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August 12, 2022

Michelle Asha Cooper, Acting Assistant Secretary for Postsecondary Education
Office of Postsecondary Education, Department of Education
Lyndon Baines Johnson (LBJ) Building
400 Maryland Avenue, S.W.
Washington, DC 20202

RE: Student Assistance General Provisions, Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program (Document Citation: 87 FR 41878 Docket ID ED-2021-OPE-0077)

Dear Acting Assistant Secretary Cooper:

The American Public Human Services Association (APHSA), a bipartisan nonprofit membership association representing state and local health and human service agencies through their top-level leadership, is pleased to submit this comment letter in response to the **Notice of Purposed Rulemaking (NPRM) regarding the Student Assistance General Provisions, Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program (Document Citation: 87 FR 41878 Docket ID ED-2021-OPE-0077)**. Through our affinity group of state child care leaders the National Association of State Child Care Administrators (NASCCA), APHSA seeks to align programs that build resilience and bolster the wellbeing of communities by increasing access to high-quality and safe early childhood programs.

The COVID-19 public health emergency held a spotlight to the fragility of the American child care system that was experiencing a workforce crisis long before the rest of the economy. According to a 2020 survey, the average child care provider earned less than \$12 dollars an hour, and 53% of the child care workforce was receiving public assistance.¹ The pandemic demonstrated how critical child care is to the country's economic infrastructure. The proposed rule is an important step towards building capacity for a high quality, stable, and competitive early childhood workforce, APHSA respectfully submit these comments on the modification of the Public Student Loan Forgiveness Program (PSLF) to include the for-profit child care workforce:

What criteria and sources of information can the Department use to identify eligible for-profit early childhood education employers in a consistent and simple manner that does not require an

¹ <https://cscce.berkeley.edu/workforce-index-2020/the-early-educator-workforce/early-educator-pay-economic-insecurity-across-the-states/>



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individualized review of employer or borrower specific activities? As mentioned above, an expansion of eligible employers without simple and clear criteria that minimizes the judgment required by the Department would be impossible to administer. The Department is interested in potential solutions for addressing these operational limitations. For example, are there sources that could identify IRS employer identification numbers for licensed and regulated early childhood education programs, as defined in § 103(8) of the Higher Education Act ([20 U.S.C. 1003](#))? Could those same sources identify whether the employer meets other requirements in this regulation, such as having a majority of an employer's full-time equivalent employees provide a qualifying service in the form of early childhood education for young children?

Current PSLF statute does not designate a specific way in which eligibility of early childhood education employers must be determined. The Department of Education (DOE), through regulation, has identified the federal employee identification number (EIN) as the primary tool for determining employer eligibility. As the DOE is considering including employers from the early childhood field, the use of EIN alone to identify eligibility will not be sufficient for all early childhood providers, as many kinship or home-based providers do not have EINs and would be excluded from opportunity to earn PSFL.

Most child care or early childhood agencies do assign providers within their states a unique identification number; however, currently those numbers are only used for state purposes and are not often reported back to federal agencies that oversee child care.. To identify and approve eligible employers for PSFL, APHSA recommends:

1. The DOE should work with CCDF lead agencies to utilize the license/registration number of qualified early childhood employers from state, tribal, or territory government lists to verify against the license/registration number provided by a PSLF applicant. This would require the Administration for Children & Families (ACF) within the Department of Health and Human Services (HHS) to change state reporting requirements to include the inclusion of all providers license or registration number.
2. The DOE affirm PSLF applicant place of employment and full-time employment status via attestation. This is in alignment with current PSLF provisions made for PSLF applicants whose prior employers have closed and are no longer in operation. Many individuals in the child care workforce do not have a traditional employer and many are sole proprietors that would not file a traditional W-2 or have an employer to sign-off.

Should the Department use the eligibility for, or receipt of, certain Federal funding as a requirement for a for-profit early childhood education employer to be a qualifying employer for the purposes of PSLF? Are there sources of information identifying employer identification numbers of Federally funded early childhood education programs, consistent with the definition of early childhood education noted above?

The DOE could use the receipt of a CCDBG subsidy to identify providers that serve low-income families. Exclusively relying on this verification however would leave out the employees of private pay providers. Subsidy acceptance status could change frequently depending on many factors including

staffing needs, community demand and fiscal impacts. Additionally, while employees at private pay providers could potentially earn more, wages across the spectrum in the early childhood industry are significantly lower than other public service industries. Looking through an equity lens, tying approval for PSLF to the receipt of certain federal grants or funding could potentially leave smaller or home-based providers unable to participate in PSLF because they lack the capacity to apply for or accept federal grants. APHSA recommends:

1. Utilizing the eligibility or acceptance of federal child care funding as an automatic qualifier for employers but create a pathways for non-traditional employers and for employees of providers who do not currently accept CCDF funding to participate due to the realities of the current child care market.

Could the Department limit PSLF eligibility to only for-profit early childhood education employers for which another Federal agency such as the U.S. Department of Health and Human Services has provided employer identification numbers and information that would help the Department easily assess eligibility?

As detailed above, while most states do identify providers with a license or registration number, limiting the eligibility for PSLF to only early childhood providers with an identification number would leave out larger populations of providers who struggle the most to earn a livable wage. APHSA recommends:

2. The DOE design eligibility requirements that are inclusive of all types of early childhood providers but is not based solely on the current EIN verification system.

Is it consistent with the purposes and goals of the PSLF program to include for-profit early childhood education as qualifying employment? For instance, to what extent would the inclusion of for-profit licensed and regulated early childhood education providers as eligible employers improve recruitment and retention of the early childhood workforce, increase early educator degree and credential attainment, and improve access to quality early childhood education for children and families?

The early childhood workforce is essential to the wellbeing of families and to a strong economy. The inclusion of the entire early childhood workforce into the PSLF program is squarely aligned with its intention to recruit and retain talent in public service fields. While the impact of this policy change will not have an immediate effect on the recruitment and retention of the early childhood workforce, including the entire child care workforce in PSLF is an essential step in recognizing the value the early childhood workforce has in the economy and to the public at large.

Are there other considerations for including for-profit early childhood education as a type of qualifying employer for PSLF? For example, this could include Congress' specific mention of licensed and regulated childcare programs in § 103(8) of the Higher Education Act ([20 U.S.C. 1003](#)), or the PSLF legislative history.



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The United States has a legislative history of recognizing the utility and public need for the early childhood workforce, demonstrated by the inclusion of the early childhood workforce in the PSLF program being defined as a “public service job.”

APHSA thanks the DOE for inviting and carefully considering our comments as it examines how to how to open up the PSLF to be inclusive of the child care workforce. Through our membership, the administrators of human services programs, we understand that early childhood programs provide foundational supports to families and communities as they build wellbeing. We are eager to continue working with the DOE to ensure the entire early childhood workforce has access to student loan forgiveness and the tools to build resilience. Please reach out to Meg Dygert, at mdygert@aphsa.org with any questions or follow-up you may have.