

**NewsBreak
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NEWSBREAK

Biden Administration Pauses Student Loan Repayments Until June 2023

November 22, 2022

The White House announced today that they are again extending the pause on student loan repayments until June 2023. The payment pause was set to expire on December 31st. The first pause on student loan repayments came in 2020 with the COVID pandemic.

The student loan repayment plan has had six lawsuits filed against it. The first lawsuit was filed on September 27, 2022, by two student loan borrowers from Indiana.

The second lawsuit was filed on September 29, 2022, by the states of Arkansas, Iowa, Kansas, Missouri, Nebraska, and South Carolina. The lawsuit says the student loan forgiveness plan violates the separation of powers and a law that dictates how federal agencies can craft regulations. The lawsuit also said no statute permits Biden to unilaterally relieve millions of individuals from their obligation to pay loans they voluntarily assumed. The six states also pointed out House Speaker Nancy Pelosi's statement in 2021, in which she stated that the president does not have the authority to authorize a mass cancellation of student debt without Congressional action. U.S. District Judge Henry Edward Autrey dismissed the six states' lawsuit on October 20th. An appeal was filed in the 8th Circuit Court of Appeals in St. Louis after the dismissal on October 20th, and an emergency order temporarily blocking the plan was granted on October 21st.

The third lawsuit was filed on September 30, 2022, by Arizona Attorney General Mark Brnovich, claiming the plan would increase Arizona's borrowing costs and that the Public Service Loan Forgiveness program would be undermined by the plan.

On October 4, a fourth lawsuit was filed by a group of Wisconsin taxpayers called the Brown County Taxpayers Association. On October 6, U.S. District Judge William Griesbach dismissed the lawsuit filed by the Brown County Taxpayers Association. The Brown County Taxpayers Association of Wisconsin had filed an emergency motion for an injunction, which the 7th U.S. Circuit Court of Appeals denied on October 12, 2022.

The fifth lawsuit was filed on October 10th by two college graduates who were ineligible for the plan, claiming the process for creating the student loan forgiveness plan was unlawful. The 7th U.S. Circuit Court of Appeals in Chicago declined to block the plan. The two college graduates asked the Supreme Court for an emergency request to block the plan. Supreme Court Justice Amy Coney Barrett denied their request on November 4, 2022. Then on November 10th, Texas

U.S. District Judge Mark Pittman, in response to the lawsuit, blocked Biden's student loan forgiveness plan, saying it was an unconstitutional exercise of Congress's legislative power and must be vacated.

The sixth lawsuit was filed on October 18th by the Cato Institute. Cato's lawsuit said the student loan forgiveness plan was unconstitutional and would undermine the Public Service Loan Forgiveness Program.

The 8th U.S. Circuit Court of Appeals in St. Louis recently issued an injunction on November 14th extending a block on the student loan forgiveness plan.

President Biden says he is completely confident his plan is legal, and he has asked the Supreme Court to review the lower court orders.