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.<sup>1</sup> They were joined by 14 other Senators and 51 other Representatives, and received the support of a multi-state group of attorneys general.<sup>2</sup> 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

<sup>1</sup> 

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

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)

**Emgage 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

MvPath

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