

Administration of Joseph R. Biden, Jr., 2023

Statement on Federal Student Loan Debt Relief Efforts

August 14, 2023

On day one of my administration, I promised to fight for hard-working families and to fix problems in the student loan system that have been failing borrowers for too long. I'm proud that my administration is delivering on that promise and has already approved over \$116 billion in debt cancellation for 3.4 million Americans—no matter how many lawsuits, challenges, or roadblocks Republican elected officials or special interests put in our way.

When I came into office, hundreds of thousands of borrowers weren't accurately getting credit for student loan payments that should have delivered them forgiveness under income-driven repayment plans or were placed into forbearance by loan servicers in violation of Department of Education rules. Under these plans, if a borrower makes 20 or 25 years' worth of payments, they get the remaining balances of their loans forgiven. But because of errors and administrative failures of the student loan system that started long before I took office, over 804,000 borrowers never got the credit they earned and never saw the forgiveness they were promised, even after making payments for decades.

I was determined to right this wrong, and today, because of actions my administration took, these 804,000 borrowers who have been in repayment for over 20 years will start to see their student debt cancelled. Over 614,000 of them will have all of their remaining Federal student loan debt cancelled once this action is complete.

Today's actions come on top of all we've been able to achieve for students and student loan borrowers in the past few years. This includes achieving the largest increases in Pell grants in over a decade to help families who earn less than roughly \$60,000 a year, fixing the Public Service Loan Forgiveness program so that borrowers who go into public service get the debt relief they're entitled to under the law, and creating the most generous income-driven repayment plan in history, called SAVE. Borrowers can go to studentaid.gov to apply. And we're not done. As I announced earlier this summer in the wake of the Supreme Court's decision on our student debt relief plan, we will continue to pursue an alternative path to deliver student debt relief to as many borrowers as possible as quickly as possible. We will use every tool at our disposal to get student loan borrowers the relief they need to reach their dreams.

Categories: Statements by the President : Federal student loan debt relief efforts.

Subjects: Federal student loans, partial forgiveness; Pell grants; Public Service Loan Forgiveness program; Student loans, repayment options.

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