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# President Biden's Debt Relief Program

## FAQ

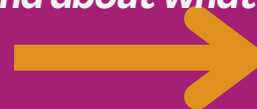


On August 24th, President Biden announced the launch of a three part debt relief program that aims to eliminate some debt held by working-class families across the nation. The plan stands as a compromise to his original campaign promise to cancel ALL undergraduate student loan debt, betraying the longstanding demands of organizations like San Francisco Rising and the Debt Collective that have been working tirelessly for years to abolish ALL debt for everyone.

While the plan makes some progress by aiming to cancel debt for roughly 20 million people, 28 million people will still be left with an immense amount of debt.

Making matters worse, on November 11th, a federal judge in Texas who was appointed by Trump blocked the program, preventing 16 million people who had their applications approved from having their debt cancelled and halting millions of other students like us from applying in the first place. **Biden has the power to circumvent this order to immediately cancel ALL federal student debt under the 1965 Higher Education Act.**

***Wondering what the court order means for your application, how you can pressure Biden to push back against the court order and about what the plan offers? Check out the FAQs on the back!***



## *How much debt does the plan cancel?*

1

The plan cancels up to **\$20,000** of federal student loan debt for pell grant recipients and **\$10,000** for non-pell grant recipients. This means that if you have taken out pell grants from the department of education and have at least 20,000 of debt, you can have 20,000 of your debt canceled.

## *Do I qualify?*

2

If you make less than **125,000** as an individual or **250,000** as a married couple than you qualify. The plan also includes the cancellation of federal parent PLUS loans and graduate school loans.

## *What else does the plan offer?*

3

Aside from direct debt cancellation, the plan implements a new income driven repayment plan that cuts monthly loan payments by \$1,000 and **extends the Federal Loan payment pause through Dec 31. This means that loan re-payments will continue in January of 2023.** The plan also imposes a rule that borrowers who have worked at a nonprofit, in the military, or in federal, state, tribal, or local government, receive appropriate credit toward loan forgiveness.

These improvements will build on temporary changes the Department of Education has already made to Public Service Loan Forgiveness (PSLF) under which more than 175,000 public servants have already had more than \$10 billion in loan forgiveness approved.

4

## *How do I apply?*

To apply for debt cancellation, you can visit the Federal Student Aid website at <https://studentaid.gov/debt-relief/application>. Reminder that because of the recent court order, no one can apply until further notice by the administration.

5

## *If I already applied, will I still be able to get my debt cancelled with the recent court order?*

The Department of Justice immediately appealed to the 5th US Circuit Court of Appeals but that case will have to be decided before the Biden administration will cancel any federal student loan debt under the program. Because Biden refuses to invoke his authority granted by the Higher Education Acts, borrowers will have to wait for the government's appeal to the 5th Circuit Court.

Despite the challenges that come with keeping up with all the various legal challenges to the program, you can subscribe for updates from the Department of Education and check the Federal Student Aid website for further information in the coming weeks.

6

## *How can I take action to combat the recent court order?*

- Join the debt collective's debt strike here: <http://bitly.ws/wGF9>
- Follow SFR Rising on Instagram @sanfrancisco\_rising and check out our website at [sfrising.org](http://sfrising.org) and join our student organizing!