

Opening Statement of Rep. Tim Walberg (R-MI), Chairman
Committee on Education and Workforce
Markup: Student Success and Taxpayer Savings Plan
April 29, 2025

(As prepared for delivery)

The Student Success and Taxpayer Savings Plan, which saves over \$330 billion to help advance President Trump's agenda to provide tax relief for American families and small businesses, rein in wasteful spending, and reduce the federal budget deficit.

It is no secret that spending in Washington has been a disaster. Waste, fraud, and abuse has left the American taxpayer on the hook for government bloat and ineffective programs as our national debt races past \$36 trillion.

Since Day One President Trump has been crystal clear in his priorities to bring tangible reform to this broken system. The budget reconciliation process gives us a key opportunity to right-size this sinking ship and implement the America First agenda.

If there is any consensus when it comes to student loans, it's that the current system is effectively broken and littered with incentives that push tuition prices upward. Schools have no reason to lower costs or ensure degrees align with employer needs, all while students and taxpayers pay the price. Real college prices have tripled since the Baby Boomers went to school, and real college graduate earnings have frozen since the turn of the century. This all culminates in students holding over \$1.6 trillion in federal student loan debt, with taxpayers estimated to lose hundreds of billions of dollars on loans disbursed over the next decade.

The Biden-Harris administration's foolish actions in the federal student loan program exacerbated this budgetary catastrophe. Instead of tangible reforms to

address these issues, the Biden-Harris administration attempted to spend an additional \$1 trillion in taxpayer funds on so-called forgiveness by executive decree. From their radical 'SAVE' loan repayment plan to the never-ending repayment pause, Democrats are intent on forcing taxpayers to pay for free college. Dumping more federal money into a broken system doesn't mean that system will work. In fact, government spending on higher education has reached record highs yet millions of students benefiting from those funds will ultimately end up with a degree that doesn't pay off or fail to finish school altogether.

This bill set forth by Committee Republicans not only would save taxpayers over \$330 billion but also bring much-needed reform in three key areas: simplified loan repayment, streamlined student loan options, and accountability for students and taxpayers.

The bill cleans up the mess that is the Democrat-created repayment crisis, including for the millions of borrowers who are in limbo awaiting court decisions stemming from President Biden's radical and illegal re-write of the law. Moreover, it simplifies and improves the system going forward by streamlining repayment options and providing targeted assistance to struggling borrowers who need it rather than blanket bailouts for those who don't. These reforms will encourage responsible borrowing and timely repayment.

It's no secret that colleges have exploited the availability of uncapped federal lending and generous forgiveness programs to raise prices rather than improve access and affordability. Streamlining loan options as done in this bill will increase affordability for students and families as well as curtail the extent to which schools use taxpayer dollars to line their pocketbooks by loading students up with debt they can't repay.

Finally, the bill ensures that hundreds of billions of taxpayer dollars no longer flow unchecked to low-value institutions and programs by holding colleges accountable for student outcomes by requiring schools to have skin-in-the-game. The carrot and sticks approach taken in this bill will hold colleges financially accountable for the loans they give out and reward those institutions who go above and beyond to provide high-quality, affordable, and accessible education opportunities.

Higher education is at an inflection point. We are on a fiscally unsustainable path, so we must deliver on the promise of economic mobility to our students and families. Taken together, the provisions in this package will do just that. Taxpayers need our help. I urge my colleagues to pass this reconciliation bill.