# Biden Administration Grants $7.7 Billion in Student Loan Debt Relief; MOHELA Faces Criticism



**Biden Administration Announces New Student Loan Debt Forgiveness**

The U.S. Department of Education announced that over 160,000 student loan borrowers will have their balances canceled, culminating in $167 billion in debt forgiveness under the Biden administration's policies. This latest round, totaling $7.7 billion, significantly impacts public servants, low-income borrowers, and those with longstanding student debt.

Public Service Loan Forgiveness (PSLF) will provide the largest relief to 66,900 public servants. By easing PSLF rules in 2022, the administration facilitated a smoother path to loan forgiveness. Additionally, 54,300 borrowers on Biden’s Saving on a Valuable Education (Save) repayment plan, designed to adjust payments based on earnings and family size, will also have their debt forgiven. Lastly, 39,200 borrowers in repayment for over 20-25 years will benefit from an Income-Driven Repayment (IDR) plan adjustment.

President Biden has asserted his commitment to making higher education financially accessible and continued efforts against Republican opposition. Despite Supreme Court rulings and lawsuits attempting to curtail these relief measures, the administration stands firm on the economic benefits of student loan forgiveness.

In related news, MOHELA, the Missouri Higher Education Loan Authority, faces calls for termination from Congress members and advocacy groups due to widespread mismanagement complaints. Issues cited include long wait times, lost paperwork, and sudden appearance of debts. MOHELA’s handling of the PSLF program and student loan repayments restarting in October 2022 drew significant criticism. Congresswoman Ayanna Pressley and Senator Ed Markey were among those advocating for MOHELA’s accountability, with Federal Student Aid set to take over the program management.