Student loan debt is a “massive reentry issue”

With only two weeks before she had to report to federal prison in 2019, Ashley Furst scrambled to get her affairs in order. Top of the list: what to do about the nearly $50K in student loan debt she had taken on to earn her master’s degree?

Furst called her loan provider. She learned that forbearance — a temporary suspension of payments — was her only option. But, interest would continue accruing. Her life was about to be put on hold. Her balance would continue to grow.

That number didn’t tick up quite as quickly as it could have. In March 2020 as the Covid-19 pandemic shut down the world, the government suspended both interest and payments for most student loan borrowers, including Furst.

The payment pause gave her some breathing room when she was released in 2021. “The fact that I did not have student loan payments for the first couple of years I was back was huge for me,” she said. “I have had to completely rebuild my life from scratch.”

And she has. After working her way through a few entry-level positions, she was recently hired as the marketing director for Breakthrough, a Denver-based nonprofit focused on job readiness, entrepreneurship, and reentry.

Furst recognizes that with a graduate degree and a well-paying job, she’s in a different position than many formerly incarcerated borrowers. That doesn’t mean it’s been easy. Her hopes of receiving some student debt relief were dashed in June when the Supreme Court struck down President Biden’s proposal to cancel up to $20,000 for some borrowers.

Furst is considering getting a part-time job to help pay down her debt, especially as both interest and payments will resume in the coming weeks. Before she was incarcerated, she was paying $750 a month, which barely made a dent in her balance even after four years of payments. When she first got out, “that payment amount would have been a whole paycheck for me.”

She’s hoping that the new income-driven SAVE plan — which increases the number of people who will pay $0 a month and stops any monthly interest not covered by the borrower’s payment — will help lower her monthly amount.

Furst also has to pay 15% of her net income in restitution. “A lot of people when they reenter society, not only do they have trouble finding a job that pays a living wage, but they have fines and fees that they have to pay,” she said.

Managing loans before, during and after incarceration

Furst’s story illustrates the importance of figuring out ways to help people in prison manage their loans before, during, and after prison. “I was very lucky that I had two weeks to prepare, but the vast majority of people get taken away right at sentencing,” she said.
Currently, most borrowers entering prison end up going into default because they are unable to make payments or even contact their servicer about available options. In fact, a recent analysis from the Student Borrower Protection Center found that nearly 100% of incarcerated student loan borrowers were in default.

That’s an issue that Ryan Moser and I reported on last year, when the Education Department launched Fresh Start, a program that allows defaulted borrowers to bring their loans into good standing. Getting out of default restores Pell Grant eligibility and the default is removed from credit reports.

There are a few ways to enroll in Fresh Start, including filling out a FAFSA and enrolling in a Pell-eligible prison education program, entering into an income-driven repayment plan, or contacting the Education Department online, via phone, or by USPS.

Fresh Start has been an important tool for getting incarcerated students out of default quickly so they can access financial aid, but it’s a temporary fix. Borrowers can only take advantage of it once, so they also have to stay on top of managing their loans to avoid going into default again. And, while colleges have been able to use it to help many of their students access Pell Grants, it’s been difficult to get information about the program to people who are at facilities that don’t have college programs.

Fresh Start expires next year on Oct 1, 2024. So what happens then? And what can be done to continue to address student loan default and the ongoing informational and logistical barriers that exist for formerly and currently incarcerated borrowers?

In August, Ryan and I were invited to be on a panel organized by Formerly Incarcerated College Graduates Network hoping to answer some of those questions. We were joined by Sheila Meiman, prison education specialist at the National Association of Student Financial Aid Administrators; Persis Yu, executive director of the Student Borrower Protection Center; and Aaron Smith, cofounder of Savi.

Meiman framed student loan default as “a massive reentry issue” beyond just educational access. She highlighted how debt impacts credit scores, which in turn impacts access to housing, transportation, and more. She emphasized the need to “tenaciously” pursue solutions while people are incarcerated, not after release, so they are in a better position to reenter society.

The need for information sooner, rather than later

This is an issue that affects not only prospective students but also anyone with student debt. And it’s not just about getting people out of default, it’s about finding ways to prevent people from defaulting in the first place.

While things like Fresh Start can help, “even programs that are specifically designed for incarcerated folks are not communicated to the borrowers who could benefit from them,” as Yu put it. For example, the Education Department has another process for people with sentences of 10 years or more to have their loan balances written off by the government. That stops loan servicers from trying to collect, although it doesn’t restore eligibility for federal financial aid, which can be a problem if someone wants to continue their education. As a result, it may not be the best option for everybody. But many people don’t even know the program exists, Yu said.

