



‘We’re not done’: Judge upholds Biden's plan to forgive student loans for over 800,000 borrowers — and 200,000 people have already received relief

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Hundreds of thousands of borrowers are having their loans discharged starting this week after a federal judge dismissed a lawsuit Monday that sought to block President Joe Biden’s forgiveness plan.

Biden previously announced that more than 800,000 borrowers would see \$39 billion in loans wiped, to some cheers and a bit of **backlash** from the public and experts alike.

These borrowers “never got the credit they earned, and never saw the forgiveness they were promised – even after making payments for decades,” Biden said in an official statement this week.

“And, we’re not done,” the **statement reads**.

Hundreds of thousands of borrowers missed out on forgiveness

Many borrowers enroll in income-driven repayment plans, which typically grant relief after borrowers have made qualified payments for 20 or 25 years.

However, hundreds of thousands of these borrowers made their payments but still didn’t have their loans discharged due to “errors and administrative failures,” Biden said.

A federal judge upheld the action

Nonprofit civil rights organization New Civil Liberties Alliance filed a lawsuit on Aug. 4 on behalf of the Cato Institute and Mackinac Center in Michigan.

The conservative groups asked the federal court to block the forgiveness plan, claiming that the administration did not adhere to the traditional rulemaking process or offer the public the opportunity to comment on its initiative.

But district judge Thomas L. Ludington **dismissed the case**, concluding that the claim lacked legal standing in that the “plaintiffs have not shown a redressable injury caused by defendants.”

A lawyer with the New Civil Liberties Alliance said in an **email to Axios** they “disagree” with the ruling and will be “reviewing legal options.”

Relief is already being rolled out

Student loan forgiveness emails started going out on Monday and that the Department of Education estimated it had already wiped the debt of more than 200,000 people by the end of the day, according to an ABC News report.

Roughly 614,000 borrowers are expected to have the entirety of their remaining federal student loan debt forgiven.