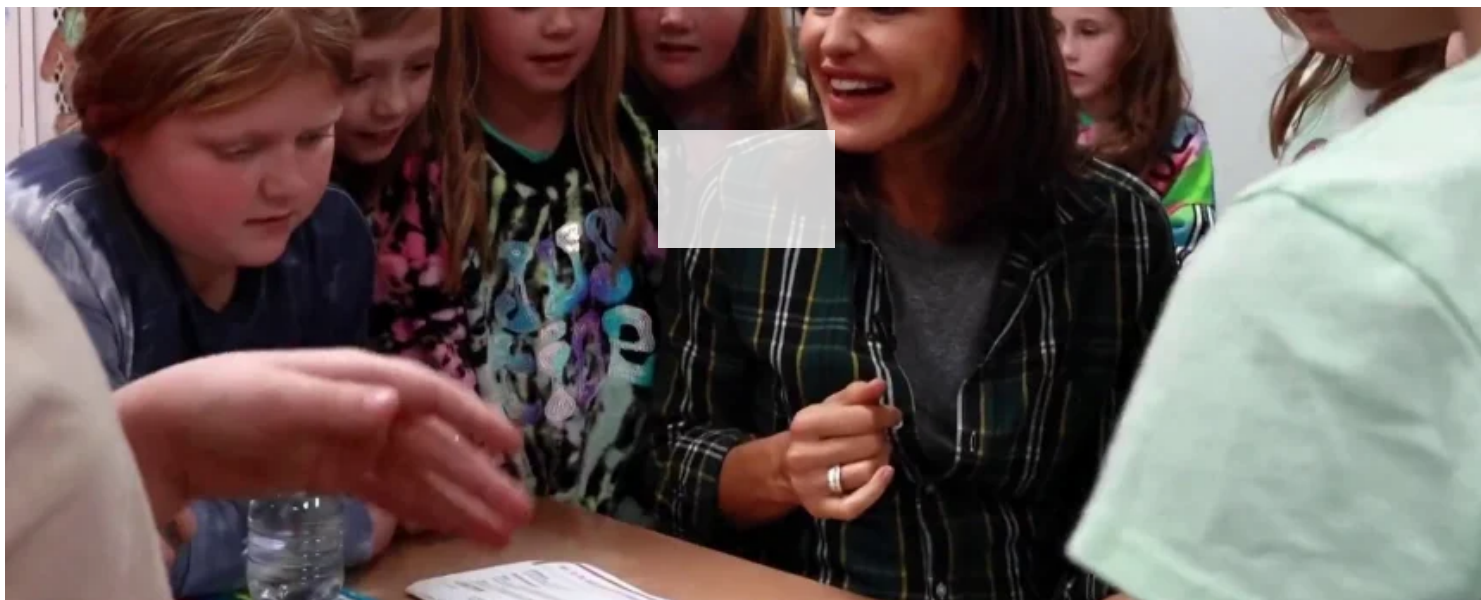


POLITICS NEWS

# Biden approved \$9 billion in student loan debt relief. Here's what you need to know.

The aid will benefit 125,000 borrowers, including 53,000 people who worked in public service for a decade or more.

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By Daniel Arkin

President Joe Biden announced this week that his administration has signed off on [student loan debt forgiveness](#) for 125,000 people across the U.S.

"By freeing millions of Americans from the crushing burden of student debt, it will help them get their lives in order," Biden said in remarks at the White House on Wednesday.



Here's what you need to know about how the relief program will work, and what it might mean for you.

## Who will get the aid?

More than \$5.2 billion in new debt relief will go to 53,000 borrowers under [Public Service Loan Forgiveness programs](#), which cover people who worked in public service for a decade or more and made 120 qualifying payments. (The White House says eligible borrowers include people who worked for federal, state, local or tribal governments, or a nonprofit group.)

Around \$2.8 billion in relief will go to almost 51,000 borrowers enrolled in [income-driven repayment plans](#), which apply to people who made at least 20 years of payments but "never got the relief they were entitled to," [the White House said in a news release](#).

The remaining \$1.2 billion will benefit almost 22,000 borrowers who have a "total or permanent" disability.

## How can you sign up?

Biden directed borrowers to [StudentAid.gov/SAVE](https://studentaid.gov/SAVE).

## How much debt has been wiped off to date?

The White House said this week's announcement means that the Biden administration has now forgiven \$127 billion in debt for almost 3.6 million borrowers – including almost \$42 billion for around 855,000 people who were eligible via income-driven repayments.



## What about Biden's original plans?

The Supreme Court this summer [struck down](#) Biden's more sweeping student loan debt relief plan, which would have allowed around 43 million eligible borrowers to cancel up to \$20,000 each in debt. The plan would have cost the U.S. government more than \$400 billion, according to [Congressional Budget Office estimates](#).

The high court broke down on ideological lines in a 6-3 vote, ruling in one of the two relevant cases that Biden's program was an unlawful exercise of presidential power because Congress had not explicitly approved it.

## What else is on the table?

In the wake of the Biden administration's loss at the Supreme Court, the president pledged to pursue other ways to tackle student debt, including invoking the Higher Education Act of 1965. Biden said Wednesday that the act would allow the education secretary to "compromise, waive, or release loans under certain circumstances."

"Last week, the Department of Education took a critical step in this process by challenges that borrowers face in the current system so we can move forward address these changes," [Biden told reporters](#).



# Are federal loan payments still paused?

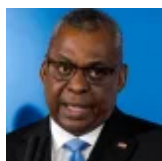
No. Tens of millions of Americans who took out federal student loans were [forced to resume making payments](#) Sunday after a pandemic-era repayment pause expired.

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The borrowers in question had received a reprieve starting in March 2020, when then-President Donald Trump signed the CARES Act. The pause was [extended multiple times](#) – twice by Trump, six times by Biden.

## Who's most likely to face student debt?

American students of color are more likely to take out student loans and struggle to make repayments at higher rates than white people, according to [research released in 2020](#). It's a status quo that perpetuates a "vicious cycle" of economic inequality along racial lines, according to the report by the Student Borrower Protection Center, a consumer advocacy group.



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