

## **Biden Administration Cancels \$1.2 Billion in Student Debt for More Than 150,000 Borrowers**

On Feb. 21, 2024, President Joe Biden [approved](#) \$1.2 billion in student debt cancellation for almost 153,000 borrowers currently enrolled in Saving on a Valuable Education (SAVE) repayment plans, an income-driven repayment program that bases a borrower's monthly payment on their income, lowering their financial burden. Originally planned for July, this approval relieves borrowers almost six months early.

The U.S. Department of Education (DOE) reports that borrowers who were enrolled in the SAVE plan for at least 10 years and originally borrowed \$12,000 or less for college are eligible for this new debt forgiveness. For every \$1,000 borrowed above \$12,000, a borrower can receive forgiveness after an additional year of payments.

Eligible borrowers will receive an email informing them of the debt forgiveness, according to the DOE. Borrowers who received emails this week about receiving relief through the SAVE program do not need to take any further action to receive loan forgiveness. Next week, the DOE plans to directly contact other borrowers who are eligible for early relief but not enrolled in the SAVE plan.

### **What's Next?**

While this debt forgiveness impacts many people with student loans, concerned borrowers can contact their loan servicer to confirm whether they qualify for student debt relief. Additionally, borrowers are encouraged to visit the DOE's website and [sign up to receive email and text updates](#) for the latest information.

We will keep you apprised of any notable updates from the current administration.

**“Bottom line is this: We’re providing real, immediate breathing room on an unacceptable reality where student loan payments compete with basic needs, like putting food on the table and accessing health care.”**

- *Education Secretary Miguel Cardona*