

September 14, 2023

The Honorable Kevin McCarthy  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Hakeem Jeffries  
Democratic Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Virginia Foxx  
Chair, Committee on Education and the Workforce  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Bobby Scott  
Ranking Member, Committee on Education and the Workforce  
U.S. House of Representatives  
Washington, DC 20515

Dear Speaker McCarthy, Leader Jeffries, Chair Foxx, and Ranking Member Scott:

The below signers representing students, workers, civil rights organizations, consumers, and researchers write in strong opposition to bicameral efforts to use the Congressional Review Act (CRA) to overturn the Biden-Harris Administration's new rule implementing the Saving on a Valuable Education (SAVE) Plan for federal student loan borrowers.

Millions of borrowers — many of whom are facing significant financial struggles — are anticipating their first student loan bill since the start of the COVID-19 pandemic. The Consumer Financial Protection Bureau [found](#) that about one in five borrowers have risk factors that suggest they could struggle when payments resume.

Income-driven repayment (IDR) plans are a key safety net; borrowers enrolled in IDR plans default at much lower rates than those in non-IDR plans. But for too many borrowers, these plans were not working well enough to protect them from hardship. Many borrowers struggled to navigate the bureaucratic hurdles of enrolling in and staying enrolled in a plan. And even for those who were enrolled, their monthly payments were often too high. In addition, due to interest accrual, many borrowers watched their balances balloon despite making on-time payments for years.

To address these design flaws, the Biden-Harris Administration created the [SAVE Plan](#), which will provide meaningful financial relief to borrowers and help ease their transition back into repayment. More than four million borrowers are [already enrolled](#) in the plan, and tens of millions more are eligible.

The SAVE Plan targets benefits to low- and moderate-income borrowers by lowering their monthly loan payments and protecting more of their income — up to 225% of the federal poverty level — to enable them to better cover basic needs such as food, housing, and child care. For [example](#), under the SAVE Plan, a single borrower who makes up to approximately \$15 per hour will have a \$0 monthly payment. Borrowers earning above that amount would save around \$1,000 a year on their payments compared to other IDR plans, according to the White House.

The SAVE Plan also ensures that borrowers never see their balance grow as long as they keep up with their required payments. It also offers a clearer and faster pathway to debt relief for borrowers with smaller debts; the White House estimates this change will mean that 85% of community college borrowers will be debt-free within 10 years.

We strongly urge lawmakers to vote against this harmful resolution (H.J.Res.88) and to instead support the administration's efforts to better protect millions of current and future borrowers from financial harm.

Sincerely,

American Association of University Women  
American Federation of State, County and Municipal Employees (AFSCME)  
American Federation of Teachers  
Americans for Financial Reform  
Arizona Students' Association  
Associated Students of the University of California Office of the External Affairs Vice President  
Associated Students of UC Irvine Office of the President  
Associated Students of UC Riverside Office of the Vice President of External Affairs  
Campaign for College Opportunity  
Center for American Progress  
Center for Law and Social Policy (CLASP)  
Clearinghouse on Women's Issues  
Consumer Action  
Feminist Majority Foundation  
Indigenous Education, Inc.  
John Burton Advocates for Youth  
NAACP  
NACAC  
National Consumer Law Center (on behalf of its low-income clients)  
National Education Association  
National Urban League  
New America Higher Education Program  
NextGen California  
Northern California College Promise Coalition (NCCPC)  
Ohio Student Association  
Oregon Student Association  
Project on Predatory Student Lending  
Public Citizen  
Service Employees International Union (SEIU)  
Student Borrower Protection Center

Student Debt Crisis Center  
Student Senate of California Community Colleges  
The Century Foundation Higher Education Team  
The Education Trust  
The Hope Center at Temple University  
The Institute for College Access & Success (TICAS)  
uAspire  
UCSB External Vice President for Statewide Affairs  
UNITE-LA  
University of Rochester Students' Association  
Women Employed  
Wyman Center, Inc.  
Young Invincibles