EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 24, 2026
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S.J. Res. 196 – A joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Education relating to "Reimagining and Improving Student Education-Federal Student Loan Program Final Regulations"

(Sen. Merkley, D-OR, and eight cosponsors)

The Administration opposes passage of S.J. Res. 196. For decades, colleges and universities have been able to charge virtually unlimited tuition; tuition has risen faster than any other major household expense, and 70 percent of graduates with debt report delaying major life milestones. While institutions raked in cash, American students and taxpayers were left with the bill. Nearly 43 million Americans hold nearly $1.7 trillion in student loan debt.

The Working Families Tax Cuts Act provided a once-in-a-generation opportunity to right-size borrowing and repayment options for millions of American students, borrowers, and families. S.J. Res. 196 would eliminate most of the student loan regulatory provisions that the Trump Administration proposed to implement from the Working Families Tax Cuts Act, including a regulatory framework to implement reasonable caps on student loans, two new repayment plans scheduled to take effect on July 1, 2026, new regulatory guidance that financial aid administrators can use to help undergraduate and graduate borrowers effectively manage their loan debt levels, and provisions to help borrowers understand how to rehabilitate their loans a second time.

S.J. Res. 196 would fully undermine the progress that is already lowering the cost of college and streamlining the complex maze of repayment options, throwing the federal student loan and repayment system into chaos when borrowers were expecting new repayment options on July 1, 2026. S.J. Res. 196 would leave the Department of Education, colleges and universities, servicers, and other vendors without the necessary regulatory framework to implement Congress' intent to reform the federal student aid system.

If S.J. Res. 196 were presented to the President, his advisors would recommend that he veto it.

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