

**Opening Statement of Ranking Member Frederica Wilson (FL-24)**

Subcommittee on Higher Education and Workforce Development

*“Breaking the System Part II: Examining the Implications of Biden’s Student Loan Policies  
for Students and Taxpayers”*

2175 Rayburn House Office Building

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Thank you, Chairman Owens, and good morning. Thank you, Under Secretary Kvaal and Mr. Cordray, for taking the time to provide us with your testimony. Welcome to the education committee.

Before I begin, we need to acknowledge that today marks the one-year anniversary of the horrific killing of 19 children and two educators in Uvalde, Texas.

There is no excuse.

We need to put politics aside and prevent these tragedies from taking the lives of our children. No more. No more. As a nation, we must do all that we can.

During the Biden administration, the Office of Federal Student Aid has taken historic steps to end the student debt crisis.

President Biden has held steadfast in delivering his plan to forgive up to \$20,000 in outstanding federal student loan debt.

Unfortunately, Republicans are denying students—including an estimated 114,000 borrowers in my personal district—the relief they urgently need.

My Republican colleagues say, “Too bad, deal with it, suck it up” – even though they were willing to charge taxpayers \$1.9 trillion for a package of tax cuts that overwhelmingly benefited large corporations and the wealthy.

This is hypocrisy, plain and simple.

My Republican colleagues are unwilling to support their own constituents – roughly 20 million student borrowers.

They have dedicated this hearing to attacking mostly middle-income borrowers who would benefit from student debt forgiveness while our country rapidly approaches default.

This century, alone, we’ve raised the debt ceiling 21 times. But my Republican colleagues seem to believe that threatening to default is an appropriate strategy to achieve their extremist agenda.

Due to the GOP's recklessness, Americans in districts served by Republican members of this subcommittee are at risk of losing their jobs—93,500 across their districts, just their districts.

Over 1,300,000 households in these districts are at risk of not receiving their Social Security checks—listen up, their Social Security checks are at risk.

In contrast, House Democrats remain committed to tackling the core problems that caused the student debt crisis in the first place: the declining value of the Pell Grant, chronic state disinvestment in public higher education, and our flawed student loan system.

The student debt crisis affects Americans of all ages.

A constituent in my district recently emailed me to share that, as a senior citizen, he's still struggling with more than \$100,000 in student debt due to loan interest capitalization.

His story, and many others from my constituents, led me to introduce the *Lowering Obstacles to Achievement Now (LOAN) Act*.

The *LOAN Act*:

- Doubles the Pell Grant;
- Improves the Public Service Loan Forgiveness program;
- Caps interest rates on new loans at five percent; and
- Makes other critical reforms to make our student loan system work for students.

Simply put, the *LOAN Act* will make student loans cheaper to take out and easier to pay off—now and in the future.

We cannot afford to continue leaving our constituents behind by failing to end the student debt crisis.

Under Secretary Kvaal and Mr. Cordray, I look forward to discussing how legislation, like the *LOAN Act*, would build on your work to deliver on our promise to student loan borrowers, their families, and our economy.