Led by the American Veterinary Medical Association, the Association of American Veterinary Medical Colleges and the Veterinary Medical Association Executives, the Veterinary Debt Initiative (VDI) is focused on helping veterinarians thrive in financially sustainable and rewarding careers. The VDI’s primary purpose is to raise awareness and provide access to resources that enable pre-veterinary students, veterinary students and veterinarians to make highly informed financial decisions. **We want to bring your attention to these important resources and happenings:**

**VDIFocuses Efforts at Monthly Meeting**  
The lead organizations of the Veterinary Debt Initiative (VDI) convened Aug. 28 via teleconference for a monthly strategic planning and execution meeting. The VDI team firmed up its upcoming speaking opportunities at the AVMA Annual Economic Summit in October, the Wellbeing Summit in November and the Veterinary Leadership Conference in January. In an effort to promote success stories from organizations tackling the educational debt crisis, VDI published a comprehensive article about Dumb Friends League, a non-profit organization in Denver that launched an innovative student loan repayment program in 2019 for potential and current employees. The VDI also plans to continue directing its efforts in advocacy, research and resource development for the remainder of 2019.

**SAVMA Develops Toolkit for Students to Use with Administrators**  
In the Oct. 15 issue of JAVMA News, Malinda Larkin showcased SAVMA’s new tuition transparency toolkit which was created to help students start a conversation about tuition with their veterinary colleges' administrators. Delegates received the tuition transparency toolkit during the SAVMA House of Delegates meeting Aug. 4-5 in Washington, D.C. Dr. Andrew Maccabe, CEO of the Association of American Veterinary Medical Colleges, shared the Veterinary Debt Initiative’s accompanying tuition infographic, "What's the Story Behind Tuition?" The AAVMC partners with the American Veterinary Medical Association and Veterinary Medical Association Executives to lead the Veterinary Debt Initiative.

**New CE Webinars Address Financial Issues on AVMA Axon**  
Several new CE webinars addressing financial issues have been added to the course catalog on AVMA Axon. These webinars are available to all veterinary professionals, and are free for AVMA and Student AVMA (SAVMA) members:

- **Consolidation Counterpoint**  
  Explore a wide range of exit strategies, other than selling to a consolidator, that can put an exiting owner on firm financial footing while also providing for ongoing
veterinary ownership of the practice. Dr. Link Welborn, president of Veterinary Study Groups, discusses key aspects and staging of the succession process, and examines arithmetic and exit strategies utilized in an actual case.

- **Navigating the Winds of Economic Change**
  Gain a solid understanding of today’s economy from AVMA’s chief economist, Matt Salois, Ph.D., and come away with action steps to help you prepare for what’s to come. You’ll learn to identify and parse current economic conditions and appreciate the trends in innovation that are impacting the veterinary profession.

**NPR Promotes Online Group Created to Help Veterinarians In Crisis**
On Sept. 7, National Public Radio profiled the mental health crisis in the veterinary profession: “The CDC notes that…the debt, the long hours, the stress, the access to lethal drugs — put veterinarians at a high risk of suicide compared with the general population.” The article highlights the new Facebook group, Not One More Vet, which “tries to give veterinarians support and a sounding board for the stresses of their work.” The Facebook group currently has more than 18,000 members.

**New Study Examines Long-term Impact of Student Loan Forgiveness**
Here’s what Inside Higher Ed reporter Andrew Kreighbaum wrote Sept. 23 about a new study from Harvard Business School, Indiana University and Georgia State University that examined the effects of student debt forgiveness when borrowers’ private student loans were discharged in court: “The study found that the borrowers saw a boost in income, were more likely to move and lowered their debt balance outside of student loans.” In addition, “they got in better financial shape after their loans were dismissed. And their increased mobility means they have additional opportunities for higher-paying jobs,” said Marco Di Maggio, an associate professor of business administration at Harvard Business School and one of the researchers who conducted the study. “The high level of educational debt is affecting the health and wellbeing of our graduates and students,” said the Association of American Veterinary Medical Colleges Chief Executive Officer Dr. Andrew T. Maccabe. “That’s why it’s so important to address this problem. We need a variety of tools, including loan forgiveness programs, flexible repayment options, and increased financial aid and scholarships.” The AAVMC works closely with the American Veterinary Medical Association and Veterinary Medical Association Executives to lead the Veterinary Debt Initiative.

