

Administration of Joseph R. Biden, Jr., 2024

Remarks on Federal Student Loan Debt Relief Efforts and an Exchange With Reporters in Culver City, California

February 21, 2024

The President. Thank you, thank you, thank you.

Well, Dr. Saint-Paul, thank you very much for that introduction. But you know, you're—you're like a—thousands of others who—who took out loans for undergraduate school and graduate school and—because you wanted to serve your community, and you have.

But, in the meantime, that \$90,000 you borrowed grew to \$145,000, even though you kept paying on a monthly basis.

Folks, I'm happy to have been able to forgive these loans because when we realize and relieve Americans of their student debt, they're free to chase their dreams.

And, Doc, you've got one of your dreams: your baby girl. *[Laughter]* And if I'd have a—and by the way, an awful lot of people with student debt are putting off whether they can have a child, whether they can—a whole range of basic, basic, fundamental issues.

And, Mayor Bass, thank you for your partnership and, maybe more importantly for me, your friendship.

And I want to thank the Culver City mayor. Where are you, Mayor?

Mayor Yasmine-Imani McMorris of Culver City, CA. Right here.

The President. Thank you. *[Laughter]* Thank you, thank you, thank you.

It's great to—and it's great to be joined by members of Congress: Alex in the Senate and Sydney in the House. I really appreciate you being here. It's a busman's holiday for you guys to come hear another public official speak, but thank you.

And I know our great Vice President sends her love to all our California friends. She constantly—all I hear about is California, you know? *[Laughter]* So I'm glad to be here. When I was Vice President, all I heard about was Chicago, you know, with—*[laughter]*. But I'm making—trying to make sure they hear about Delaware, but it ain't working yet. *[Laughter]*

Look, Kamala and I ran to lead this country. We made a commitment to fix our broken student loan system. That was one of the things we both talked about in the beginning. Because while a college degree is still a ticket to a better life, that ticket is too expensive. And too many Americans are still saddled with unsustainable debt in exchange for a college degree.

So there was a student loan program to be able to afford a college degree, but a lot of people didn't take advantage of it. What—and I wanted to make sure they did.

The ability to repay, though, has become so burdensome, a lot of people can't even repay. And they try. They don't miss payments. They work like the devil every month to pay their bills. But even if they pay their loans, their debt increases. It doesn't diminish because of interest rates.

And I thought I'd—make a lot more sense to relieve student debt for families and it would grow our economy. Well, there's a—were existing programs in the law. To fix and adjust the programs, we had—we had to change them to make people actually—make them available for—make people eligible. And that's what I've done when the Supreme Court said I couldn't go ahead and relieve all the debt.

It helps everyone, not just the people whose debt is relieved. But when people with student debt are—student debt relieved, they buy homes, they start businesses, they contribute. They engage in the community in ways they weren't able to before. That actually grows the economy. It grows the economy.

That's why my administration has taken significant action to provide student debt relief to so many borrowers—borrowers that—many of whom didn't know they were able to get relief, and do it as quickly and as—as possible.

Look, early in my term, I announced a major plan to provide millions of working families with debt relief for their college student debt. Tens of millions of people in debt were literally about to be canceled—their debts. But my MAGA Republican friends in the Congress, elected officials, and special interests stepped in and sued us. And the Supreme Court blocked it. They blocked it.

But that didn't stop me. I announced we were going to pursue alternative paths for student debt relief for as many borrowers as possible. And that's the effort that's been underway the last 2 years.

I fixed what's called the SAVE Plan. It existed, but I fixed it to make it the most affordable repayment plan ever. Before I took office, student borrowers had to pay 10 percent of their discretionary income on a monthly basis. If they made less than—if they didn't have enough to do that, they were able to not have to pay that month, but the interest continued. A lot of people don't have the means to do that, though.

Under my SAVE Plan, we're cutting in half to 5 percent the undergraduate borrowers—what undergraduate borrowers have to pay after their living expenses are accounted for.

That means no one with an undergraduate loan, whether it's a community college or a 4-year college, will have to pay more than 5 percent of their discretionary income to repay those loans starting in July. And that's income after you pay the—for necessities like food and housing.

Already 7.5 million Americans have enrolled in this so-called SAVE Plan. And there's more than 4 million of those borrowers had their monthly payments drop to zero if they're living paycheck to paycheck, below a certain level.

This plan is the most generous repayment program ever, and today we're doing it even faster and quicker than ever before. I'm proud to announce our SAVE Plan. We are immediately canceling the debt loans for over 150,000 borrowers nearly 6 months ahead of schedule.

Starting today, we are canceling student debt for borrowers who are enrolled in the SAVE Plan and have been paying student loans for as little as 10 years. If they took less than—if they borrowed less than \$2,000, it's forgiven—they—\$12,000, excuse me, it's for—the loan is forgiven.

