



SCOTUS VS. STUDENT LOAN DEBT

Rachel Delgado

APRIL 2023

Legal Watch

On February 28th, 2023, the conservative majority Supreme Court heard oral arguments for over three hours on whether or not President Biden has the executive authority under the Heroes Act to provide federal loan relief to more than 43 million borrowers. This legal challenge is being brought by 6 GOP led states: Arkansas, Iowa, Kansas, Missouri, Nebraska, and South Carolina. There is a second legal challenge brought by two individuals who have commercial rather than federal loans under the case of Department of Education v. Brown.

The main arguments made by the states is that Missouri Higher Education Loan Authority's (Mohela) revenue would be undercut if relief is granted, meaning that Missouri, in particular, would see a reduction in financial aid. In response, Justices Kagan and Sotomayor questioned whether Missouri had standing if what they are arguing means Mohela has an injury, and in that case, Missouri cannot bring a case forth on someone else's behalf. Other justices were skeptical of the administration's reliance on the Heroes Act and focused on the text of the act itself.

The individuals that filed a case argued that if the administration followed proper federal agency procedures, they could have been able advocate and weigh in on a plan that allowed them to benefit from. Justice Sotomayor commented that the language of the act does not allow for public opinion. The government went on to argue that the individuals did not have standing while the attorneys for the individuals argued that they do have standing to challenge the program if they can prove they were to benefit from the relief program. Airing from this discussion was the concern of fairness, brought by the more conservative justices. Chief Justice Roberts made a relevant comment on the government spending and its relevance to Congress, rather than the courts.

Despite what is said by the justices, their final opinions will not be released until late June or early July. Until then, millions of Americans can only hope SCOTUS rules in a way that favors them, especially those that are first-generation and from low-income families. This brings us to the discussion of the US education system and policies: they have always been flawed, especially when it comes to minorities. According to Linda Darling-Hammond, "the U.S. educational system is one of the most unequal in the industrialized world, and students routinely receive dramatically different learning opportunities based on their social status." Loans are one of many structural systemic barriers to education in the recent century; loaning thousands of dollars to 18-year-olds with no credit nor the ability to even buy alcohol goes against any so-called American values. Low-cost, or even free, higher education would put the US far ahead of other countries in regards to higher education. For now though, we hope that loan relief is within reach as it will be a huge investment in our students as many willingly did not pursue graduate studies, fearing crippling debt, since the pandemic.