

HOUSE RESOLUTION NO. 288

Reps. Fink, Bollin and Jaime Greene offered the following resolution:

1 A resolution to urge Congress to repeal the William D. Ford
2 Federal Direct Loan Program.

3 Whereas, The William D. Ford Federal Direct Loan Program,
4 authorized under Title IV of the Higher Education Act of 1965, is
5 the U.S. Department of Education's federal student loan program.
6 The program provides Direct Subsidized Loans, Direct Unsubsidized
7 Loans, Direct PLUS Loans, and Direct Consolidation Loans to
8 eligible borrowers; and

9 Whereas, Despite having been established to make higher
10 education an attainable reality for all Americans, the federal
11 student loans program has instead facilitated a new array of
12 problems, including a precipitous rise in tuition costs, making

1 higher education more expensive and unaffordable for many
2 Americans; and

3 Whereas, The loans have also contributed to a student loan
4 debt crisis in the United States, with about 43 million borrowers
5 holding over 1.7 trillion dollars in federal student loan debt
6 alone. The average amount owed is over 37,000 dollars per borrower.
7 Student loan debt is now the second highest consumer debt category
8 behind mortgage debt; and

9 Whereas, The massive amount of student loan debt is a burden
10 on the entire economy. Because of this debt, many Americans are
11 struggling to become homeowners, save for retirement, and
12 contribute to the economy in other ways; and

13 Whereas, Mandatory repayment of federal student loans resumed
14 in October 2023 after the end of the U.S. Department of Education's
15 temporary pause of such payments due to the COVID-19 pandemic.
16 Prior to October 2023, the Consumer Financial Protection Bureau
17 found that over five million people faced serious financial risk
18 once payments resumed. Borrowers who face difficulty paying their
19 debt face delinquency and default; and

20 Whereas, If borrowers can no longer be expected to pay their
21 student loan debt, the federal government must stop issuing it.
22 Additionally, discontinuing the issuance of federal student loans
23 could prevent economic crises in the future; now, therefore, be it

24 Resolved by the House of Representatives, That we urge
25 Congress to repeal the William D. Ford Federal Direct Loan Program;
26 and be it further

27 Resolved, That copies of this resolution be transmitted to the
28 Speaker of the United States House of Representatives, the
29 President of the United States Senate, and the members of the

1 Michigan congressional delegation.