



## Biden Returns to Court Over Exceeding Authority to Cancel Student Debt

Adam Kissel

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The dead and resurrected schemes of the Education Department to cancel student debt are like horror films, only with Education Secretary Miguel Cardona in the role of Jason from the “Friday the 13th” series and President Joe Biden as Michael Myers from the “Halloween” franchise.

The latest lawsuit to stop Cardona from implementing Biden’s student debt “forgiveness” plan was filed early this month.

In part one of this horror series, our student debt slashers, Cardona and Biden, used the cover of a worldwide pandemic to unlawfully extend the pause on Americans’ student loan repayments. Time after time, the Biden Education Department said this pause was dead, only to give it new life.

Congress eventually killed this scheme, but Cardona invented an “on-ramp” to repayment under which, in theory, borrowers had to start paying. But if they didn’t, the Education Department would wink at them and choose not to report default or delinquency.

Jason was back.

Part two was the scheme to cancel up to \$20,000 in student loans for anybody who ever had a Pell Grant for college. Couples earning up to \$250,000 a year each could qualify and get a total of \$40,000 in debt canceled.

That plan would have cost half a trillion dollars. But the Pacific Legal Foundation issued a death blow, finding the perfect plaintiff with standing to sue.

Was Jason dead? Nope. Our slasher just changed the rules to disallow such plaintiffs.

Then some banks that held old loans had their own way to kill the loan “forgiveness” plan. The banks were harmed because they were going to lose business.

Was Jason dead? Again, nope. The slasher changed the rules to disallow those plaintiffs, too.

The end of part two was when the Supreme Court drove a stake through the heart of the scheme, finding that the Education Department had no authority to extend loan cancellation to tens of millions of borrowers through the HEROES Act.

Was Jason gone for good? No way.

In part three, our slasher smelled blood in the form of for-profit colleges. His new rules on borrower defense to repayment were designed to force many such colleges to close, leading to the discharge of billions of dollars of debt since the borrowers would have a “defense” against repayment.

The 5th U.S. Circuit Court of Appeals issued a nationwide injunction Aug. 7 against these rules.

But Jason still isn't dead.

In part four, the Cato Institute and Mackinac Center For Public Policy just filed a lawsuit with the New Civil Liberties Alliance as counsel, this time challenging new rules affecting the Education Department's Public Service Loan Forgiveness and Income-Driven Repayment programs.

The problem this time is that Biden's Education Department is counting nonpayments during the pandemic pause as “payments” toward eventual debt cancellation. In other words, the plaintiffs note: “By having their loans cancelled three years early, 3.6 million borrowers will each make 36 fewer monthly payments, resulting in the cancellation of 130 million monthly payments.”

That will cost taxpayers around \$175 billion.

We'll see what the courts say about this latest resurrection and attempted decapitation of the student loan cancellation scheme.

But in the meantime, Cardona as Jason and Biden as Michael have done a lot of damage, as Andrew Gillen outlines at the website Minding the Campus. Hundreds of billions of dollars out of nearly two trillion dollars of student loan debt already have been slashed.

That's enough slashing for an entire horror series.

Either way, the slashers won't really be gone until the next Republican administration is in charge of the White House and the executive branch.

But you can count on the slashers to come back whenever the Democrats take power again.