

April 13, 2021

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

The Honorable Kamala D. Harris
Vice President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Biden and Vice President Harris,

We, the 416 undersigned community, civil rights, climate, health, consumer, labor, food and farm, and student advocacy organizations write to urge you to boost the economy, tackle racial disparities, and provide much-needed stimulus to help all Americans weather the pandemic and the associated recession by using executive authority to cancel federal student debt immediately.

Before the COVID-19 public health crisis began, student debt was already a drag on the national economy, weighing heaviest on Black and Latinx communities, as well as women. That weight is likely to be exponentially magnified given the disproportionate toll that COVID-19 is taking on both the health and economic security of people of color and women. To minimize the harm to the next generation and help narrow the racial and gender wealth gaps, bold and immediate action is needed to protect student loan borrowers, including Parent PLUS borrowers, by cancelling existing debt.

There is growing energy and strong bipartisan public support for immediate broad-based debt cancellation. Such executive action is one of the few available tools that could immediately provide a boost to upwards of 44 million borrowers and the economy. Lawmakers and advocacy groups have introduced several proposals to provide various levels of student debt cancellation. In February, Senate Minority Leader Chuck Schumer, Senator Elizabeth Warren, House Financial Services Chairwoman Maxine Waters, and Representatives Ayanna Pressley, Alma Adams, Ilhan Omar, Jamaal Bowman, Mondaire Jones, and Ritchie Torres introduced a bicameral resolution calling on the President to use executive action to cancel \$50,000 in

federal student loans for individual borrowers.¹ They were joined by 14 other Senators and 51 other Representatives, and received the support of a multi-state group of attorneys general.² The resolution highlights that the Higher Education Act empowers the Secretary of Education to cancel federal student debt administratively.

During the campaign, you endorsed \$10,000 of relief while Congress negotiated the CARES Act, and subsequently promised to provide broad student debt cancellation “immediately” as a coronavirus response. Administrative debt cancellation will deliver real progress on your racial equity, economic recovery, and COVID-19 relief campaign priorities.

Student debt exacerbates existing racial inequities; cancellation will help reduce the racial wealth gap. The disproportionate impact of student debt on borrowers of color exacerbates existing systemic inequities and widens the racial wealth gap. Black Americans—and particularly Black women—are more likely to take on student loan debt and struggle with repayment. This burden is particularly acute for those Black students who are targeted by for-profit institutions, which also target veterans and often deliver poor instructional quality and outcomes at a high cost, causing a high proportion of students to drop out. Even for those students who do graduate, gainful employment in the field that they trained for is frequently elusive, leaving students with a lot of debt but not much to show for it. Student debt cancellation has the potential to increase the net wealth of Black households and could even help reduce the racial wealth gap.

Cancellation will provide a much-needed economic stimulus. Today’s graduates face a dual crisis: in addition to the ongoing stagnation of wages, the pandemic has impacted their ability to earn income. Students who graduate into a recession face a “scarring” effect on their entire careers, leading to permanently lower employment and earnings. Data from before the pandemic showed that when subtracting all of their debts from all of their assets, today’s young adults with college degrees and student debt were left with a *median net wealth of -\$1,900* – a decline of approximately \$9,000 from 2013. Student debt also impacts seniors, the nation’s fastest-growing group of student debtors. 37% of seniors with student loans are in default, and in 2015 alone, 40,000 borrowers over 65 had their Social Security garnished due to student loans. The mere presence of student debt on households’ balance sheets can make it harder or more expensive for families to get other types of credit and fully participate in the economy. Meanwhile, research shows that student debt cancellation catalyzes drastic, positive changes for borrowers, particularly for those not current on their loans. When borrowers’ student debt is

1

<https://www.warren.senate.gov/newsroom/press-releases/warren-schumer-pressley-colleagues-president-biden-can-and-should-use-executive-action-to-cancel-up-to-50000-in-federal-student-loan-debt-immediately>

2

https://ag.ny.gov/sites/default/files/multistate_letter_in_support_of_administrative_student_debt_cancellation_final.pdf

cancelled, their ability to pay down other debts increases; their geographic mobility and ability to stay in rural communities improves, as do their opportunities to pursue better jobs.

Cancelling student debt would jumpstart small business formation at a time when tens of thousands of small businesses have closed. These small business closures have most affected Black and Latinx business owners. Student debt cancellation would boost GDP, create jobs, and reduce unemployment.

Federal student debt cancellation could have a positive impact on health outcomes. A growing body of research suggests that debt is linked to negative health outcomes and contributes to existing public health disparities. Debt is associated with negative mental and physical health outcomes such as stress, depression, worse self-reported general health, higher diastolic blood pressure, obesity, and even mortality. High blood pressure and obesity, in particular, are both mentioned by the Centers for Disease Control and Prevention (CDC) as conditions that can increase the risk of severe illness from the virus that causes COVID-19. Another study found a connection between debt and foregone medical care. Thus, broad-based student debt cancellation could have profound positive effects on health outcomes.

