

STUDENT LOANS

Student Loan Debt: Another \$4.8B Forgiven

Biden announced \$4.8 billion in student loan debt relief for more than 80,000 borrowers.



(Image credit: Getty Images)

The Biden administration is cancelling an additional \$4.8 billion in student debt for roughly 80,000 people, through fixes made to the income-driven repayment (IDR) forgiveness and Public Service Loan Forgiveness (PSLF) programs.

Some \$2.2 billion will go to 46,000 IDR borrowers and provide them “with an accurate count of progress toward forgiveness and address longstanding concerns with misuse of forbearance,” the Department of Education (DOE) said in a statement.

Another \$2.6 billion will go to 34,400 borrowers through PSLF to ensure that “teachers, members of the military, nurses and other public service workers get the relief they have earned,” the White House said in a statement.

To date, the administration has forgiven \$132 billion in student loans for more than 3.6 million borrowers. This includes \$9 billion in loan forgiveness for 125,000 Americans in October also through fixes to IDR and PSLF, as well as \$39 billion for 804,000 borrowers in July through IDR fixes.

The loan cancellation activity follows the U.S. Supreme Court's 6-3 vote in July to strike down a Biden student loan forgiveness plan that was intended to wipe out \$20,000 of student debt for 43 million borrowers. Many of the debt cancellation programs now being used had been problematic, but the administration has been able to fast-track relief "by adjusting rules and temporarily waiving some requirements," according to a November 11 New York Times article.

'Unparalleled' debt relief

In a December 6 statement, DOE Secretary Miguel Cardona said that the current level of debt relief is unparalleled. "Before President Biden took office, it was virtually impossible for eligible borrowers to access the student debt relief they rightfully earned," he said.

In 2023, the administration launched the Savings on a Valuable Education (SAVE) program, one of four IDR plans, which is promoted as the most affordable student loan repayment program. It works by calculating a borrower's monthly payment using information about their income and family size.

The other IDR plans are Pay As You Earn (PAYE) Repayment, Income-Based Repayment (IBR), and Income-Contingent Repayment (ICR).

The PSLF program, which was started under the George W. Bush administration, focuses on graduates who go into government, nonprofit and healthcare jobs.

For more information on federal student loans, the DOE advises visiting studentaid.gov.

NYSUT NOTE: Whether you qualify for student loan forgiveness or need help managing your repayment plan, NYSUT members are encouraged to contact the NYSUT Member Benefits Corporation-endorsed [Cambridge Credit Counseling program](#). Members can get expert guidance from nationally certified counselors who can help determine a plan specifically tailored for your situation. Find out your options for repayment and overall debt management by visiting the [member website](#) today.



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