This action will be a huge help to graduates of community college and borrowers with smaller loans, putting them back on track faster for debt forgiveness than ever before. And this builds on other progress I've made in canceling student debt for close to 4 million Americans through various actions.

For example, we fixed what was called the Public Service Loan program—Loan Forgiveness program, which was designed to make sure that schoolteachers, firefighters, law enforcement officers, social workers, public servants get their student loans forgiven if they make payments for 10 years in a row and the 10 years of public service at the same time.

When I took office, there were 7,000 public servants who had taken advantage of this program and had it forgiven, but thanks to the reforms we made in the program, now there are nearly 800,000 have had their debts forgiven—800,000.

Look, let me close with this. This is—kind of relief can be life-changing for individuals and for their families. And it's good for the economy as a whole.

By freeing millions of Americans from the crushing debt of student loan programs, it means they can finally get on with their lives instead of getting—their lives being put on hold. They can think about buying a house, starting a home, starting a family, having a family future that they can enjoy, or saving for the family's future—saving and being able to put away a little bit of money.

I'm proud to have been able to give borrowers, like so many of you, the relief you earned. I promise you I'm never going to stop fighting for hard-working American families.

So, if you qualify, you'll be hearing from me shortly. Thousands of people per month are eligible—about 25,000 a month are—or every 2 months—it will be paid at a 50,000 basis—but are eligible for relief, and they'll be getting a letter from me letting them know they're qualified. And when they get that letter, your debt is going to be forgiven.

Look, folks, and it's also helping you who don't go to college. It's not just—you know, people say to me sometimes: "Well, Joe, that's great, you're helping people get into college, but how about all those hard-working people you grew up with in the neighborhood? How about all those folks in labor unions? How about all those hard-working people that work with their hands, why should they"—well, just today, my Labor Department announced 200—this is not the student loan program, but \$200 million in grants for registered apprenticeship programs around the country—while you can learn a skilled trade and lead to good-paying jobs.

You know, everybody thinks if you're an electrician, you—you say, "I want to be electrician," and you're all—you've got to go to school, basically. These apprenticeship programs are 4 and 5 years before you qualify to have a license. They work like hell to get these licenses.

And guess what? You work with your hands, you ought to be able to make a decent living. And that's why they're doing it now with my position on organized labor. So it matters. All this matters.

My dad used to say: "Joey, a paycheck is about more than—a job is about more than a paycheck. It's about your dignity. It's about opportunity. It's about being able to look your kid in the eye and say, 'Honey, it's going to be okay. You've got a chance.'"

That's all we're doing—and people are taking advantage of it—giving people a chance, a fighting chance to make it, because no one who's willing to work hard in America should be denied the opportunity to have that chance.

And so I—how many of you had student loans forgiven here? *[Laughter]* All right. *[Laughter]*

Audience member. [Inaudible]

The President. I tell you what, how about anybody over \$10,000? Thirty thousand dollars? Fifty thousand dollars?

Audience member. Next month.

The President. Next month? Okay. Anyway. Seriously, thank you.

And people have to understand: You not only did the right thing by busting your neck and going back to school and doing as well as you did in school, but you're breaking your neck for people. You're doing it through programs that benefit the society—benefit the American people.

Just like I got criticized not long ago for being too favorable on organized labor and unions. Well, they're the best workers in the world. They're the most qualified technicians in the—no, they really are. They really are.

And the economy is growing. It's growing—jobs, income—across the board. We have the most advanced economy of any major nation in the world.

We've got a lot more to do, but with the help of all of you college graduates and—who have paid off your student loans now, I'm confident we're going to get it all done.

Thank you, thank you, thank you. Appreciate it.

Saving on a Valuable Education (SAVE) Plan

Q. Do you worry this will get shut down in court?

The President. I don't have a worry at all.

Q. Mr. President, what will the new sanctions package look like?

Q. Mr. President, could there be a—[inaudible]?

NOTE: The President spoke at 1:18 p.m. at the Culver City Julian Dixon Library. In his remarks, he referred to Jessica D. Saint-Paul, licensed physician assistant and professor of health science at Los Angeles Southwest College; Mayor Karen R. Bass of Los Angeles, CA; Sen. Alejandro Padilla; and Rep. Sydney Kamlager-Dove.

Categories: Addresses and Remarks : Federal student loan debt relief efforts in Culver City, CA; Interviews With the News Media : Exchanges with reporters, Culver City, CA.

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Names: Bass, Karen R.; Harris, Kamala D.; Kamlager-Dove, Sydney; McMorris, Yasmine-Imani; Padilla, Alejandro; Saint-Paul, Jessica D.

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