

Remarks on Federal Student Loan Debt Relief Efforts and an Exchange With Reporters

October 4, 2023

The President. Good afternoon.

Speaker of the House of Representatives Selection Process

Before I speak about student debt relief, I want to make—take a minute to talk about what took place yesterday in the Congress. I'll be very brief.

The House will now reorganize and select a new Speaker. I know it's going to take some time. But I remind everyone: We had a lot of work—we have a lot of work to do, and the American people expect us to get it done.

The argument we reached was about what—what comes next, but we had an agreement—we reached an agreement over the weekend—funds for Government, only another 40 days. We cannot and should not again be faced with an eleventh-hour decision of brinksmanship that threatens to shut down the Government.

And we know what we have to do. We—and we got—we have to get it done in a timely fashion. More than anything, we need to change the poisonous atmosphere in Washington. I know we have strong disagreements, but we need to stop seeing each other as enemies. We need to talk to one another, listen to one another, work with one another. And we can do that.

I join with Minority Leader Jeffers—excuse me—Jeffries in saying that our Republican colleagues—we remain committed to working in a bipartisan fashion. We—we're prepared to do it as well, for the good of the American people.

Twice in the last 6 months, both Houses came together on a bipartisan basis, once to avoid default, once to keep the Government open. And while we should never have been in the situation in the first place, I'm grateful that leaders on both sides came together, including former Speaker McCarthy, to do the right thing.

Federal Student Loan Debt Relief Efforts

Now, turning to student debt relief. When I ran for President, I vowed to fix our broken student loan program. Because while a college degree is still the ticket to a better life, that ticket has become excessively expensive. Americans who are saddled with unsustainable debt in exchange for a college degree has become the norm.

Since, my administration has taken significant action to provide student debt relief to as many borrowers as possible as quickly as possible. That starts with making sure the existing system works in the way it was supposed to work for student borrowers.

We fixed what was called the Public Service Loan Forgiveness program, which was designed originally to make sure schoolteachers, firefighters, social workers, and other public servants can get their student loans forgiven if they make 10 years of payments and do 10 years of public service.

By the time I took office, that program had been placed for—in place for nearly 15 years, but because of redtape, only 7,000 borrowers had been helped. Well, today, thanks to the reforms, more than 700,000 borrowers have had their debts forgiven.

Just the other day, I spoke with Tanya and Chad, a married couple in their fifties who both work at a public high school in Milwaukee. For years, they paid over \$800 a month toward their student loans. It meant they couldn't pay—put away any money for their retirement. And this summer, thanks to fixes we made to the debt relief program for people in public service, Chad and Tanya's remaining balance was forgiven.

Tanya said, quote, "The amount of relief this gives us is indescribable." End of quote. Now they can finally start savings for retirement.

Next, we fixed what's called the income-driven payment—repayment program. And here's how that works: If you have an undergraduate loan after 20 years of straight paying—not missing—paying a debt on a monthly basis, whatever is left of your loan is forgiven at 20 years.

But because of administrative failures, some people who did pay their loans for 20 years or more did not get the debt relief they had earned. We fixed that and made sure borrowers got credit for every single payment they made.

As a result of these changes, today I'm announcing my administration has approved an additional \$9 billion in relief for 125,000 borrowers in just the past few weeks under that program. With the latest debt cancellation, in total, my administration has canceled \$127 billion in student debts for nearly 3.6 million Americans.

This kind of relief is lifechanging for individuals and their families, but it's good for our economy as a whole as well. By freeing millions of Americans from the crushing burden of student debt, it means they can go and get their lives in order. They can think about buying a house. They can start a business. They can be starting a family. This matters. It matters in their daily lives.

This latest progress builds on other steps we've taken. We made the largest increase in Pell grants in over a decade, helping students of families making less than \$60,000 a year get to college. We've made additional improvements to the income-driven repayment program.

Before I took office, student borrowers would pay no more than 10—could pay no more than 10 percent of their discretionary income on a monthly basis if they wanted to do it that way. But under my administration's plan, which is called SAVE Plan, we reduced that to 5 percent for undergraduate borrowers. That's now the most generous repayment program ever.

Under this plan, no one with an undergraduate loan today or in the future, whether at a community college or a 4-year college, will have to pay more than 5 percent of their discretionary income to repay these loans. This in—that's income after you pay for necessities like housing, food, and other necessities.

You can sign up for the SAVE Plan at studentaid.gov/SAVE. Studentaid-dash-gov-slash—studentaid-dash—[laughter]—studentaid.gov/SAVE.

And remember, if you keep up your payments, after 20 years, whatever is left in those loans is forgiven.

And we're still not done. As you might remember, last year I announced a major proposal for student debt relief. We were on the verge of providing more than 40 million Americans with real relief from their student debt. The money was literally about to go out the door, but Republicans and elected—Republican elected officials and special interests stepped up and sued us.

And the Supreme Court sided with them, snatching from the hands of millions of Americans thousands of dollars in debt—student debt relief that was about to change their lives. As I said at the time, I believe the Court's decision to strike down my student debt relief program was wrong. But I promised I wouldn't give up.

