

Congress of the United States

Washington, D.C. 20515

April 30, 2021

The Honorable Miguel Cardona
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary Cardona,

Our country is in the middle of a student loan crisis. Over 40 million students collectively owe more than \$1.5 trillion in federal student loans. Even before the pandemic, many of these borrowers were unable to meet their monthly obligations. As public servants, it is our responsibility to enact a student loan policy that balances the interests of both students and taxpayers.

Effective public policy is impossible to create if our budgeting assumptions are based on gimmicks or falsehoods. A recent news story from the Wall Street Journal suggests the Department of Education is refusing to release a report on how budgetary projections are calculated.¹ The expert analysis reportedly details a hundreds of billions of dollars wide gap between what the executive branch says student loans are worth and the real value of those loans.

The public policy implications of such a discrepancy are enormous. Federal student loans provide access to college for many Americans. Taxpayers deserve to know if their investment has a junk rating. Students' ability to pursue a college degree is threatened if the federal government is no longer able to offer them loans. Taxpayers are not an unlimited piggybank. The federal government should not be making money off its lending program to students, nor should it add to unborn generations' tax burdens.

We ask that you immediately publicly release the report commissioned by former Secretary DeVos referenced in the Wall Street Journal article and provide a copy to us no later than May 5, 2021.

Sincerely,



Virginia Foxx
Ranking Member
Committee on Education and Labor



Mike Bost
Ranking Member
Committee on Veterans Affairs

¹ https://www.wsj.com/articles/is-the-u-s-student-loan-program-in-a-deep-hole-one-banker-thinks-so-11619707091?mod=searchresults_pos1&page=1