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## Biden student loan plan for 800,000 borrowers faces renewed court challenge

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A coalition that sued to block an effort by the Biden administration to forgive student loans for some 800,000 borrowers has vowed to appeal a federal judge's ruling that allowed the plan to go forward.

On Monday, a federal judge ruled that a lawsuit filed by the Mackinac Center for Public Policy and the Cato Institute seeking to block the loan forgiveness plan lacked standing. Both Cato and the Mackinac Center are libertarian-leaning think tanks.

The Biden administration says that the forgiveness is in fact an "adjustment" that credits borrowers for payments made under the Income Driven Repayment program or the Public Service Loan Forgiveness program, two federal programs that allow borrowers to have their loans forgiven after making payments for many years, usually 20 or more.

In a statement Monday, President Joe Biden said the court ruling opened the door for the administration to execute its plan and that borrowers would soon see their balances zeroed out.

"On Day One of my Administration, I promised to fight for hardworking families and to fix problems in the student loan system that have been failing borrowers for too long," the president said. "I'm proud that my Administration is delivering on that promise and has already approved over \$116 billion in debt cancellation for 3.4 million Americans – no matter how many lawsuits, challenges, or roadblocks Republican elected officials or special interests put in our way."

Undeterred by the ruling, the plaintiffs, represented by the New Civil Liberties Alliance, have vowed to appeal the court's ruling.

In a statement to the *Washington Examiner*, New Civil Liberties Alliance attorney Sheng Li noted that in a case challenging an effort by the Biden administration to forgive student loans for millions of borrowers, the district court found that a group of states challenging the action did not have standing, but the Supreme Court later reversed the ruling.

"The decision yesterday was not on the merits and instead was based on the district court's conclusion that our clients lacked standing to sue," Li said Tuesday. "The district court in our case concluded public-service employers whom the Public Service Loan Forgiveness program is

designed to benefit have no standing to challenge reductions to that program's benefits. We disagree with that decision and will be appealing."