Cancelling student debt would disproportionately help borrowers of color, respond to the coronavirus crisis, and provide much needed economic relief and stimulus. We call on you to deliver on the promise of the Biden-Harris Racial Economic Equity plan by cancelling federal student debt by executive action immediately.

Thank you for your leadership, and we look forward to working with you to address the critical issues facing our nation.

Sincerely,

National groups:

350.org
ACLU
Action Center on Race and the Economy (ACRE)
Advocates for Youth
Affordable Homeownership Foundation, Inc.
African American Ministers In Action
AFT Local 1904--Montclair State University
AFT- Local 5222
Agroecology Research-Action Collective

Alliance for Youth Action
American Academy of Social Work & Social Welfare (AASWSW)
American Association of Colleges for Teacher Education
American Association of University Professors (AAUP)
American Association of University Women (AAUW)
American Economic Liberties Project
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers
American Medical Student Association
American Psychological Association
Americans for Democratic Action (ADA)
Americans for Financial Reform
Asian Pacific American Labor Alliance, AFL-CIO
Asset Funders Network
Association of Flight Attendants-CWA
Association of Latino Administrators and Superintendents
Augustus F. Hawkins Foundation
Autistic Women & Nonbinary Network
Bayard Rustin Liberation Initiative
Bend the Arc: Jewish Action
Campaign for America's Future
Center for American Progress
Center for Justice & Democracy
Center for Law and Social Policy (CLASP)
Center for LGBTQ Economic Advancement & Research
Center for Responsible Lending
CFPB Union NTEU 335
Change to Win
Children's Defense Fund
Clearinghouse on Women's Issues
Coalition on Human Needs
Color Of Change
Communications Workers of America
Community Organizing and Family Issues
Community Oriented Correctional Health Services (COCHS)
Consumer Federation of America
Consumer Reports
Council on Social Work Education
Demand Progress
Demos
Disability Rights Education & Defense Fund (DREDF)
Engage Foundation Inc
EMPath: Economic Mobility Pathways
Faith in Action National Network

Family Equality
Food Insight Group
Forum for Youth Investment
Franciscan Action Network
Friends of the Earth U.S.
Fund for Community Reparations for Autistic People of Color's Interdependence, Survival, & Empowerment
Generation Progress
Girls Inc.
Greenpeace
Groundwork Action
HEAL (Health, Environment, Agriculture, Labor) Food Alliance
Hip Hop Caucus
Hispanic Federation
Human Impact Partners
IfNotNow
In Our Own Voice: National Black Women's Reproductive Justice Agenda
Indivisible
Insight Center for Community Economic Development
Invest in Women Entrepreneurs
Japanese American Citizens League
JFI - Jain Family Institute
Jobs With Justice
Labor Council For Latin American Advancement
Lawyers for Good Government (L4GG)
League of United Latin American Citizens (LULAC)
Legal Aid at Work
Liberation in a Generation
Main Street Alliance
Media Voices for Children
Minority Veterans of America
MomsRising
MoveOn
MyPath
NAACP
NACBHDD - National Association of County Behavioral Health and Developmental Disability Directors
NARMH - National Association for Rural Mental Health
National Action Network
National Advocacy Center of the Sisters of the Good Shepherd
National Alliance for Partnerships in Equity (NAPE)
National Association for College Admission Counseling
National Association for Latino Community Asset Builders
National Association of Consumer Advocates

National Association of Consumer Bankruptcy Attorneys (NACBA)
National Association of Social Workers (NASW)
National Black Justice Coalition
National Center for Law and Economic Justice
National Center for Lesbian Rights
National Children's Campaign
National Coalition for the Homeless
National Community Reinvestment Coalition (NCRC)
National Consumer Law Center (on behalf of its low-income clients)
National Council of Asian Pacific Americans (NCAPA)
National Disability Rights Network (NDRN)
National Domestic Violence Hotline
National Education Association
National Employment Law Project
National Equality Action Team (NEAT)
National Fair Housing Alliance
National Immigration Law Center
National Indigenous Women's Resource Center
National Latino Farmers & Ranchers Trade Association
National League for Nursing
National Partnership for Women & Families
National Resource Center on Domestic Violence
National Sustainable Agriculture Coalition
National Urban League
National WIC Association
National Women's Law Center
National Young Farmers Coalition
NETWORK Lobby for Catholic Social Justice
New Entry Sustainable Farming Project
NextGen America
Nonprofit Professional Employees Union, IFPTE Local 70
OCA – Asian Pacific American Advocates
Oil Change U.S.
Organic Consumers Association
Our Revolution
Parents Organized to Win, Educate and Renew – Policy Action Council
ParentsTogether
PDK International
People For the American Way
People's Action
People's Parity Project
Poverty & Race Research Action Council
Progressive Change Campaign Committee (BoldProgressives.org)
Progressive Leadership Initiative

