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**The Financial Clinic Launches Project 44 Billion:
An Initiative to Tackle Student Loan Debt in North Carolina**

Durham, NC (November 6, 2019): Using grant funding from the Annie E. Casey Foundation, The Financial Clinic (“the Clinic”) has partnered with Durham Technical Community College (“Durham Tech”) to launch *Project 44 Billion* – a pilot program that provides financial coaching services to former and current Durham Tech students as they move through the various stages of loan origination and repayment.

According to a recent study by the Center for Responsible Lending, over 1.2 million North Carolinians hold \$44 billion in student loan debt. In particular, Black students show higher debt levels and lower completion rates than their White counterparts, putting them at greater risk of loan delinquency and default. A study by the Brookings Institute showed that Black graduates owe \$7,400 more on average than their White peers immediately upon graduation – a gap that more than triples to \$25,000 in the immediate years to follow. This volume of debt not only prevents borrowers – disproportionately Black borrowers – from building individual and household wealth; it also wreaks havoc on the state economy as a whole.

As part of *Project 44 Billion*, the Clinic has appointed a Student Loan Coach to provide specialized financial coaching services to students, with a focus on mitigating and managing student loan debt. This Student Loan Coach will complement the college’s existing financial capability program, which launched with support from the Clinic in 2018. In addition, the Clinic will conduct outreach to former students whose loan payments may be delinquent or in default, offering support with more complex processes such as the execution of new repayment or forbearance plans.

Over the course of the pilot, the Clinic will conduct outreach to other community colleges and historically Black colleges and universities (HBCUs) in North Carolina to explore state-level solutions to the student loan crisis, including innovations at the academic and government levels.

“We’re excited about this promising contribution to the [Southern Partnership to Reduce Debt](#),” said Don Baylor Jr., a senior associate at the Annie E. Casey Foundation. “Project 44 Billion represents an important step toward reducing the burden of student loan debt, improving college completion and, ultimately, confronting the racial wealth gap.”

“The rapidly growing student loan crisis is not only a threat to the financial security of North Carolinians as individuals, but also to the wealth of marginalized communities for generations to come,” says Mae Watson Grote, Founder and CEO of The Financial Clinic. “We are thrilled to partner with the Annie E. Casey Foundation and Durham Tech to increase services for student borrowers, mitigate defaults, and explore large scale, systemic solutions at the state level.”

“We appreciate the collaborative relationship that we have with The Financial Clinic, which led to our successful implementation of financial coaching services for students in recent years. We are excited to add student loan coaching to our financial education support model. *Project 44 Billion* will provide a deep, deliberate focus on one of the biggest financial barriers our students face,” said Dr. Christine Kelly-Kleese, Vice President of Student Engagement, Development, and Support at Durham Tech.

Project 44 Billion officially launched today and aims to reach 600 students over the course of one year. For more information or to access the Student Loan Coach, please visit thefinancialclinic.org/collegeworks.

ABOUT THE FINANCIAL CLINIC

The Financial Clinic is a national nonprofit organization that builds financial security for low- to moderate-income Americans. The Clinic fulfills its mission through an ecosystem of strategies that includes direct financial coaching services, training and technical assistance for nonprofit partners, and research and policy work to inform lasting change. In 2015, the Clinic launched Change Machine – a cloud-based financial coaching platform that has been used by more than 3,800 nonprofit practitioners to build financial security for more than 72,000 LMI customers, returning a total cash value of \$37 million to date. In addition, the Clinic has successfully launched several policy campaigns in support of working poor families, including the passage of “Refund529” (A9118/S6942), which promotes college savings through the New York State tax refund. thefinancialclinic.org

ABOUT DURHAM TECH

Durham Tech is a growing institution in North Carolina, serving more than 18,000 noncredit and credit students annually across eight campus locations in Durham and Orange counties while also providing various online courses. The College is accredited and offers more than 100 associate degrees and certificates for students seeking university transfer or immediate employment. The College has opportunities for eligible North Carolina high school students, international students, veterans, and adults looking to complete their high school education. Durham Tech offers programs within seven guided career pathways: Building and Skilled Trades; Business and Entrepreneurship; Creative and Liberal Arts; Health and Wellness; Human Services and Public Safety; Information Technology; and Science, Engineering, and Math, along with English as a second language, and personal enrichment opportunities such as gardening, health and wellness, and photography. www.durhamtech.edu

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