**Paying off Student Debt is a Significant Life Milestone For Millennials**
On Businessinsider.com, Hillary Hoffower provided commentary Sept. 25 on a recently released study by SoFi: “The study shows 35% of millennials say paying off their student debt is a more significant life milestone than buying a home or starting a family...That overrides other traditional life milestones. A quarter of respondents said buying a home is the most important milestone. Meanwhile, 17% said it’s saving for retirement, 15% said starting a family, and 4% said starting to invest.”
Related news:

- Sixty-one percent of millennials said they've delayed buying a house because of student-loan debt, according to a SoFi survey. Businessinsider.com contributor Hillary Hoffower wrote, “The relationship between student-loan debt and homeownership needs to break up.”

New Book Examines College Conundrum

On Sept. 3, Joe Pinsker of The Atlantic reviewed New York University professor Caitlin Zaloom’s new book, Indebted: How Families Make College Work at Any Cost that “documents how the price of a college education has forced many middle-class families to rearrange their priorities, finances, and lives.”

Public Service Loan Forgiveness Program Update

“PSLF is a critical tool for the veterinary profession” said Dr. David Granstrom, Assistant Executive Vice President of the American Veterinary Medical Association (AVMA), a Veterinary Debt Initiative co-lead organization. “AVMA is actively working with lawmakers and federal officials to protect and improve the management of the PSLF program.” The AVMA works closely with the Association of American Veterinary Colleges and Veterinary Medical Association Executives to lead the Veterinary Debt Initiative.

- On Forbes.com, senior contributor Robert Farrington reported on Sept. 24 “How To Get Your Public Service Loan Forgiveness Qualifying Payments Recounted” and explained the appeals process if an individual believes they qualify for PSLF but their loan servicer disagrees.

- Yahoo Finance reported Sept. 23 on a public school teacher who testified before Congress about her experience with PSLF.

- On Sept. 23, Forbes.com’s Zack Friedman took a look at the latest student loan debt statistics that show more than 100,000 people who applied for PSLF have been rejected.

- Marketwatch.com’s Andrew Keshner wrote on Sept. 22 “Education Department explains why only 1% of people who applied for public-loan forgiveness were accepted” and an “Education Department official has acknowledged that a loan forgiveness program with a 99% rejection rate ‘presents numerous obstacles to borrowers.’”

Related resources:

- For more information about PSLF, visit AVMA’s PSLF webpage.
The American Veterinary Medical Association (AVMA) wants to hear from veterinarians who would be impacted by cuts to the Public Service Loan Forgiveness program. Share your story [here](#).

**Study Finds Student Debt Reinforces the Racial Wealth Gap**

A [new paper](#) released from the Institute on Assets and Social Policy at Brandeis University showed that “twenty years after starting college, the median debt of White borrowing students has been reduced by 94 percent—with almost half holding no student debt—whereas Black borrowers at the median still owe 95 percent of their cumulative borrowing total.” Andrew Kreighbaum of *Inside Higher Ed* wrote on Sept. 26 that the paper argues “the burden of student loans on young black people is a crisis that requires immediate policy action....” More information on diversity in the veterinary profession can be found as part of the [Association of American Veterinary Medical Colleges (AAVMC) Diversity Matters programs](#). The AAVMC partners with the American Veterinary Medical Association and Veterinary Medical Association Executives to lead the Veterinary Debt Initiative.

