

Michelle Vallejo supports taxpayers paying for her student loans that she never paid off.

Vallejo supports eliminating student debt:

- **VIDEO: Vallejo is a proponent of eliminating student debt.** “...so I am advocating for greater access to trade school, and for college and university, and also to eliminate college debt, student debt.” (Meet & Greet at Fluff’s White House Café, 4/19/2022) ([NRCC YouTube](#))

Vallejo has between \$10,000 - \$15,000 of liabilities in school loans herself:

- According to her personal financial disclosure submitted to the Clerk of the U.S. House of Representatives, Vallejo lists a school loan liability with the Department of Education that is between \$10,000 - \$15,000.

SCHEDULE D: LIABILITIES

Owner	Creditor	Date Incurred	Type	Amount of Liability
	Department of Education	March 2021	School Loan	\$10,000 - \$15,000

(Financial Disclosure Report, Michelle Vallejo, [Clerk of the United States House of Representatives](#), Filed 2/1/2022)

The Biden Administration’s “pause” on student loan payments, which it has extended multiple times, has cost taxpayers over \$130 billion in interest payments and could cost more if outright student loan forgiveness is implemented; Forgiveness could also make inflation worse:

- **The Biden Administration’s “pause” on student loan payments has cost taxpayers over \$130 billion in interest payments.** “The Biden administration has extended the “pause” on student loan payments for a sixth time. By the time the latest pause ends, those who took out student loans will have been able to go 30 months—two-and-a-half years—without making a single payment nor accruing any new interest. It’s a raw deal for taxpayers. The Department of Education estimates that, each month, they are losing over \$200 billion in repayments and another \$5 billion in accrued interest. Since the beginning of the pandemic, the pause has cost taxpayers more than \$130 billion in interest payments.” (Lindsey M. Burke, Ph.D. and EJ Antoni, “Biden’s Student Loan ‘Forgiveness’ Plan Is a Raw Deal for Taxpayers,” [The Heritage Foundation](#), 5/16/2022)
- **Outright student loan forgiveness would cost hundreds of billions and could contribute to the inflation crisis.** “The Federal Reserve analysis found that forgiveness of \$50,000 per borrower would cost \$904 billion; forgiveness of \$10,000 per borrower would cost an estimated \$321 billion. Cumulative outstanding student loan debt currently hovers around \$1.7 trillion, of which \$1.38 trillion is federal. Already saddled with a \$30.4 trillion debt, America cannot afford to gift hundreds of billions more to people who are comfortably off.

It would only add to inflation.” (Lindsey M. Burke, Ph.D. and EJ Antoni, “Biden’s Student Loan ‘Forgiveness’ Plan Is a Raw Deal for Taxpayers,” [The Heritage Foundation](#), 5/16/2022)

If a borrower has their student loans forgiven, “taxpayers ultimately foot the bill:”

- **“Taxpayers would likely, in turn, also feel some pressure depending on the amount of loans forgiven.”** “Taxpayers would likely, in turn, also feel some pressure depending on the amount of loans forgiven. Taxpayers are already on the hook when existing student loans default. The Bipartisan Policy Center released a 2021 report suggesting the cost to the average taxpayer would be exponentially higher over time than the cost of existing defaults if widespread forgiveness is granted.” (Addy Bink, “Who pays for student loan forgiveness?,” [News Nation](#), 4/24/22)
 - **“The expansion of generous repayment and forgiveness plans suggest that costs to taxpayers may continue to rise.”** (Addy Bink, “Who pays for student loan forgiveness?,” [News Nation](#), 4/24/22)
- **“Taxpayers ultimately foot the bill if a borrower defaults on their loans or has them forgiven.”** (Sean Ruddy, Shai Akabas, Kevin Miller, “Student Debt and the Federal Budget: How Student Loans Impact the U.S. Fiscal Outlook,” [Bipartisan Policy Center](#), 11/21)
- **“As debt levels rise and repayment falters, taxpayers shoulder much of the risk, and the federal government stands to lose billions of dollars.”** (Sean Ruddy, Shai Akabas, Kevin Miller, “Student Debt and the Federal Budget: How Student Loans Impact the U.S. Fiscal Outlook,” [Bipartisan Policy Center](#), 11/21)
- **“Weak accountability metrics allow poor-quality institutions to continue receiving federal student aid despite their students’ inability to repay their loans, leaving taxpayers to foot the bill.”** (Sean Ruddy, Shai Akabas, Kevin Miller, “Student Debt and the Federal Budget: How Student Loans Impact the U.S. Fiscal Outlook,” [Bipartisan Policy Center](#), 11/21)

Those who would benefit from student loan forgiveness “would be higher income, better educated, and whiter than beneficiaries of other transfer programs:”

- **Those who would benefit from student loan forgiveness “would be higher income, better educated, and whiter than beneficiaries of other transfer programs.”** “Beyond the sums that debt forgiveness would represent, the beneficiaries of student loan forgiveness would be higher income, better educated, and whiter than beneficiaries of other transfer programs.” (Adam Looney, “Putting student loan forgiveness in perspective: How costly is it and who benefits?,” [Brookings](#), 2/12/21)
- **“In short, beneficiaries of across-the-board student loan forgiveness would be higher income, better educated, and more likely to be white than beneficiaries of just about all over programs designed to reduce hardship and promote opportunity and targeted to those who need help.”** (Adam Looney, “Putting student loan forgiveness in perspective: How costly is it and who benefits?,” [Brookings](#), 2/12/21)