



News

Vaishali Rao Discusses in Fortune Magazine Two Legal Challenges to President Biden's Student Loan Forgiveness Program

February 21, 2023

Hinshaw partner Vaishali Rao was extensively quoted in a *Fortune* article on two court cases currently before the U.S. Supreme Court that seek to block a Biden Administration student loan forgiveness program. Oral arguments are set for February 28, 2023. More than 26 million Americans applied for the one-time student debt relief, which was instituted under the HEROES Act of 2003. The HEROES Act allows the Secretary of Education to institute changes to the student loan program in times of national emergency.

Rao said the HEROES Act language is pretty clear that the government has the authority to cancel the debt. However, she adds that since many borrowers were already unable to afford their student loan debt before the pandemic, this particular forgiveness program could set a precedent for whether emergency declarations allow for such broad sweeping reform. She cautioned that borrowers should take a conservative approach to ensure they have money available to make payments if the government loses. She also advised borrowers to "get to know" their debt, as only federal loans qualify for forgiveness under the Biden plan.

[Read the full article](#) (*subscription may be required*)

"Biden's cancel student debt plan hinges on two court cases that start this month: 'It's better to be conservative and think this might lose'" was published by *Fortune* on February 18, 2023.

Attorneys

Vaishali S. Rao

Service Areas

Consumer Financial Services
Regulatory and Compliance
Counseling

Offices

Chicago