

Judge Dismisses GOP States' Challenge to Biden Student Debt Relief Program

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Washington CNN — A federal judge rejected a lawsuit brought by six Republican-led states challenging President Joe Biden's student debt relief program.

US District Judge Henry Edward Autrey said Thursday he was dismissing the case because the states had not overcome the procedural threshold known as standing, which requires that plaintiffs show that a policy is causing them direct and traceable harm.

Student loan cancellations, worth up to \$20,000 per eligible borrower, could begin on Sunday.

The states immediately appealed the judge's ruling, sending the case to the 8th Circuit Court of Appeals, where it is likely to face a panel of conservative judges.

The lawsuit was filed in a federal court in Missouri last month by state attorneys general from Missouri, Arkansas, Kansas, Nebraska and South Carolina, as well as legal representatives from Iowa.

The states had argued in court documents that the Biden administration does not have the legal authority to grant broad student loan forgiveness, as well as that the program would hurt them financially.

Lawyers for the government have argued that Congress gave the education secretary the power to discharge debt in a 2003 law known as the HEROES Act. They also argue that the plaintiffs don't have standing to ask for an injunction.

In another victory for Biden, Supreme Court Justice Amy Coney Barrett rejected a separate challenge to the administration's student loan forgiveness program on Thursday, declining to take up an appeal brought by a Wisconsin taxpayers group.

The Biden administration faces other lawsuits from Arizona Republican Attorney General Mark Brnovich, and conservative groups such as the Job Creators Network Foundation and the Cato Institute.

But the legal challenge filed by six states that was dismissed Thursday was widely seen as the most formidable. It was the "most plausible legal challenge to the Biden Jubilee," said Luke Herrine, an assistant law professor at the University of Alabama who previously worked on a legal strategy pushing for student debt cancellation, in a tweetThursday.

While the application officially opened on Monday, the Biden administration has agreed in court documents to hold off on canceling any debt until October 23. Once processing begins, most qualifying borrowers are expected to receive debt relief within weeks.

Under Biden's plan, eligible individual borrowers who earned less than \$125,000 in either 2020 or 2021 and married couples or heads of households who made less than \$250,000 annually in those years will see up to \$10,000 of their federal student loan debt forgiven.

If a qualifying borrower also received a federal Pell grant while enrolled in college, the individual is eligible for up to \$20,000 of debt forgiveness.