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Florida Attorney General's Office News Release

Attorney General Moody Fights Back Against Latest Biden Attempt to Make Taxpayers Pay for Others' Student Loan Debt



TALLAHASSEE, Fla.—Attorney General Ashley Moody is fighting back against Biden's latest federal overreach attempt. Attorney General Moody, along with 22 other attorneys general, is challenging the Biden administration's fourth unlawful attempt to saddle working Americans with someone else's student loan debt.

Attorney General Ashley Moody said, "Biden clearly does not believe in accountability or the American judicial system. He pardoned his felony-convicted son, and he continues to try and force hardworking Americans to pay off the student loans of others – even though we challenged these unlawful policies all the way up to the U.S. Supreme Court and won."

The U.S. Department of Education's new Proposed Rule allows the Secretary to use this purported authority to establish new loan balance waivers for borrowers deemed to be "experiencing or has experienced hardship related to [their] loan." Additionally, the Proposed Rule gives the Secretary authority to cancel debt of borrowers who have \$0 monthly payments, as even the mere "existence of the debt itself" causes "hardship."

Attorney General Moody and the coalition urges DOE to withdraw the rule because:

- It seizes authority for the Secretary that is not statutorily prescribed by the Higher Education Act, and is currently enjoined;
- It violates separation-of-power principles under the major questions doctrine;
- It includes flawed cost estimates;
- It is based on a statutorily-deficient negotiated rulemaking process; and
- It seeks to implement a massive loan-forgiveness scheme during a lame-duck presidential administration.

In a letter to Secretary of Education Miguel Cardona, Attorney General Moody and the coalition write, "Everyone from the Supreme Court, to President Joe Biden, to former Speaker of the House Nancy Pelosi has publicly acknowledged that you do not have the authority to forgive debt except in the limited ways Congress clearly outlined. You must adhere to these warnings and follow the law."

The coalition writes, "The Proposed Rule states that 'shortly after finalizing and implementing these regulations, the Department could identify borrowers who would be eligible for waivers...and then would expeditiously choose whether to exercise discretion to provide such relief as part of a one-time action.' Such an outcome would fly in the face of the electorate's decision to change the party in charge of the Executive Branch."

Attorney General Moody and the states are asking DOE to withdraw the unauthorized rule to allow the new administration, changing Jan. 20, 2025, to determine the best course of action moving forward.

Attorney General Moody is joined by the following states in signing the letter: Alabama, Alaska, Arkansas, Georgia, Idaho, Indiana, Iowa, Kansas, Louisiana, Mississippi, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah and West Virginia.

Read the full letter here.

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