down" tuition increases. That is, to provide public higher education institutions with additional funding equivalent to a tuition increase so that tuition does not need to go up. Doing so will drive down the cost of attending college and the amount that residents need to borrow to do so. Longer-term, lawmakers should impose a lengthy tuition freeze and boost state investment enough to keep the initial cost of attending college low, and the amount that students borrow to finance their education minimal or nonexistent.

Conclusion: Fundamental Reform Must Focus on Keeping Tuition Costs Low

As a college degree becomes increasingly crucial for students to gain the skills necessary to compete in the increasingly information-based economy, access to higher education is an important way for Maryland residents to improve their economic prospects. However, too often access to higher education comes at the cost of high levels of debt, as students who lack the means to pay for college borrow to finance their education. As those with debt fall behind their fellow graduates who did not need to borrow to pay for college, the very economic disparities that students seek to narrow through their education become reinforced.

43 Mettler, 2014.

44 For example, in their study "The One Percent at State U," (published on May 21, 2014, http://www.ips-dc.org/updated_the_one_percent_at_state_u/) Institute for Policy Studies scholars Elaine De Leon and Marjorie Wood note that student debt is higher at public universities with higher administrative pay. Also, many states' highest paid public employees are college athletic coaches and the same is true in Maryland. According to the Baltimore Sun, Maryland's highest paid public employees are the University of Maryland at College Park's men's football and basketball coaches (see Barker, Jeff, "Maryland coaches Randy Edsall and Mark Turgeon are state's highest paid employees," *The Baltimore Sun*, January 1 2014, http://articles.baltimoresun.com/2014-01-01/sports/bal-maryland-coaches-randy-edsall-and-mark-turgeon-among-states-highest-paid-employees-20131231_1_mark-turgeon-randy-edsall-coaching-salaries)

Existing proposals to help students manage their debt payments through income-based repayment are important stop gap measures to assist borrowers struggling to navigate the economy in the wake of the Great Recession. But fundamental reform to make higher education more affordable should not address the back end of paying for college and further institutionalize the unfortunate reality that many borrowers already face: the need to pay for their degree decades after they have earned it. Rather, policymakers should invest in the front end of college affordability: keeping tuition low. This requires that state lawmakers commit to freezing tuition and making investments in higher education that accomplish the goal of providing high-quality education at a price that is affordable for all students in the state.

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