NATIONAL EDUCATION ASSOCIATION

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December 5, 2023

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the National Education Association's 3 million members and the 50 million students they teach and support in public schools and colleges, we urge you to vote NO on H.J.Res.88, as the Senate has already done. The resolution would use the Congressional Review Act to overturn the Biden-Harris Administration's new rule implementing the Saving on a Valuable Education (SAVE) Plan for federal student loan borrowers. Votes on this issue may be included in the NEA Report Card for the 118th Congress.

Millions of borrowers — many of whom are facing significant financial struggles — are coping with their first student loan bills since the COVID-19 pandemic. The Consumer Financial Protection Bureau found that about 1 in 5 borrowers has risk factors that suggest they will struggle with the resumption of payments. 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. However, 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. 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.

NEA's 2021 report on student loan debt found that no segment of the educator workforce is spared the burden of student loan debt. NEA's 2021 report on student loan debt found that no segment of the educator workforce is spared the burden of student loan debt. Four out of 10 educators said struggling to pay off their loans and financial worries about the loans were negatively affecting their physical, mental, and emotional well-being.

The Biden-Harris administration created the SAVE Plan to provide meaningful financial relief to borrowers and help ease their transition back to repayment. More than 4 million borrowers are already enrolled and tens of millions more, including educators, are eligible. The SAVE Plan is crucial for educators and other public sector workers, because being enrolled in an IDR is an essential requirement for those seeking Public Service Loan Forgiveness.

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. It also ensures that borrowers never see their balance grow as long as they keep up with their required payments. The White House estimates this change will mean that 85% of community college borrowers will be debt-free within 10 years. That would not only improve the lives and financial future of the borrowers themselves; it has the potential to change the trajectory for their entire families.

Most Americans—even those without student loans—understand the severity of the student debt crisis and how it affects those they love. Please vote NO on H.J.Res.88 and support the administration's efforts to protect millions of current and future borrowers from financial harm.

Sincerely,

Marc Egan

Marc Egan
Director of Government Relations
National Education Association