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Most Americans Support Biden's Student Loan Handout Until They Realize It Raises Taxes: Poll

Bill Pan

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A majority of Americans would oppose President Joe Biden's plan to "forgive" billions of dollars of federal student loan debt if it led to higher taxes, according to a recent poll.

The survey ([pdf](#)), conducted by British data company YouGov on behalf of the libertarian Cato Institute, found that 64 percent of American adults said they are in favor of the federal government "forgiving" up to \$10,000 in federal student loans for people earning less than \$150,000 a year, or less than \$300,000 per year for married couples.

"However, support for cancelling federal student loan debt plummets when Americans consider its trade-offs," the Cato Institute said.

When asked whether they would support the same plan if it "raised your taxes," 64 percent of respondents said they would oppose the move, according to the results.

Meanwhile, 68 percent of respondents said they would oppose the student loan bailout if it would "primarily benefit higher income people." Seventy-six percent would oppose the plan if it would cause universities to raise their tuition and fees, while 71 percent would oppose it if that means more employers would require college degrees even when they are not necessary for the job.

"These data show that Americans don't like the costs that many experts believe are associated with federal student loan forgiveness," said Cato's Director of Polling Emily Ekins.

The poll also shows some differences between Democrats and Republicans in their response to the trade-offs. "Without considering trade-offs, Democrats strongly support (88 percent) federal student debt cancellation, as do a majority (58 percent) of independents," a summary of the finding reads. "However, Republicans oppose about 2 to 1, with 63 percent opposed."

"A majority (56 percent) of Democrats would continue to support student debt cancellation even if it raised taxes," it continued. "But Democrats turn against forgiving \$10,000 in student debt per borrower if doing so meant colleges would raise their prices (67 percent) or if it led to credential inflation (64 percent)."

The poll was conducted online between Aug. 17 and Aug. 23 among 2,227 American adults, with an error margin of plus/minus 2.39 percentage points.

Plan Faces Legal Challenge

Under the plan unveiled Aug. 25 by U.S. Education Secretary Miguel Cardona, individual borrowers earning less than \$125,000 a year or families earning less than \$250,000 will be eligible for up to \$10,000 in debt cancellation, while Pell Grant recipients who meet those income standards will be eligible for relief of up to \$20,000. Pell Grants are typically awarded to students from low-income households to help them cover their college expenses.

In a memo released the day before the announcement, Cardona said the plan is justified under what's known as the HEROES Act, a 2003 higher education law created as a response to the Iraq War.

Specifically, the law states that the education secretary may “waive or modify any statutory or regulatory provisions” relating to federal student financial aid for those serving in the military during a war, those living or working in an area affected by a disaster, or those who “suffered direct economic hardship as a direct result of a war or other military operation or national emergency.”

According to Cardona, the federal government has declared the COVID-19 pandemic a national emergency that encompasses the entire country, which means that his government can invoke the HEROES Act to provide relief for every borrower living in the United States.

Two lawsuits have so far been filed to block the plan. Both of them argue that Cardona's justification is flawed.

The U.S. Education Department has failed to prove that “the broad class of 43 million borrowers ‘suffered direct economic hardship as a direct result of a war or other military operation or national emergency’ with respect to the COVID-19 pandemic,” reads the complaint filed Sept. 12 by Daniel Laschober, who ran in the Republican primary for Georgia's U.S. Senate seat in 2016.

“[The HEROES Act] states the Secretary of Education is not required to exercise the waiver or modification authority on a case-by-case basis; however, the amount of student loan forgiveness per person or per household as determined by [the Education Department] is arbitrary and capricious,” it added.