



Docket ID ED-2024-OPE-0072

July 22, 2024

For nearly 100 years, and with close to 60,000 members, including early childhood educators, faculty members, students, advocates, and allies across the country, the National Association for the Education of Young Children's (NAEYC) mission has been to increase access to high-quality, developmentally-appropriate early childhood education for all children birth through age 8. We advance a diverse, dynamic early childhood profession and support all who care for, educate, and work on behalf of young children. As such, and together with the 52 Affiliates who are part of our network, we appreciate the Department of Education's interest in and commitment to advancing equitable outcomes for all students, from early childhood to higher education.

We are providing feedback in response to the Department of Education's request for information (RFI) on operational approaches to extend Public Service Loan Forgiveness (PSLF) to early childhood educators across settings. NAEYC is pleased to see the Department exploring options that benefit borrowers and address challenges many borrowers have experienced in the federal student loan system. We are particularly supportive of opportunities to expand eligibility for the PSLF program to early childhood educators working in family child care and for-profit settings, as evidenced in our response to the Department's 2022 Notice of Proposed Rulemaking (NPRM) and this RFI. We urged the Department to consider this in [our response to the 2022 NPRM](#).

Federal postsecondary grant and loan programs, including PSLF, are critical to achieving equitable outcomes, supporting current early childhood educators, strengthening the ECE workforce pipeline, and achieving the vision for a profession that benefits children, families, and our society at large. Skilled, supported, and knowledgeable early childhood educators provide high-quality early childhood education and set our nation's young children (birth through age 8) on a path to success. Their average wage of \$14.60/hour (in birth through age five settings), however, undermines quality and diminishes the benefits to children, families, and our economy<sup>1</sup>.

Given the complex skills and knowledge required to effectively support young children's development and education, NAEYC is working closely with national and state early childhood organizations, agencies, advocates, and the field to establish a unified, defined and recognized early childhood education professional field of practice to ensure that each and every child has access to high quality early learning and care and is supported by a well-prepared, diverse, effective, equitable, and well-compensated workforce. While credential and degree requirements in early childhood education currently vary based on state and setting, many educators working across settings have completed college coursework, acquired credentials, and attained degrees, including associate, baccalaureate, and master's degrees.

Most of these educators are already working, often full-time and often already in the ECE field; many have family responsibilities of their own; many are first-generation students; many are educators of color; many are English language learners; and many have had to rely on student

---

<sup>1</sup> <https://www.bls.gov/oes/current/oes399011.htm>

loans<sup>2</sup>. Accessible, predictable, and equitably available support is needed to help educators avoid the crushing burden of debt that interferes with their ability to join or stay in the valuable, demanding, and essential field of early childhood education.

Unlike the public K-12 system which provides free access to education for all age-eligible children and youth, there is no parallel system for our country's youngest children. As a result, and by necessity, child care is a mixed-delivery system with providers that are center-based community programs (both non-profit and for-profit), family child care programs (which can be structured as non-profits, for-profits and sole-proprietorship), and public programs such as Head Start and state/locally funded public PreK programs. Early childhood educators in all of these settings provide an essential service - supporting the development and education of young children and providing safe care.

Currently, the Department has interpreted the PSLF statute to mean that only early childhood educators working in non-profit or public settings are eligible for PSLF. However, the current PSLF statute does not actually specify that early childhood educators must work for a non-profit or public early childhood education provider. In addition, the statute does not specify how PSLF applicants must verify their employment. Therefore, in the context of the U.S. Department of Education's call for comments on the RFI, we urge you to revise and strengthen the regulations of the PSLF Program to ensure that all early childhood educators working in licensed, regulated and registered settings- including for-profit and non-profit settings and family child care - are eligible to apply for PSLF.

We recognize that Department is primarily interested in receiving feedback on ways to expand access to PSLF for early childhood educators working in for-profit settings, but, as laid out in the comments below, we urge the Department to use its regulatory authority to also expand access to include educators working in family child care settings. Through a combination of self-attestation, submitting evidence of the early childhood education employer's state license, evidence of state registration or federal EIN, and/or submitting individual tax returns, early childhood educators can demonstrate that they are providing educational services and that they work for qualifying early childhood education employers (i.e., employers that are licensed, regulated and/or registered by the state).

The Department asked specific questions about operationalizing extending PSLF to eligible employers to include for-profit early childhood education providers. Below are our recommendations in response to each of these questions.

