



## The Daily Dish

# No Relief for Congress on Student Loans

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Today the Supreme Court will release its decision on President Biden's student loan forgiveness. Notably, regardless of where the Court comes down, the ball will be in Congress' court.

One possibility is that the Court will dismiss the case because the plaintiffs did not have standing to sue. In this case, only Congress can step in and get the policy right. The president's student loan forgiveness is manifestly unfair to those borrowers who honored their contracts and is tilted toward the affluent among those who receive forgiveness. It is bad education policy, putting in place bad incentives to borrow too much in the future (in anticipation of another forgiveness), and does so without any educational benefits to offset the costs. It usurps powers that should be reserved for Congress, which should step in and fix the policy. As Eakinomics noted [earlier](#), Congress is prepared to do so.

Alternatively, the Court could conclude that this policy falls under the major questions doctrine strengthened in *EPA v. West Virginia*, meaning that only Congress has the authority to take such an important step. Once again, the ball will be in Congress' court.

Finally, the Court may decide that the president did not have the explicit authority to undertake forgiveness, and his attempt to fabricate the authority out of a 2003 law intended for veterans of Middle East military service was not legitimate. Again, it will be up to Congress to take any action.

In the latter two instances, Congress could elect to do nothing. But the gutting of the program's integrity with COVID-19 repayment suspensions, loan forgiveness, and a series of Income Driven Repayment schemes has left the student loan program in shambles. It is time for Congress to put it back in order.