



UNITED STATES DEPARTMENT OF EDUCATION

THE UNDER SECRETARY

February 9, 2026

The Honorable Elizabeth Warren  
Ranking Member  
Committee on Banking, Housing, and Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Ranking Member Warren:

Thank you for your November 16, 2025, letter to U.S. Secretary of Education Linda McMahon (Secretary) and U.S. Secretary of the Treasury Scott Bessent regarding a purported sale of the federal student loan portfolio handled by the U.S. Department of Education (Department). Your letter was forwarded to me, and I am pleased to respond on behalf of the Department. I am sending an identical response to the cosigners of your letter.

The Department recognizes that the federal student loan portfolio, and its current state, is of significant interest to the public and Members of Congress. This attention is well justified, as taxpayers have shouldered the costs of subsidizing the nearly \$1.7 trillion student loan portfolio. Under the leadership of Secretary McMahon, the Department has taken decisive actions to right size the portfolio to protect borrowers and taxpayers. This includes taking numerous actions to reform federal student aid programs through implementation of the Working Families Tax Cut Act (Pub. L. 119-21).

At the same time, the Department is committed to ensuring taxpayers do not foot the bill for illegal and unjust policies put in place by the Biden Administration. We have met with a variety of stakeholders to discuss ideas to reform the student loan portfolio since President Trump took office on January 20, 2025. As with all federal agencies, the Department adheres to ethics protocols and takes steps to eliminate conflicts of interest when meeting with any stakeholders, including Members of Congress and student borrowers.

The Department has not taken any final actions or made final decisions regarding selling all or part of the student loan portfolio. We continue to explore all viable options to reduce the burden on taxpayers by restoring the health of the portfolio. The Department remains focused on helping borrowers return to repayment and escape the albatross of delinquency and default.

The Department appreciates your concerns regarding the federal student loan portfolio. The Secretary is committed to working with Congress to improve education in this country. Should you need further assistance, your staff may contact our Office of Legislation and Congressional Affairs at (202) 401-0020.

Sincerely,

A handwritten signature in blue ink that reads "Nicholas Kent".

Nicholas Kent  
Under Secretary