Yu said that people like public defenders who work with people at the beginning of their incarceration need to know more about this issue. “There’s so much they have to do, and this is one more thing, but I think it really is [critical to get] this information to people right when they start their sentence,” Yu said.

Similarly, reentry counselors need more education about student loans as they work with folks in the months leading up to their release.

Furst saw firsthand how that could work. Before she was went to prison, she did a presentence report with her pretrial probation officer that went through her work history and financial debts. “They knew I had student loans,” she said. “Why can’t there be someone to facilitate the process for someone who’s going to be incarcerated when you have your first intake meeting? If you have student loans, make that an action item.”

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How to request “Fresh Start” via mail:

Write to P.O. Box 5609, Greenville, TX 75403. The Education Department suggests including your name, social security number, date of birth, mailing address, and the following: “I would like to use Fresh Start to bring my loans back into good standing.”

The National Consumer Law Center also advises incarcerated borrowers to note that they are incarcerated in their communication with the Education Department since the department doesn’t have that information on file.

Are you an incarcerated student loan borrower? Open Campus wants to hear from you.

- Tell us about yourself and your educational background. When and where did you attend college prior to incarceration, and did you finish your degree? Have you been able to continue your education?
- Were you able to manage your student loans from prisons?
- Have you been able to apply for Fresh Start? How did the process work for you?
- What is your perspective on your student loan debt? Do you believe your college education was worth it?
- What questions do you still have about student loans?
- In your response, please let us know whether or not you are ok with being quoted and named in a story. Please email charlotte@opencampusmedia.org or write to Open Campus Media, 2460 17th Avenue #1015, Santa Cruz, CA 95062.
Think you know how education works in Swedish prisons? You might be surprised.

Those involved with criminal justice reform in the United States understandably gaze across the Atlantic with envy. With an approach more often focused on rehabilitation than punishment, the Nordic countries beat us on almost all metrics, ranging from incarceration rates to recidivism. Earlier this year, California Gov. Gavin Newsom drew inspiration from “the Norwegian model” in his plans for transforming San Quentin – the state’s oldest prison – into a center of rehabilitation.

But it’s easy to put the Nordic countries up on a pedestal – and to lump them all together. (I’m always interested in anything related to that region of the world because I lived in Sweden for seven years and did my master’s there.)

You might be surprised to learn that in Swedish prisons, for example, university-level education was eliminated in 2019.

When I visited Stockholm on vacation in June, I was surprised to find that out. Approximately 30 people per year were enrolled in higher education prior to that decision. Since then, there have been no academic opportunities available to incarcerated people who already have a high school diploma.

That’s different from Sweden’s Nordic neighbors. The 2014 Norwegian Education Act guarantees prisoners access to education. People incarcerated at some Finnish prisons can enroll in online classes in high-demand fields such as artificial intelligence, and in Denmark, incarcerated people at some prisons can earn college credit alongside outside students who visit the prison. (Also worth noting is that universities in these countries – including Sweden – usually don’t charge tuition, so the individual costs of instruction are less of a discussion there than they are in the United States).

As of 2022, there were approximately 6,150 people incarcerated in Swedish prisons, according to the Swedish National Council for Crime Prevention. (That’s about the same size as the prison system in West Virginia, although the state only has around 1.7 million residents compared to Sweden’s 10.5 million).

Educating those who have had the fewest opportunities

The shift away from higher ed in prison was a pragmatic decision, rather than a political one.

Lena Broo, an adult education expert at the Swedish prison service, told me that about half of the prison population has less than a grade-school education and officials decided to concentrate their resources on giving those who have had the fewest opportunities the best chance of success once they got out. That means incarcerated people in Sweden can earn up to a high-school diploma while inside.

“To have any kind of chance in today’s job market, the minimum requirement is basically a high school education,” Broo wrote in an email. “That’s what Kriminalvården is focusing on.”

The prison service has a system-wide
network of “learning centers.” The instructional model is hybrid; incarcerated students take computer-based classes offered across the system, but each of the approximately 45 prisons in the country has at least one teacher who provides in-person tutoring. Offering the classes through the agency’s secure network allows students transfer between facilities without interrupting their education, which I’ve previously reported is often a major challenge.

