

United States Senate

WASHINGTON, DC 20510

March 7, 2025

The Honorable Linda McMahon
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary McMahon:

We write with great concern regarding the Department of Education’s (“the Department”) recent action to suspend access to all income-driven repayment (IDR) plans and online loan consolidation applications and to demand information on behalf of the millions of student loan borrowers¹ who have been stripped of their ability to access these critical pieces of the student loan safety net.² At a time when Americans across the country are struggling to meet the costs of healthcare, food, housing, child care and other basic needs, it is unacceptable for the Trump Administration to take any action that will increase costs or make life harder for everyday Americans.

Yet, the Department has done just that. On February 24, 2025, it was first reported³ that the Department had blocked access to all IDR and online loan consolidation applications without warning, without Congressional notification, and without clear guidance for borrowers on what they should do next or expect in the future. Over 12 million student loan borrowers rely on IDR plans,⁴ which tie monthly payments to borrower income, to keep monthly costs manageable in order to afford basic needs. Without clear guidance on next steps, working class borrowers, including teachers, nurses, veterans and other public servants who rely on these plans, are in limbo.

This most recent attack against student loan borrowers comes as President Trump and Republicans in Congress are pursuing an extremist right-wing agenda to gut affordable loan repayment options in order to pay for tax cuts for the wealthy.⁵

While the Department was tasked with implementing a judicial ruling to suspend a *single* IDR plan—the Saving on a Valuable Education plan (known as SAVE)⁶, the Department inexplicably and confusingly chose to also suspend access to *every other* IDR plan, which includes the Pay as You Earn (PAYE), Income-Contingent (ICR), and Income-Based (IBR) repayment plans, and

¹ <https://studentaid.gov/data-center/student/portfolio>

² <https://www.nytimes.com/2025/02/28/business/student-loan-repayment-plans.html>

³ <https://www.forbes.com/sites/adamminsky/2025/02/24/departments-of-education-takes-down-key-student-loan-forgiveness-and-repayment-applications/>

⁴ <https://studentaid.gov/data-center/student/portfolio>

⁵ <https://www.cnbc.com/2025/02/10/student-loan-borrowers-could-see-bills-balloon-under-gop-proposal.html>

⁶ <https://ago.mo.gov/wp-content/uploads/2024-8-9-Eighth-Circuit-Student-Loan-Win.pdf>

started blocking all online loan consolidation. Borrowers have relied on many of these plans for decades and this sudden and reckless action means millions of borrowers have fewer repayment options available and are unsure of what to do in order to manage their debt. Removing the ability of borrowers to apply for or re-enroll in an IDR plan can have devastating consequences that can impact a borrower's ability to afford basic needs both now and in the future.⁷

Roughly one-third of borrowers aged 25-49 depend on IDR⁸, and over 2 million borrowers⁹ who are enrolled in the public service loan forgiveness (PSLF) program count on IDR in order to help them achieve forgiveness after 10 years of service. However, over the past year, many PSLF borrowers have been denied the forgiveness they have been promised due to the SAVE plan challenges in the courts. Approximately 8 million borrowers are currently in a forbearance due to the suspension of the SAVE plan¹⁰, and those borrowers are now blocked from enrolling in any other plan that could allow them to begin accruing credit toward IBR or PSLF forgiveness due to circumstances beyond their control.

As a result, thousands of PSLF borrowers are losing valuable credit toward forgiveness¹¹ that will delay the debt cancellation they are entitled to by months, or even years. Before this recent processing pause, many PSLF borrowers attempted to leave the SAVE plan and enroll in another IDR plan. However, over 1 million IDR applications have still not been processed, and now those borrowers will spend even more time in a non-qualifying forbearance, despite taking steps to leave. This is unacceptable.

Further, borrowers who are struggling to make monthly payments or who have experienced a change in circumstance—such as the thousands of federal employees who have been purportedly fired by Elon Musk and his DOGE lackeys¹²—are now unable to apply for and enroll in a more affordable repayment plan. This will have real financial consequences for these borrowers. Some borrowers that miss loan payments due to financial hardship report over 100-point drops in their credit score,¹³ which has lasting impacts on their ability to rent an apartment, take out a car loan, or secure a home mortgage.¹⁴

As a steward of federal financial aid dollars, the Department is required by law¹⁵ to ensure borrowers have the information and resources they need to repay their student loans via any repayment plan they qualify for. But as evidenced by the lack of communication regarding the removal of the IDR and online loan consolidation applications, and the absence of clear next steps for borrowers stuck in limbo, we do not believe the Department has acted in accordance with that responsibility. For example, borrowers currently enrolled in IDR plans have to annually

⁷ <https://www.wsj.com/personal-finance/student-loan-payment-pause-resumes-credit-score-498763af>

⁸ <https://www.americanprogress.org/article/project-2025-would-increase-costs-block-debt-cancellation-for-student-loan-borrowers/>

⁹ <https://www.nytimes.com/2025/02/28/business/student-loan-repayment-plans.html>

¹⁰ <https://www.forbes.com/sites/adamminsky/2025/01/16/8-million-student-loan-borrowers-will-have-no-payments-for-most-of-2025-as-loan-forgiveness-remains-stalled/>

¹¹ <https://www.nytimes.com/2025/02/28/business/student-loan-repayment-plans.html>

¹² <https://nymag.com/intelligencer/article/how-many-federal-employees-fired-jobs-cut-trump-doge.html>

¹³ <https://www.wsj.com/personal-finance/student-loan-payment-pause-resumes-credit-score-498763af>

¹⁴ <https://www.wsj.com/personal-finance/student-loan-payment-pause-resumes-credit-score-498763af>

¹⁵ <https://www.law.cornell.edu/uscode/text/20/1087e>

recertify their income to stay enrolled in those plans, but the form needed to complete recertification has been removed from the Department’s “Income-Driven Repayment (IDR) Plan Request” website¹⁶ because it is the same form used to apply for IDR plans. Consequently, borrowers are currently receiving notices from their student loan servicers instructing them to submit their IDR recertification forms, but if they go to the Department’s website to complete the form, they will find it is unavailable, with no guidance for what they should do next.

