



Despite Supreme Court Ruling, Calls Remain for Student Loan Debt Relief

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The Supreme Court may have struck down President Joe Biden's original student loan forgiveness plan, but it has not quieted the calls for debt relief.

KEY TAKEAWAYS

- The Supreme Court ruled to strike down the President's student loan forgiveness.
- A recent survey showed consumer fears at an all-time high over debt repayments.
- Analysts are mixed on the Supreme Court's decision to overrule the government.

The court ruled 6-3 against the forgiveness program, agreeing with six states that sued to halt the plan, saying the education secretary did not have the authority to cancel debt under the HEROES Act. Up to 43 million people with federal student loans would have had their debts reduced under the plan.

"The authority to 'modify' statutes and regulations allows the Secretary to make modest adjustments and additions to existing provisions, not transform them," wrote Chief Justice John Roberts in the court's opinion.

However, the court's opinion didn't quiet calls for some form of student debt relief in the immediate aftermath. Supporters of the plan pressured Biden to find another way to deliver on his campaign promise, while those opposed celebrated the court's ruling. Biden said he will have more to announce when he addressed the nation this afternoon.

Here are some notable reactions to the Supreme Court's decision:

Joe Biden, President of the U.S.

"The hypocrisy of Republican elected officials is stunning. They had no problem with billions in pandemic-related loans to businesses – including hundreds of thousands and in some cases millions of dollars for their own businesses. And those loans were forgiven. But when it came to providing relief to millions of hard-working Americans, they did everything in their power to stop it."¹

Deb Fischer, U.S. Senator for Nebraska:

"From the beginning, I've said President Biden didn't have the legal authority to pursue such a reckless loan transfer. It's time the administration work with Congress on policies that address the root causes of high tuition fees and provide the public with better access to more educational opportunities."2

Natalia Abrams, President and Founder of the Student Debt Crisis Center

"In the face of the Supreme Court's unjust decision, the responsibility to fight for student debt relief falls squarely on the President's shoulders. This is a moment that demands swift action. The President possesses the power, and must summon the will, to secure the essential relief that families across the nation desperately need."3

Neal McCluskey, Director of the Center for Educational Freedom at the Cato Institute

"This is great news for future students and taxpayers. For future students, because allowing sweeping, presidentially decreed student debt cancellation would have signaled to all future borrowers to take on more debt than they otherwise would have—much will just be cancelled. And that would enable colleges to raise tuition at even faster rates. It's great news for taxpayers because much debt that was supposed to be repaid to the federal government actually will be."

Cassie Baca, student loan borrower

"It's just disappointing, but not surprising....It definitely is a different quality of life (when payments restart) and that's not a small chunk of change to all of a sudden throw back in."