I visited Svartsjö, a minimum-security men’s prison in the countryside outside of Stockholm, this summer. Getting there involved a ride to the end of the subway line and then three bus transfers. (I also strolled around the grounds of the nearby Svartsjöslott, an 18th century castle that served as the predecessor of the current prison from 1891-1966. It’s now an event venue).

It’s very different from the U.S. prisons I’ve been to – there was no body scanner, the perimeter is a single chain link fence and the modular housing units are the same classic red associated with Swedish summer houses. During the day, the incarcerated men can leave the premises to work in the nearby wood workshop or to run the prison’s farm.

Although I didn’t meet any students, I sat down with Svartsjö history teacher Henrik Busk. He teaches incarcerated students all over the country through the learning center network. He said that prisoners need to be productively engaged at least six hours a day, whether that be in education, work, or treatment.

He said that one of the biggest challenges the system is dealing with right now is the increasing criminality of young people, many of whom are from immigrant families.

“Most feel that Swedish society isn’t open to them,” Busk said of the growing number of young people in Swedish prisons.

The Swedish government has in recent years adopted more tough-on-crime policies, such as lowering the age for a life sentence and gang enhancements, in response to an increase in shootings and gang violence. These policies that have led to a steady growth in the prison population. The resulting overcrowding has made it difficult to meet the needs of everyone who should be enrolled in education.

Nine university degrees

Ricard Nilsson earned nine university degrees and certificates in prison between 2000 and 2019, when he was released. Photo: Charlotte West/Open Campus

Svartsjö is very different from the maximum security prisons where Ricard Nilsson served almost 20 years of a life sentence. Nilsson was released in 2019 — so he benefited from access to higher-ed offerings before they were eliminated. While incarcerated, Nilsson earned nine degrees and certificates, including a master’s of law. As a result of his education, he was admitted to both the Swedish Union of Journalists and the Swedish Bar Association while he was still incarcerated.

Nilsson was able to enroll in a sociology program shortly after he was incarcerated in 2000. Both outside students and professors visited the prison for some of the lectures. By 2005, online classes were starting to become more common, Nilsson told me when I met him at a coffee shop in Stockholm in June.

He was allowed to access his online classes and use university email while staff at the learning center looked over his shoulder. It’s a model that sounds similar to what is happening in Maine, where incarcerated students are allowed to engage in supervised online learning. As a result, students are able to enroll in regular degree programs at institutions like University of Maine and George Mason University.

Up until 2019, incarcerated individuals like Nilsson were allowed to enroll in regular university classes if they were accepted to the degree program. Some faculty were willing to make exceptions for requirements like attending lectures. But over the years, higher education institutions were less able to accommodate
individual incarcerated students, Broo said. As colleges shifted more and more of their instruction online, it became nearly impossible for students to enroll without more direct internet access.

Because of security concerns, a staff member had to sit with the student and watch the screen the entire time that a student was online. In 2018, the prison service suspended all supervised online learning. “We don’t have the staff for that today,” Broo said, in light of the increasing prison population and the decision to concentrate resources on adult education.

Now, the only higher education that he’s aware is happening in Swedish prisons is if a professor is willing to do an independent study via snail mail, Nilsson said. It’s a bit unclear why Swedish universities aren’t offering formal prison education programs despite the fact that some of them have a long history of teaching incarcerated students. Officials at the prison service have indicated they aren’t opposed to higher education opportunities if the logistics can be worked out. (In other words, it’s less of a political move — like when the U.S. banned Pell Grants for prisoners in the 1994 crime bill — and more of an administrative one.)

Nilsson is critical of Sweden’s shift. His experience of education inside served as a role model for others. “They are forgetting about the normative aspects of people being inspired by others who do positive things,” he said.

Open Campus wants to hear from you!

We are looking for examples of grassroots education programs, where classes are organized and/or taught by incarcerated people. This might include cultural classes, language classes etc as well as prisoner-organized tutoring or study groups that help prepare people for more formal education like the GED exam.

We are also interested in programs that started because of inside organizing that eventually led to formal programs through partnerships with colleges. How are people in prison organizing around education? And how are people in prison filling in the gaps when formal education leading to credentials like a diploma or degree are not available?

In your response, please let us know whether or not you are ok with being quoted and named in a story. Please email charlotte@opencampusmedia.org or write to Open Campus Media, 2460 17th Avenue #1015, Santa Cruz, CA 95062.