



Attorney General Raoul Calls For Full Cancellation Of Federal Student Loan Debt

May 4 2022 3:38 PM

CHICAGO – Attorney General Kwame Raoul today joined a multistate coalition of eight attorneys general urging President Biden to fully cancel federal student loan debt owed by every federal student loan borrower in the country. The coalition urges the president to immediately exercise his authority under the Higher Education Act to cancel the more than \$1.7 trillion owed to the federal government by student borrowers.



“Without action, the student loan crisis will continue to get worse, stifling economic activity and weighing down families with mountains of debt that they cannot afford to repay,” Raoul said. “While long-term reforms to the student loan system are desperately needed, I urge the Biden administration to take action that will provide immediate relief to student loan borrowers.”

[In their letter](#), Raoul and the coalition argue that a full cancellation of student debt is necessary to address the sheer enormity of debts owed, systemically flawed repayment and forgiveness systems and the disproportionate impact of the debt burden on millions of borrowers. While Raoul and other state attorneys general have taken key actions to ease debt burdens wherever possible, the coalition contends that only permanent action by the Biden administration can provide the widespread relief that is needed by millions of federal student loan borrowers.

The coalition further argues that the cancellation of federal student loan debts will reduce stress and mental fatigue and provide countless opportunities for borrowers, such as saving for retirement and purchasing new homes. Additionally, the attorneys general

argue that canceling federal student loan debt can substantially help close the racial wealth gap.

Today's comment letter builds off recent action taken by the Illinois Attorney General's office to protect student loan borrowers. In 2021, Raoul's Know Before You Owe legislation was enacted to address the lack of publicly-available data about private student loans in several ways, ensuring student borrowers have information about their federal aid eligibility before they turn to more costly private loans.

The Illinois Attorney General's office has long been a national leader in investigating and enforcing consumer protection violations in the higher education field. Raoul's office has secured more than \$160 million in relief for Illinois consumers defrauded by their schools, lenders, or servicers since 2019. Earlier this year, Raoul's office announced a \$1.85 billion national settlement with Navient that includes nearly \$5 million in restitution payments and more than \$133 million in debt cancelation for Illinois borrowers. In addition, Illinois will receive a direct payment under that settlement of more than \$7 million.

Student borrowers who have questions or are in need of assistance can call the Attorney General's Student Loan Helpline at (800) 455-2456. Borrowers can also file complaints on the [Attorney General's website](#).

Joining Raoul in sending today's comment letter are the attorneys general of Hawaii, Michigan, Minnesota, New Mexico, New York, Puerto Rico and Washington.