Since then, my administration has been pursuing a new approach grounded in—under a different law: the Higher Education Act. This act allows the Secretary of Education to compromise, waive, or release loans under certain circumstances.

Last week, the Department of Education took a critical step in this process by identifying specific challenges that borrowers face in the current system so we can move forward with a new rule to address these changes. For example, there are many borrowers who have made payments for many years, but because of interest, they still owe more than they originally borrowed.

My administration is doing everything it can to deliver student debt relief to as many as we can, as fast as we can. This in contrast to House Republicans, who helped block the previous debt relief plan and nearly shut down the Government over the extreme demands, which would have hurt hard-working families.

But they had no problem with the Paycheck Protection Program—remember that?—the PPP program during the last several years?—which was designed to help business owners who lost money, which is legitimate, because of the pandemic. Members of Congress got over hundreds of thousands of dollars in order—because they lost—their businesses lost money.

That wasn't a worthy—it was a worthy program. But let's be clear: Some of the same elected Republicans who are Members of Congress who were strongly opposed to giving relief to students got hundreds of thousands of dollars of relief for themselves to keep their businesses open. Several Members of Congress got over a million dollars, and all those loans were forgiven. The hypocrisy of this, I find stunning.

I supported that program, and I support the student debt program.

My administration will continue to use every tool at our disposal to help ease the burden of student debt so more Americans be—can free—can be free to achieve their dreams. It's good for our economy, it's good for our country, and it's going to change their lives.

Thank you very much.

Former Speaker of the House of Representatives Kevin O. McCarthy

Q. Mr. President, a quick question on Speaker McCarthy, if I can? Speaker McCarthy—then-Speaker McCarthy said that the two of you haven't spoken directly in a long time. Why is that? And are you committed to engaging more regularly with the next House Speaker?

The President. We had two agreements we shook hands with—on. And I assumed he was working with—I knew he was working with the Democrats in the House and Senate. It wasn't for me to do anything. If he wanted to talk to me, I was available. I'm available to whomever wants to talk to me. But the idea that I was going to somehow convince McCarthy to change his view was not reasonable.

U.S. Assistance to Ukraine

Q. Could I ask you about the Ukraine—[inaudible]? Does the disarray on Capitol Hill after your conversation with allies yesterday worry you that you won't be able to deliver the aid that the U.S. has promised to Ukraine?

The President. It does worry me, and—but I know there are a majority of Members of the House and Senate in both parties who have said that they support funding Ukraine.

With your—I'm going to be announcing very shortly a major speech I'm going to make on this issue and why it's critically important for the United States and our allies that we keep our commitment.

House of Representatives

Q. Mr. President, are you also concerned about the rest of your domestic and foreign policy initiatives being in peril because of what we saw happen yesterday? The dysfunction in Congress, the chaos that we saw on the House side, does that concern you in any way?

The President. The dysfunction always concerns me. The programs that we have argued over, we passed bipartisanship—I'm not concerned that they're going to all of a sudden come in and try to undo them. Although there will be some. There will be some, I'm sure. There is a half a dozen or more extreme MAGA Republicans, Republicans who would like to eliminate just about everything I've done. But I don't think that's going to get there.

U.S. Assistance to Ukraine

Q. Mr. President, if I may, without additional funding, how long will the United States be able to support Ukraine?

The President. We can support Ukraine in the next tranche that we need. And there is another means by which we may be able to find funding for that. But I'm not going to get into that now.

U.S. Assistance to Ukraine

Q. Mr. President, have you promised President Zelenskyy ATACMS for Ukraine?

The President. Say again? I'm sorry.

President Volodymyr Zelenskyy of Ukraine

Q. Have you promised President Zelenskyy during his visit in the White House that you would provide ATACMS, the long-range missiles, for Ukraine?

The President. I have spoken with Zelenskyy, and everything he's asked for, we've worked out.

Ukraine

Q. Tell us a little bit more—tell us a little bit more about this speech you're going to give. What argument are you going to make?

The President. [Laughter] Why don't you wait and listen to it?

I'm going to make the argument that it's overwhelmingly in the interest of the United States of America that Ukraine succeed. And it's overwhelmingly in our interest—I've spent 2½ years putting together coalitions that no one thought could be put together. And they've strengthened us across the board, not just as it relates to Ukraine, whether it's Japan and South Korea or whether it's what's happening in Europe itself.

And so I think that it's clear to the vast majority of the foreign policy community on both left and right that this has been a valuable exercise for the United States of America to increase the support we have around the world.

And what I don't want to do is we put—we put together over 50 nations—50 nations supporting Ukraine. And we have the—we are the organizer of that. I've met with—don't hold me to the exact number—16 or 17 yesterday. It was a long conversation and made the case that I knew that the majority of the American people still supported Ukraine, and the majority of the Members of the Congress—both Democrat and Republican—support it.

So, I don't think we should let them—gamesmanship get in the way of blocking it.

Q. Mr. President——

Speaker of the House of Representatives

Q. Sir, not that they're asking, but what's your advice to the next House Speaker?

The President. [Laughter] That's above my pay grade.

Q. Thank you, sir.

NOTE: The President spoke at 1:16 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to Milwaukee, WI, residents Chad and Tanya Sperzel-Wuchterl.

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