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Student Debt Nearly Tripled In 8 Years, New York Federal Reserve Reports

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Total student debt has nearly tripled over the past eight years, a [new report from the New York Federal Reserve](#) has found.

Total student debt stands at \$966 billion as of the fourth quarter of 2012, the [N.Y. Fed said in press materials](#), with a 70 percent increase in both the number of borrowers and the average balance per person. The overall number of borrowers past due on their student loan payments has also grown, from under 10 percent in 2004 to 17 percent in 2012.

Fewer people with student loans are buying homes, according to data in the report. Of borrowers ages 25 to 30 who are taking out new mortgages, the percentage of those with student debt has fallen by half, from nearly 9 percent in 2005 to just above 4 percent in 2012.

The fed report sees a connection, stating, "The higher burden of student loans and higher delinquencies may affect borrowers' access to other types of credit and the performance of other debt."

This is what the Consumer Financial Protection Bureau cited last week [when it announced a new inquiry](#) into ways to allow graduates with private student loans to refinance.

CFPB Student Loan Ombudsman Rohit Chopra [told reporters](#), "Many of us have raised questions about the student debt domino effect on the economy."

"I don't like to use the word 'crisis,' because it's a 'crisis' that really can't melt down the same way that the mortgage market did," [Chopra said on HuffPost Live](#). "In fact, a lot of the student loan issues are just going to be a drag on the economy, because young people aren't going to be able to participate like a generation ago when they're making very large payments out of their salaries every single month instead of putting it to better use."

The growth in student debt is due to a combination of more students attending college, more parents taking out loans for their children's education and a lack of options to discharge the debt, the fed reports. In 2005, congressional Republicans pushed through a [new law that made private student loans nearly impossible to discharge in bankruptcy](#). While student debt tops all other forms of consumer debt, [it's the only kind](#) that cannot be absolved in bankruptcy.

The fed's report comes less than 24 hours before the federal [sequester is scheduled to take effect](#), the automatic budget cuts that will cut off [federal financial aid for as many](#) as 280,000 students nationwide.

What problems have you experienced with your student loan debt? Share your story with HuffPost and add it to the slideshow below:

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