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144,000 Coloradans are in default

Repayment struggles increase nationwide

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Violet Knowles said her $3,678.69 in student loan debt is haunting her like a specter.

Violet and her husband, Stellan, both 24, said they've tried to pay off the debt, which was borrowed by her mom. But they were stymied by technical difficulties in setting up their account with the debt servicer.

"We'd be on hold for hours," Violet said, "and then eventually the phone line would just click."

In April, the notice of default came.

Nationwide since 2024, there's been a surge of borrowers such as Violet who have missed nine months of payments, with many more borrowers at risk of ending up in the same spot. The consequences of falling behind can disrupt lives, ruin credit ratings, and mean the debt could be sent to collections.

Note

The number of borrowers whose loans are in default jumped by more than 4.2 million to about 9.5 million from April 2025 to March 2026, according to an Associated Press analysis. The increase includes many borrowers who got off track in 2024, when loan payments started coming due again after a pandemic-era freeze.

In Colorado, the analysis shows 58,000 more Coloradans defaulted on their loans during the same time period, a 67% increase that brought the total number of residents in default to 144,000.

"I am seeing despair and outrage and despondency and just a very wide mix of pretty extreme emotions the likes of which I have not seen before," said Alan Collinge, the founder of Student Loan Justice, a student loan borrower advocacy organization, and the author of "The Student Loan Scam."

As a pandemic relief measure, the federal government allowed borrowers to suspend student loan payments until 2023, and President Joe Biden's administration provided a one-year grace period after that. That ended in fall 2024, allowing loans to enter into default after nine months of missed payments.

Note

Today more than 1 in 5 borrowers are in default, including those whose loans were well past due before the pandemic, according to the AP analysis. The previous record for borrowers in default was 8 million in December 2019.

Federal data shows that many borrowers are struggling to pay their loans but aren't yet in default. About 870,000 borrowers have loans between 181 and 270 days late — on the edge of default — according to the AP analysis.

For Violet and Stellan Knowles, the debt has added another layer of stress.

The Knowleses moved from Memphis, Tenn., to Aurora in August 2024. With the shuffle, Violet lost track of when the notices for payment started coming in from attending college in Illinois, which she never finished. Stellan said he believes the letters came just after the pandemic-era freeze on payments.

The Knowleses said that financial challenges have made it difficult to get a handle on the debt.

Stellan said the cost of living is far more expensive in Colorado than in Memphis, and only he can work. Violet, who said she has a disability, needed to take time off from a job. The two have used Supplemental Nutrition Assistance Program, or SNAP, benefits to get by.

"The cost of living has been brutal," Stellan said. "Everything goes to rent, and there's pennies to spare to go to all the other expenses."

Stellan said the lack of access to the student loan account has been the biggest issue. The monthly payment was $250 at first. Then the monthly ask started to rise.

"And even though we've always had limited income, that was definitely doable, and I was willing to pay that," he said.

Stellan and Violet said they're lucky the federal government isn't garnishing wages right now. They want to consolidate the debt, which will allow them to start payments. Violet also will start a job with AmeriCorps this week, and she plans to use an education stipend to help pay her loans and finish college.

For now, the student loan debt will haunt Violet and Stellan for a while longer.

"I want to pay it off," she said, "because I want it gone."

This story was originally published by Chalkbeat, a nonprofit news site covering educational change in public schools.