Given the looming recertification deadlines for thousands of borrowers and the inability of millions more to accrue valuable time towards IBR or PSLF forgiveness, it is critical the Department immediately restore the IDR and loan consolidation applications and provide accurate, timely responses on next steps for the millions of borrowers that have applied for, are currently enrolled in, or need to enroll in an IDR plan, or consolidate their loans.

We request you provide written answers to the following questions as soon as possible, but not later than March 14, 2025:

1. How long will the IDR and loan consolidation applications be offline?
2. How long will servicers be required to pause all processing of IDR or loan consolidation applications?
3. Given IBR is a repayment plan that is not subject to the court injunction¹⁷, will the Department restore the ability to apply for, or re-enroll in, IBR ahead of the other repayment plans?
4. When will the Department process the over 1 million IDR applications that have been submitted but not processed before the decision was made to halt all processing?
5. For borrowers currently enrolled in PAYE, ICR, or IBR that have recertification deadlines that fall within the IDR processing pause, will their recertification deadlines be delayed or pushed back? If so, for how long?
6. For those borrowers facing recertification deadlines, when and through what mediums will the Department communicate whether their deadlines will be pushed back? If their recertification deadlines will not be pushed back, will they be given clear instruction on how to proceed in order to stay enrolled in their current plan?
7. For borrowers that have already submitted IDR applications that are still in process due to a failure to process them in time, will they be subject to negative credit reporting? If so, how many borrowers will face negative credit reporting due to issues beyond their control? What steps will the Department take to ensure that the Department’s decision to suspend application processing does not result in financial harm to borrowers?

¹⁶ <https://studentaid.gov/idr/>

¹⁷ <https://www.law.cornell.edu/uscode/text/20/1098e>

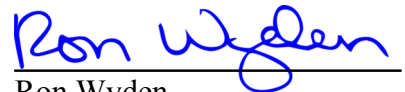
8. Will the Department commit to ensuring that any borrowers who face negative credit reporting resulting from the Department's actions will not be adversely impacted, including by working with credit reporting agencies to address any adverse impacts to affected borrowers' credit scores?
9. For borrowers that have submitted paper IDR or loan consolidation applications, what will happen to those applications? Will the Department hold them until they can be processed or will borrowers have to resubmit? If borrowers need to resubmit applications, will they be notified of their need to do so, and how will the Department notify borrowers?
10. Will the Department commit to allowing all PSLF borrowers that have been subject to the SAVE forbearance or this IDR processing pause to buy back any time spent in an unqualifying forbearance?
11. How many staff at Federal Student Aid have been laid off or put on paid administrative leave since January 20th, 2025? How will the Department ensure borrowers are not adversely harmed by these staffing changes?

Thank you for your attention to this urgent matter. We look forward to your prompt response.


Sincerely,



Bernard Sanders
United States Senator



Ron Wyden
United States Senator



Peter Welch
United States Senator



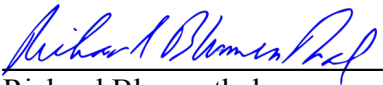
Tina Smith
United States Senator



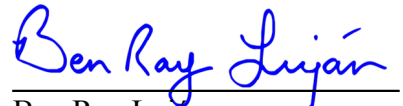
Elizabeth Warren
United States Senator



Richard J. Durbin
United States Senator



Richard Blumenthal
United States Senator



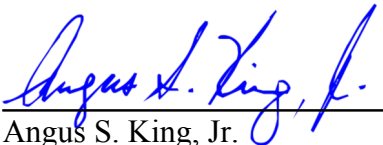
Ben Ray Lujan
United States Senator



Tim Kaine
United States Senator



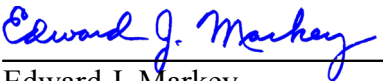
Sheldon Whitehouse
United States Senator



Angus S. King, Jr.
United States Senator



Jack Reed
United States Senator



Edward J. Markey
United States Senator



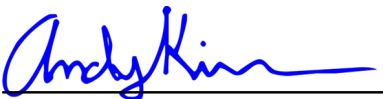
Mazie K. Hirono
United States Senator



Jeffrey A. Merkley
United States Senator



Tammy Duckworth
United States Senator



Andy Kim
United States Senator



Tammy Baldwin
United States Senator



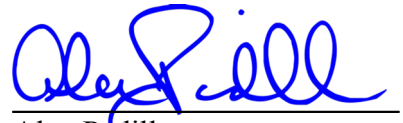
Chris Van Hollen
United States Senator



Cory A. Booker
United States Senator



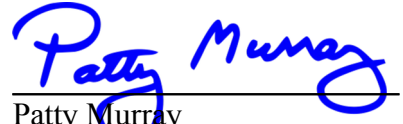
Charles E. Schumer
United States Senator



Alex Padilla
United States Senator



Kirsten Gillibrand
United States Senator



Patty Murray
United States Senator



Amy Klobuchar
United States Senator