Project on Predatory Student Lending
Protect All Children's Environment
PsychArmor
Public Advocacy for Kids (PAK)
Public Citizen
Public Counsel
Public Good Law Center
Rachel Carson Council
Restaurant Opportunities Centers United
Revolving Door Project
Rise
SaverLife
School Social Work Association of America
Service Employees International Union (SEIU)
Sikh American Legal Defense and Education Fund (SALDEF)
SisterSong National Women of Color Reproductive Justice Collective
Social Security Works
Social Work Helper PBC
Southeast Asia Resource Action Center (SEARAC)
Southern Rural Black Women's Initiative for Economic and Social Justice
SparkAction
Student Action
Student Borrower Protection Center
Student Debt Crisis
Student Defense
Student Voice
SumOfUs
Sunrise Movement
Swipe Out Hunger
Take on Wall Street
Tax March
The Climate Mobilization
The Coalition of Labor Union Women
The Congress of Essential Workers
The Debt Collective
The Education Trust
The Feminist Front (FF)
The Forum for Youth Investment
They Keep Bees
Towards Justice
U.S. Federation of Worker Cooperatives
UE, United Electrical, Radio and Machine Workers of America
UnidosUS
United Church of Christ, Justice and Local Church Ministries

United for a Fair Economy
United for Respect
United Parents And Students
United State of Women
United States Student Association
UnKoch My Campus
URGE: Unite for Reproductive & Gender Equity
Voices for Progress
Women Advancing Nutrition Dietetics and Agriculture
Working Families Party
Young Invincibles
YWCA USA

State and Local groups:

AAFF South Region
ACTION Tulsa
AFGE Local 3354 (AFL-CIO)
AFGE Local 704
AFSCME 3299
AFT-Oregon
AKPIRG
Alaska PIRG
Alliance of Rhode Island Southeast Asians for Education (ARISE)
Amara Legal Center
American Federation of Teachers, Local 2274 Ramapo College of New Jersey
American Federation of Teachers, Washington
Anti-Poverty Network of New Jersey
Arkansas Community Institute
Arkansas Community Organizations
Asian American Resource Workshop
Association of Legal Aid Attorneys - UAW Local 2325
Black Leaders Organizing for Communities (BLOC)
Bucks County Womens Advocacy Coalition
California LULAC
Cambodian Association of Greater Philadelphia
Cambodian Mutual Assistance Association of Greater Lowell, Inc.
Campus Action for Democracy
Carolina Jews for Justice
CASA
Cascadia Community College Federation of Teachers, AFT-Local 6191
Cash Campaign of Maryland
Center for Economic Integrity
Center for Popular Democracy Action

Central Florida Jobs with Justice
Charlotte Center for Legal Advocacy
Chicago Foundation for Women
Chicago Jobs with Justice
Chicago United for Equity
Chicago Urban League
Children's Defense Fund Southern Regional Office
Children's Defense Fund-CA
Chinese-American Planning Council (CPC)
Church Women United in New York State
Citizen Action of Wisconsin
CitySeed
Civil Service Bar Association
Cleveland Jobs with Justice
coasap
Colorado Jobs with Justice
Communities for Our Colleges, WA
Community Health Councils
Community Legal Advocates of NY
Community Legal Services, Inc. of Philadelphia
Community Service Society of New York
Community Voices Heard
Comprehensive Youth Services Inc.
Consumer Federation of California
Convencion Bautista Hispana de Texas
Cooperative Baptist Fellowship of Texas
Cultiva La Salud
Debt-Free MD, INC.
Delaware Association of Colleges for Teacher Education
Delaware Campaign for Achievement Now
Delaware Community Reinvestment Action Council, Inc.
Denver Area Labor Federation, AFL-CIO
East Bay Community Law Center
Education Minnesota
Empire Justice Center
Equality North Carolina
Every Texan
Evolve California
Fayetteville Police Accountability Community Taskforce
Florida Asian Services
Florida Asian Women Alliance
Florida Student Power Network
Forward Montana
Fossil Fuel Divest Harvard