**In the News: Deceptive Student Loan Practices**

- **Unsealed Documents Reveal Navient's Deceptive Student Loan Practices**
  
  On Sept. 24, Forbes.com’s Adam Minsky [looked at a lawsuit](#) filed by the federal Consumer Financial Protection Bureau against Navient, one of the nation's largest student loan companies, for deceptive student loan practices.

- **FTC Takes Action Against Student Debt Schemes**
  
  A [Sept. 12 press release](#) from the Federal Trade Commission (FTC) stated that the agency “charged the operators of two similar student loan debt relief schemes, and a financing company that assisted them, with bilking millions of dollars from consumers.” Manhattan Beach Venture (MBV) and Student Advocates Team and Equitable Acceptance Corp. (EAC) “allegedly accepted/coerced illegal upfront fees. Consumers were misled the fees went toward their student loans. MBV/EAC falsely promised that their services would permanently lower or even eliminate consumers' loan payments or balances, and led customers to sign-up for high-interest loans to pay the fees without making required disclosures. A stipulated order with MBV imposes a $4.2 million judgment, with all but $156,000 suspended based on inability to pay. Stipulated orders against the financier in both cases require the company to pay $28 million, with all but $1 million suspended.”

*The Veterinary Debt Initiative recommends all borrowers track their loan repayment strategy and become educated on loan repayment programs. More information on student loan repayment can found through AVMA’s [MyVeterinaryLife](#) or through the [VIN Foundation’s Student Debt Center](#).*
New Survey Highlights What Americans Think About Higher Education
The American Council on Education’s “Higher Education Today” Sept. 18 blog post explored the most recent version of the Varying Degrees Survey reflecting how Americans perceive higher education in 2019: “The survey covers a variety of topics such as the role of higher education after high school, the cost of college, perceptions about federal and state support for higher education, and the role of free college and debt-free proposals in the next presidential and congressional election in 2020.”

A Graduate Program’s Twist on Alternative Financing
On Sept. 13, Doug Lederman of Inside Higher Ed looked at an online graduate program that will defer half of tuition, charge no interest and make repayment based on income: “Beginning in early 2020, Simmons University will let eligible students in its $67,000 online nursing program, known as Nursing@Simmons, defer as much as 50 percent of their tuition until after they graduate -- and to pay the money (without any interest or fees) based on how much they earn, capped at 10 percent of their annual income.”

Educational debt has been a hot topic in the podcast arena:

- A new WNYC podcast, “Our Student Loan Secrets Part 1,” explored the personal and emotional impact of educational debt and contained an interview excerpt from a veterinarian with $500,000 in educational debt.

- The National Association of Student Financial Aid Administrators (NASFAA) podcast “Off The Cuff” recently explored impeachment and what it meant for student aid. The hosts also discussed a court filing revealing that the Department of Education erroneously collected on former Corinthian students’ loans.

- A bonus episode of the American Veterinary Medical Association podcast “My Veterinary Life” examined student debt as part of an interview with veterinary couple Drs. Tony Bartels and Audra Fenimore.
  - Podcast locations:
    - Spreaker: https://www.spreaker.com/show/3352022
    - Google Play (requires account): https://play.google.com/music/m/Ianmcbjle7xcki3kdslhpwgbnfi?t=AVMA_My_Veterinary_Life
    - Spotify: https://open.spotify.com/show/32fTGRDD0ZzRkdyzgAPi3

Veterinary Debt in the Spotlight: VDI Speaker Events
The Veterinary Debt Initiative (VDI) is committed to raising awareness and providing access to resources that enable pre-veterinary students, veterinary students and veterinarians to make highly informed financial decisions. Check out how VDI is leading efforts in the student debt crisis at these upcoming VDI-sponsored speaker events:

- **AVMA Annual Economic Summit**
  10/22/19: Veterinary Debt Initiative Update

- **Wellbeing Summit**
  11/19/19: The Collaborative Approach to the Veterinary Debt Initiative

- **Veterinary Leadership Conference**
  1/10/20: Title TBD