

US Supreme Court poised to overturn Biden administration's limited student debt relief plan

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On Tuesday, the US Supreme Court heard two different challenges to President Joe Biden's student loan forgiveness plan, announced last year but blocked almost immediately by Republican judges. Biden's plan would grant up to \$20,000 in loan relief per federal borrower.

One of the cases seeking to overturn the plan, *Biden v. Nebraska*, was brought forward by six Republican-led states. The Republican challenge claims that the measure is illegal because in granting the relief Biden was using the pandemic as a pretext to fulfill a campaign promise, and that the pandemic itself did not fit the definition of an emergency as outlined in the original legislation cited by the administration to justify the loan forgiveness.

In fact, Biden was following in Trump's footsteps when he used the "emergency" provision in the 2003 Heroes Act to delay federal student loan payments. Trump used the same measure to delay student loan payments three times in 2020.

In seeking to overturn limited debt relief, the Republican brief also cites the "major questions" doctrine and that the decision to cancel a limited share of overall student loan debt is "undoubtedly a matter of economic and political significance."

In over three hours of opening arguments on Tuesday, the right-wing court, led by Chief Justice John Roberts, and supporters of former President Donald Trump's failed coup, such as Justices Samuel Alito and Clarence Thomas, questioned the legality of Biden's order, citing the "major questions doctrine."

The dubious legal doctrine posits that the courts can strike down any federal policy that presents a "major question" Congress might not have considered when enacting legislation. The major questions doctrine has been used by the right-wing court in the recent period to strike down the Centers for Disease Control and Prevention's (CDC) eviction moratorium, Obama-era Environmental Protection Agency (EPA) rules concerning power plants, and a requirement from the Occupational Safety and Health Administration (OSHA) that large corporations institute either COVID-19 vaccine mandates or a testing program at workplaces.

Laying the groundwork for citing the major questions doctrine as a

justification for blocking Biden's order, Justice Roberts questioned Solicitor General Elizabeth Prelogar if she recognized that canceling a fraction of student debt in this case "presents extraordinarily serious, important issues."

Following the use of the "major questions doctrine" to overturn the EPA regulations last year, John Yoo, author of the torture memorandums used under the George W. Bush administration, told *The Hill* that the doctrine would be a "permanent feature and restriction on regulation" and a way "the courts are going to patrol the administrative state."

The other case challenging the debt relief proposal, *US Department of Education v. Brown*, is actually a Trojan horse for right-wing business interests. It was initially brought forward by two Texas residents, Myra Brown and Alexander Taylor, who were not eligible to receive the debt relief because they had privately-held loans. Their lawsuit is backed by the Job Creators Network, which was co-founded by Home Depot co-founder and billionaire Bernie Marcus in 2010, with support from Koch Enterprises and the billionaire Mercer family.

The Job Creators Network also receives funding from the Retail Industry Lenders Association and the National Restaurant Association, the two major lobbies for low-wage employers such as Walmart, Dollar General, Olive Garden and Starbucks.

While Republicans openly campaign against any social relief for the working class, in a cynical attempt to gin up support for the Democrats before the midterm elections, after months of refusing to announce any action, Biden announced last August his plan to eliminate up to \$10,000 in federal debt for borrowers earning up to \$125,000 annually or \$250,000 for married couples. Borrowers who received Pell Grants, financial aid aimed for lower-income students could be eligible for an additional \$10,000 in relief.

Currently, some 43 million borrowers in the United States owe over \$1.7 trillion in student federal loan debt representing a massive and looming financial burden for a significant section of the working class.

While Biden campaigned for president on eliminating \$10,000 of student debt—less than a third of the average \$37,574 per federal borrower—during the first two years of his presidency, when the Democrats controlled both the House and Senate, neither Biden nor congressional leaders seriously attempted to get legislation passed to ensure debt forgiveness.

Instead, Biden, following in Trump's footsteps, used a provision in the 2003 Heroes Act to delay federal loan debt repayments six times. In his last year in office, Trump used the law to pause repayment three times. Upon Biden's announcement of his plan to cancel up to \$20,000 in debt, several lawsuits were filed and the plan was blocked by Republican judges last fall, before eventually making its way to the Supreme Court.

Since the plan was announced last year, the Education Department has confirmed that over 26 million Americans applied for federal student debt relief, with over 16 million being approved. Even if every eligible borrower were to apply and be approved, the plan would provide roughly \$400 billion in loan forgiveness spread over 30 years, representing a yearly figure of roughly \$13.3 billion. The estimated yearly figure in debt relief is just over a tenth of the more than \$113 billion the Democrats and Republicans allocated to the Ukrainian government last year to wage war against Russia.

In front of the Supreme Court on Tuesday, several Democratic politicians briefly rallied with a few hundred students in support of the measure. In a less than useless gesture, Vermont Senator Bernie Sanders called on the reactionary court to "listen to the needs of the people" and "do the right thing."

Self-styled "progressive" Massachusetts representative Ayanna Pressley, joined Massachusetts Senator Elizabeth Warren and Sanders outside the Supreme Court and demanded the court uphold Biden's debt relief, which Pressley mis-characterized as "transformational."

Seeking to portray Biden as a friend of "black Americans," Pressley said Biden "heeded the calls of this movement" and "mobilized on behalf of the needs of the people."

An analysis of the student loan application data by *Politico* last month found that the program would not just benefit "black" Americans, but all working class Americans. Nearly 90 percent of the loan applicants came from zip codes where the median income was less than \$59,999, with over 60 percent of applicants hailing from zip codes where the median income is between \$20,000 and \$39,999.

Ben, a young Chicago worker and 2020 graduate, told the *World Socialist Web Site*, "my student debt has been a source of anxiety and it sort of undermines one's confidence. Thinking about the future, this loan payment is always looming over everything."

Reflecting on the increasingly insurmountable cost of a college

education in the United States, Ben said, "I think over the past few decades we've seen the price of a college education soar way beyond its value."

Craig, a graduate student teaching assistant in the Chemistry Department at University of California-Riverside, told the WSWS that while he did not currently have any debt, "Graduate school is very much trying to make me go back into debt! And right now I'm considering taking out a fairly substantial loan to cover some of my living expenses. I'm just talking about my day-to-day living expenses, like rent, my car, etc."

"Renting an apartment in Riverside," Craig said, "is too expensive. So I live out in Pomona so my rent is a little bit more manageable. ... it's quite a drive..."

Maya, a freshman in California, told the WSWS that while the Biden campaign "aggressively advertised among students about his promise of loan forgiveness for those most in need, it was also obvious that that promise was what young voters most wanted to hear."

"I don't think the Democrats have fought hard for this plan both because of their ties to the universities," Maya added. "By even bringing the plan to the Supreme Court they can show that a plan was made and proposed, but the rejection falls out of their hands."

Commenting on the urgent need for relief for millions of working class students, Maya said that at her high school "many students couldn't accept dream college admissions because of the lack of financial aid. Student debt relief would mean a lot to everyone in my community," however, "\$10,000 is a drop in the bucket to the amount of housing, supplies and tuition expenses of college."

Landon, a high school student, told the WSWS his "biggest concern" is "that I love learning and take pride in my education yet it's likely that I'll have to go \$60,000-\$100,000-plus in debt just to be able to study science and/or history."

Reflecting on the ongoing danger of World War III, Landon added, "Not to mention the fact that we now face the threat of nuclear war with the massive escalations in Ukraine such as the shipment of tanks and now talks of sending F-16 fighter jets."



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