

Congress of the United States

Washington, DC 20510

May 13, 2022

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden:

We write to you today to express our deep concern about comments you recently made on canceling student loan debt. On April 28th, you said, “I am considering dealing with some debt reduction” and you expect to make a decision “in the next couple of weeks”.¹ We in Congress firmly believe you lack the statutory authority to do so, and such an action would be a display of a grossly backwards policy.

First and foremost, the Executive Branch has no authority to unilaterally forgive federal student loan debt. And given your refusal to provide the memo from earlier this year regarding your legal authority to Congress and the American people, it certainly appears you believe you have no such authority either.

Secondly, forgiving student loans would punish responsible borrowers who paid back their loans. We firmly believe in incentive-based public policy and student loan forgiveness is a policy of perverse incentives. Any student loan forgiveness would send the message to people that America rewards financial irresponsibility. In addition, forgiving one type of debt will only open the Pandora’s box to forgiving all other types of debt and suggests to Americans that a radical president with low approval ratings can ignore the law and forgive all types of debt in the name of scoring political points at the expense of our nation and its principles.

Furthermore, student loan forgiveness would cost the government hundreds of billions of dollars at a time when our national debt is over an unprecedented \$30 trillion.² In fact, forgiving \$10,000 in student loan debt per borrower would cost roughly \$373 billion. This amounts to more than the federal government spent on postsecondary programs at the Department of Education from 2006 to 2019.³ Further, inflation is weakening the dollar at a rate of 8.5% over the year; a level we haven’t seen in over 40 years.⁴ A one-time injection of hundreds of billions of dollars would only exacerbate our already debilitating inflation. This of course, would be on top of the already \$200 billion cost to the taxpayers from your continued extension of the student loan repayment pause.⁵ Similar to forgiving student loans, this repayment pause has mostly benefited the wealthy as they hold hundreds of thousands of dollars in medical, law, and business degree debt.

¹ <https://subscriber.politicopro.com/article/2022/04/biden-says-hes-considering-canceling-some-student-debt-00028663>

² <https://www.usdebtleck.org/>

³ <https://resilienteducator.com/news/10-year-spending-trends-in-u-s-education/>

⁴ <https://www.bls.gov/news.release/cpi.nr0.htm>

⁵ <https://www.forbes.com/sites/zackfriedman/2022/03/23/student-loan-payment-pause-has-saved-200-billion-for-borrowers/?sh=77778adf7693>

Lastly, student loan forgiveness is a regressive policy that would benefit the wealthy over low-income Americans. Wealthy students are more likely to attend college and thus, more likely to hold student loan debt. A recent report found the percentage of 2020 high school graduates immediately enrolling in college varies greatly between the lower and higher-income students. The difference between the two is a startling 29%, with the higher-income students going immediately to college at a rate of 64.5% and the rate of lower-income students at 35.5%.⁶ These figures also translate to the income breakdown of who holds the most student loan debt. In fact, nearly 60% of all student loan debt is held by the rich and upper-middle class.⁷

Therefore, we urge you not to take any illegitimate actions on student loan forgiveness as doing so would have serious negative implications on our nation during an already tumultuous time.

Sincerely,



Glenn Grothman
Member of Congress



Rick W. Allen
Member of Congress



Victoria Spartz
Member of Congress



Peter Meijer M.C.
Member of Congress



John R. Moolenaar
Member of Congress

⁶ https://nscresearchcenter.org/wp-content/uploads/2021_HSBenchmarksCovidReport.pdf

⁷ <https://educationdata.org/student-loan-debt-by-income-level>



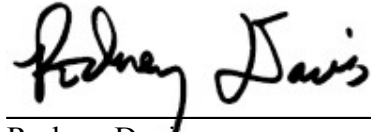
Joe Wilson
Member of Congress



Earl L. "Buddy" Carter
Member of Congress



Bill Huizenga
Member of Congress



Rodney Davis
Member of Congress



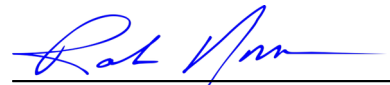
William R. Timmons IV
Member of Congress



Tom McClintock
Member of Congress



Michael C. Burgess, M.D.
Member of Congress



Ralph Norman
Member of Congress



Markwayne Mullin
Member of Congress



Byron Donalds
Member of Congress

Mary E Miller

Mary E. Miller
Member of Congress

John H Rutherford

John H. Rutherford
Member of Congress

Warren Davidson

Warren Davidson
Member of Congress

David Kustoff

David Kustoff
Member of Congress

John W Rose

John Rose
Member of Congress

Beth Van Duyne

Beth Van Duyne
Member of Congress

Andy Biggs

Andy Biggs
Member of Congress

Michelle Fischbach

Michelle Fischbach
Member of Congress