Fresno Building Healthy Communities
Friendship of Women, Inc.
Generation Hope
Georgia Association of Colleges for Teacher Education (GACTE)
Georgia Watch
Grassroots Action NY
Greenlining Institute
Henry Ford College Fed of Teachers, AFT 1650
Hildreth Institute
Homeless and Housing Coalition of Kentucky
Hometown Action
Hoosier Action
Housing and Economic Rights Advocates
Hudson County Central Labor Council
IFPTE Local 194
Improve Your Tomorrow
Indivisible San Diego
Inversant
Iowa Citizens for Community Improvement
Iowa Student Action
Jacksonville Area Legal Aid, Inc.
Just-A-Start Corporation
Kanawha Valley National Organization for Women
Kentucky Center for Economic Policy
LatinxED
Leaders Igniting Transformation
Leadership Counsel for Justice and Accountability
Legal Aid Society of Milwaukee
Legal Aid Society of the District of Columbia
Legal Services Staff Association, NOLSW/UAW 2320
Long Beach Alliance for Clean Energy
Los Amigos of Orange County
Louisiana Budget Project
LSCNY, Inc.
LULAC of Simi Valley
MAHA
Maine Center for Economic Policy
Mainers for Accountable Leadership
Maryland Association of Colleges for Teacher Education
Maryland Consumer Rights Coalition
Massachusetts Affordable Housing Alliance
Massachusetts Budget and Policy Center
Massachusetts Communities Action Network
Massachusetts Jobs with Justice

MD Chapter, NASW
Miami Valley Fair Housing Center, Inc.
Michigan Poverty Law Program
Millennial Rhode Island
Mission Possible Community Services, Inc.
Mississippi Center for Justice
Mobilization for Justice
Montana Fair Housing
Morgantown Pastoral Counseling Center, Inc.
Mountain State Justice
MS Black Women's Roundtable and MS Women's Economic Security Initiative
National Association of Social Workers New Hampshire Chapter
National Association of Social Workers New Mexico Chapter
National Association of Social Workers Vermont Chapter
National Association of Social Workers, California Chapter
National Council on Alcoholism and Drug Dependence-Maryland Chapter
NC Climate Justice Collective
Network for Victim Recovery of DC
New Economics for Women
New Economy Project
New Energy Economy
New Era Colorado
New Georgia Project Action Fund
New Hampshire Youth Movement
New Jersey Advocates of Education (NJAE)
New Jersey Association of Mental Health and Addiction Agencies, Inc.
New Jersey Citizen Action
New Jersey Institute for Social Justice
New York Legal Assistance Group (NYLAG)
New York Public Interest Research Group (NYPIRG)
NextGen California
NJ Communities United
North Carolina Council of Churches
Northeast Organic Farming Association-Interstate Council (NOFA-IC)
Northeast Sustainable Agriculture Working Group
OCA - Asian Pacific American Advocates: San Francisco Chapter
OCA Asian Pacific Advocates - Greater Seattle
OCA Greater Chicago
OCA Greater Cleveland - Asian Pacific American Advocates
OCA South Florida Chapter
Ohio Student Association
Oklahoma Association of Colleges for Teacher Education (OACTE)
Olive Hill Community Economic Development Corporation, Inc
Our Revolution Michigan

PA Stands Up
Pennsylvania Council of Churches
Piedmont Alliance for the Prevention of Substance Abuse (PAPSA)
Premier Women's Council
Progress Virginia
Progressive Leadership Alliance of Nevada
Public Higher Education Network of Massachusetts (PHENOM)
Public Justice Center
Public Law Center
Quiet Creek Herb Farm & School of Country Living
Reinvestment Partners
Rhode Island College AFT Local 1819
S.C. Appleseed Legal Justice Center
Save Us Now Inc
SEIU Local 500
SEIU Local 509
SOULS
Southern Echo Inc.
Southern Maryland Community Network
SPACES In Action
Strong Economy For All Coalition
SW Action
The Collaborative
The Freedom BLOC
The Health, Education and Legal assistance Project: A Medical-Legal Partnership at Widener
University Delaware Law School (HELP: MLP)
The Midas Collaborative
The New York Women's Foundation
THE ONE LESS FOUNDATION
The Recovery Council
Triangle Community Foundation
Tzedek DC
United Action for Idaho
United College Employees of FIT
United Vision for Idaho
United Way of Greater Greensboro
United Way of Southern Cameron County
Unity Fellowship of Christ Church NYC
University of California Student Association
Virginia Association of Colleges for Teacher Education (VACTE)
Virginia Organizing
VOCAL-NY
VOICE - OKC
Washington Bar Association

Washington Bar Association, Young Lawyers Division
Wayne State University, AAUP-AFT Local 6075
We All Rise
West Virginia Center on Budget and Policy
Western Center on Law and Poverty
Wisconsin Faith Voices for Justice
Wisconsin Network for Peace and Justice
Women Employed
Women's March Ann Arbor
Women's Rights and Empowerment Network
Women's Foundation of Arkansas
Women's Foundation of Minnesota
Women's Fund of Rhode Island
WV Citizen Action Education Fund
YWCA Great Falls
Zero Debt Massachusetts
Zonta Club of Concord, NH