

Ending the student debt nightmare

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More than 43 million Americans have federal student loans, taking on debt so they can pursue opportunities, chase their dreams and, like my members, prepare for careers in service to others. Something is very wrong when these dreams and aspirations turn into nightmares. There's the physical therapist in an intensive care unit who heads home after each exhausting shift—to her mother's basement. The retired teacher whose Social Security check was garnished when she fell behind on loan payments. The school staff who adore children and would love to have their own but can barely support themselves after making their loan payments. Even something "small," like the teacher with young children who has never been able to afford to buy their school pictures, shows how overwhelming student debt can affect nearly every aspect of borrowers' lives.

The federal Public Service Loan Forgiveness program was designed to address this, incentivizing public service by enabling the discharge of student debt for nurses, teachers, firefighters and others in public service, after 10 years of making qualifying payments. As Rep. Ayanna Pressley said at a recent discussion about the state of student debt, PSLF is "how we care for the folks who care for us," and it helps recruit and retain people in these crucial professions. PSLF was a bipartisan promise made to people who choose this work, a promise that has been badly broken. During the Trump administration under former Education Secretary Betsy DeVos, 99 percent of all borrowers who applied for PSLF were denied.

This is not the AFT's first rodeo taking on unaffordable student debt. We sued the student loan giant Navient because the student loan industry made life hell for many borrowers. We sued Betsy DeVos for her refusal to make PSLF work. And we have made the case for something bigger: that everyone striving to improve their life, while struggling under crushing student debt, deserves relief.

President Joe Biden has done what other presidents could have done, but only he has: cancel student debt for 4 million borrowers eligible for relief. Last week, the Biden administration discharged another \$6 billion in student loan debt for 78,000 public service workers, bringing the total to more than \$62.5 billion for nearly 871,000 public service workers since Biden took office. This is life-changing relief for borrowers like Jessica Saint-Paul, a professor and physician assistant who just had her first child, and Keenan Jones, a teacher in Minnesota who can now save to send his daughter to college.

But loan servicers continue to put amassing profits over helping people. That's why last month, the AFT and the Student Borrower Protection Center released the results of a yearlong investigation into industry mismanagement of the student loan system—exposing a scheme by MOHELA, which has replaced Navient as the primary loan servicer responsible for all student loan borrowers, to deny service to millions of working people with student loan debt.

Student loan payments resumed in September 2023 after the pandemic-related pause. Our investigation estimates that a staggering 4 in 10 borrowers with student loans serviced by MOHELA have been hurt by its mismanagement and malfeasance since then.

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MOHELA currently has an eye-popping backlog of more than 800,000 unprocessed PSLF forms. Our investigation discovered an appalling companywide playbook featuring a "call deflection" strategy. Rather than striving to help borrowers resolve issues, the "call deflection" scheme

diverts borrowers away from customer service representatives—often to non-operative parts of the MOHELA website—even though many servicing functions can only be performed by a customer service representative.

Jeremy Doran, a high school English teacher and AFT member in New York, made more than 12 years of payments but was told by his loan servicer that half those years of payments did not count toward PSLF debt relief. MOHELA's "customer service" number is available only during limited weekday hours. Doran has spent countless hours on hold while teaching, trying to speak with a representative. The AFT is working to help Doran get the debt relief he is entitled to. And Sen. Elizabeth Warren has invited MOHELA's CEO to testify at a hearing on its performance as a student loan servicer.

Generations of young people have been advised, "Get a college education." While it's true that typical earnings for workers with a bachelor's degree are 84 percent higher than for those whose highest degree is a high school diploma, career and technical education programs are preparing many high school students for well-paying, in-demand jobs right after graduation. The AFT will continue to fight for real solutions that help people secure a better life, including expanding career pathways for those who do not attend college and making higher education affordable for those who do.

Until leaders address America's college affordability crisis, higher education will be out of reach for too many, and the astronomical price of attending college will continue to crush untold numbers of Americans.



Weingarten, right, with Sen. Elizabeth Warren at a discussion in Boston on March 18 about the student debt crisis.

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