



Conservatives, GOP Denounce Biden Bailout of College Loan Debtors

By Michael W. Chapman

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(CNS News) -- Many conservatives and Republicans denounced President Joe Biden's plan to transfer student loan to the U.S. taxpayers, an action that could cost over \$600 billion. Sen. Ted Cruz (R-Tex.), for instance, said, "Let's be clear - there is no way to 'cancel' student debt. This will cost every taxpayer an average of \$2100. Someone will pay the price for this policy and the price is likely to be felt by every American in the form of even higher inflation."

[Biden's proposal](#), which likely will be challenged in court, would "forgive" -- transfer to taxpayers -- \$10,000 in federal student loans for people making less than \$125,000 a year; for low-income earners who received Pell Grants, it would cancel up to \$20,000 in debt. In addition, the pause on student loan repayment has been extended through Dec. 31, 2022.

This plan will "provide more breathing room for people so they have less burden by student debt," [said Biden](#), adding that the debt transfer will benefit about 43 million borrowers.

Conservatives were not heartened by the idea.

The "student loan 'cancellation' scheme is impolitic, unfair, expensive and irresponsible," said Heritage Foundation economist E.J. Antoni. "The price tag will be [about a half trillion dollars](#). Most of that money will go to upper income households.

"Who will pay for it?" said Antoni. "It will cost the average taxpayer [over \\$2,000](#), and most of those are people who never went to college, never borrowed money to go to school, or responsibly repaid their loans."

Tim Benson, senior policy analyst at the Heartland Institute, said, "This executive action is a massive smack in the face to every sucker who paid off their loans themselves, or worked their way through college and gave up a whole lot of fun and free time just to keep their debt load to a minimum, or didn't go to college at all. All three groups are now subsidizing the whiney, affluent, white-collar professional crybabies who are going to get their loans 'forgiven.'"

"Keep in mind the president has no constitutional authority to do so," added Benson. "Even Nancy Pelosi agrees, stating in July of last year, 'people think that the President of the United States has

the power for debt forgiveness. He does not. He can postpone. He can delay. But he does not have that power. That has to be an act of Congress."

"If a president of the United States can just unilaterally transfer \$330 billion in debt at the stroke of a pen from one group to another, we have ceased to live in a constitutional federal republic," [said](#) Benson.

Doug Bandow, a syndicated columnist and senior fellow at the libertarian Cato Institute, commented, "I'm approaching retirement. I don't like debt and don't want to end my life stuck on the financial edge. So, I paid off my [student loans](#). I bought a used car without a loan. I pay off my credit cards monthly. And I've paid off my home mortgage. But now I'm stuck bailing out the fiscally irresponsible who borrowed badly and don't want to acknowledge the consequences of their actions. I am sorry for their plight. But it isn't my fault, and I shouldn't be expected to pay their bills."

Biden's plan is a way to buy votes for the midterm election, [tweeted Bandow](#).

[Senator Rand Paul \(R-Ky.\)](#), after speaking to a group of young people about military service and college, told ABC 13, "I think it's wrong for the government to do things, even if they sound like, 'Oh, why don't we give everybody a free car?' -- there has to be a law that states the power for the government to do that."

"It's part of what I talked to the students in here about," added Paul, "the power to go to war is something Congress has to vote on. Congress didn't vote to allow people not to have to pay their debts for student loans."

[Rep. Byron Donalds \(R-Fla.\) said](#) the White House "does not know what they are doing. ... There were a lot of people who are making their payments right now responsibly because they are the ones that took out their debt. It is only the radical left that has been pushing this for about 10 years, and he's simply paying them back."

"The president does not have this authority at all," added Donalds. "This is a complete violation of separation of powers, which is why I do think there are going to be legal challenges. And I think this decision by Joe Biden is going to be found unconstitutional."

On ABC's *This Week*, Sen. Roy Blunt (R-Mo.) said, "I just thought it was monumentally unfair, unfair to people who didn't go to college because they didn't think they could afford it, unfair to people who pay their loans back, unfair to people who got higher education in an area that the government didn't make loans, and just bad economics."

In an Aug. 24 statement, [Sen. Ted Cruz \(R-Tex.\) said](#), "This announcement is a gut punch to every hard working single mother who worked double shifts in order to pay for her own education, every parent who borrowed against their home to send their kid to college, Americans who sacrificed to make responsible financial decisions, and our nation's veterans and service members who risked their lives to earn the G.I. Bill."

"Let's be clear -- there is no way to 'cancel' student debt," said Cruz. "This will cost every taxpayer an average of \$2100. Someone will pay the price for this policy and the price is likely to be felt by every American in the form of even higher inflation."

Conservative talk-radio host [Dan Bongino remarked](#), "Listen, people hate the idea of unfairness and the idea of me paying for, again, Sunflower's urban studies degree doesn't interest me at all. And I got to tell you, this isn't a Democrat or Republican thing — it's a working-person's thing. A lot of people are really mad about this..."

"We are going bankrupt," he added. "You are watching the collapse of an empire. This is supposed to be a republic that operates on consent of the governed. I'm revoking my consent right now."

Author and talk-radio host [Mark Levin tweeted](#), "Pay your own damn loans. Ex-college students aren't the only people with debt. And why should blue collar workers subsidize college graduates. And where's Biden's constitutional authority to forgive loans?"

In his nightly commentary on Aug. 24, Fox News Channel host [Tucker Carlson said](#), "If you wanted to help the middle class, you would send \$10,000 to every family with a head of household who lays concrete or every truck driver in the country, but that's not what he's doing. If he wanted to do that, he would force colleges with \$30 billion endowments to cover this loan forgiveness. He would also talk about mortgage loans and credit card debt, which are much bigger problems for most people. Car debt."

"Instead, Joe Biden is talking about what his supporters, the NPR community cares about, and that's student debt, and he's making you pay for it," added Carlson. "According to the *Wall Street Journal*, more than 70% of the loans that Joe Biden just canceled you're going to be now responsible for are held by borrowers in the top 60% of income distribution. Oh, and that makes sense because only about 38% of all Americans have a college degree."