

NEW YORK, NY (June 30, 2023) – Today, the U.S. Supreme Court ruled to strike down President Biden’s Student Debt Forgiveness Plan, a program that erases as much as \$10,000 in debt for those who make \$125,000. As many as 43 million borrowers stood to benefit from the plan, which was blocked by a federal trial judge last year.

Below is a statement from Johnson Tyler, a consumer attorney at Legal Services NYC, on the impact of the today's ruling on low-income borrowers:

“Today’s Supreme Court decision condemns millions of borrowers to a lifetime of repaying student debts they cannot afford to repay. Some of these borrowers went to for-profit schools that exploited lax lending rules and left them with no marketable skills. Others went to legitimate schools but dropped out when a parent got sick or lost their job. Many work as cashiers, nursing assistants, baristas, Uber drivers, and office receptionists and nearly all of them, and their families, will continue to suffer setbacks and go without basic human needs, including food, shelter, and medications. They will face decades of collection activity, including the reduction of their Social Security when they retire or become disabled, and will forever be burdened by a debt they cannot repay due to steep interest rates and complicated repayment structures. As the nation’s largest provider of free legal services, we will continue to help low-income borrowers structure payment plans in a way that allows them to live their life, but they will forever be burdened by a mountain of debt that will never go away.”

###