- 1) The Department has always relied upon employer identification numbers (EINs) to identify whether an employer is a non-profit under IRC 501(c)(3). This approach has allowed the Department to create a comprehensive list of eligible employers and use a consistent**

---

<sup>2</sup> Recent data from the RAPID-EC survey found 19 percent of child care providers had student debt, compared to 17 percent of the overall population. <https://rapidsurveyproject.com/our-research/student-debt-in-the-early-childhood-workforce>

**identifier system. However, some for-profit businesses may be sole proprietors or other providers that do not have an EIN. Are there other uniform sources that the Department might consider using for determinations of qualifying employers?**

We encourage the Administration to use the same processes it follows for verifying eligibility for individuals in other professions, and we encourage the Administration to reduce the burden on states, employers and individuals in this verification process. As such, we outline the following as ways in which early childhood educators working for for-profits that are sole proprietorships, such as family child care providers or other providers without an EIN may verify their eligibility:

**a) These early childhood educators could use self-attestation and submit 1099 tax forms as a basis for such a system.** This is consistent with alternative documentation options that currently exist within the PSLF system for individuals who cannot secure employer signatures or for employers that do not have an EIN.

**b) Early childhood educators could use their individual taxpayer identification number (ITIN) which may include their social security number, that is submitted through various IRS forms.** ED should rely on EINs but should also use provider-level information gathered through the Internal Revenue Service (IRS). When individuals seek tax credits for child care expenses, they file a Form 2241, which must have the provider's name, address, and taxpayer identification number (TIN)<sup>3</sup>. Section 6109(a) of the Internal Revenue Code requires that providers give tax filing families a valid TIN, even if the provider themselves do not have to file a return.<sup>4</sup> TINs may include a Social Security Number (SSN) for sole proprietors, an individual taxpayer identification number (ITIN) for nonresident or resident aliens, or EINs.<sup>5</sup> SSNs and ITINs can be gathered through a Form 2241, the provider certification in a W-10, or a provider's own Form 1040.

**c) The Administration could verify that an ECE employer is a qualified employer by searching each State's ECE Lead Agency website.** The PSLF statute calls for early childhood education employers to be "licensed and regulated"; thus proof of a program's license should be sufficient for proving that an employer is qualified under the statute. The Department should be able to coordinate with each state's child care lead agency to verify an employer's child care license or registration number as an alternate form of eligibility to an EIN. Such an approach contains opportunity for automation, pulling in state, territory, or tribe lead agency lists to the Department's verification system and would balance the need to minimize judgment required by the Department.

---

<sup>3</sup> <https://www.irs.gov/pub/irs-pdf/f2441.pdf>

<sup>4</sup> <https://www.law.cornell.edu/uscode/text/26/6109>

<sup>5</sup> <https://www.irs.gov/pub/irs-pdf/fw10.pdf>

This information is widely available. Under requirements of the Child Care and Development Block Grant (CCDBG), the state or tribal Lead Agency must collect and disseminate to the general public, through a consumer-friendly website, information about available child care that includes a localized list of all licensed child care providers (and at the discretion of the Lead Agency, license-exempt providers, while differentiating between the two), searchable by zip code<sup>6</sup>. Using a zip code search on the website designated by the CCDF State Plan, any member of the public, can confirm an employer's status as a licensed early childhood education provider.

While Providers eligible for CCDBG are captured in the definition of ECE programs in the *Higher Education Act*, which are named as qualifying employers for PSLF, we do not recommend using a list of providers currently receiving subsidy payments as the list of eligible providers in a state. Due to underinvestment, CCDBG has limited reach and only reaches 10% of federally eligible children. Thus relying on CCDBG information would necessarily exclude a large portion of providers.

**2) If there are not other uniform sources, how should the Department address eligibility determinations of a for-profit ECE employer?**

ED could also rely on data gathered as a part of the implementation of the Child Care Stabilization program. That program was available to all licensed and regulated providers, including legally license-exempt providers, in operation no later than March of 2021. More than 80% of licensed providers received assistance under these grants in more than 98% of counties<sup>l</sup> and OCC mandated provider-level reporting of distributions.

ED could request this information from OCC through an interdepartmental data sharing agreement. However, solely relying on the data is sub-optimal compared to the data sources identified in our first response for three reasons. First, it is time bound. *The College Cost Reduction and Access Act* allows borrowers to benefit from PSLF once they have made 120 qualifying payments after October 1, 2007. The ARP stabilization program was available to providers in operation no later than March of 2021. Relying on these data may exclude thousands of providers who were in operation but left the market between 2007 and 2021. Second, the information gathered by OCC may be less reliable than the information at IRS. OCC only asked to collect data on certain demographic characteristics from providers and their addresses. Third, although the vast majority of providers did receive assistance under these grants, the reality is that it will still inadvertently exclude some providers, and won't account for providers that opened their doors after stabilization grants were distributed.

**3) If in consultation with the Department, the U.S. Department of Health & Human Services (HHS), issued a voluntary Public Records Act request from the States to create a nationwide registry of EINs of ECE providers, A) are State and Tribal agencies that oversee**

---

<sup>6</sup> 42 U.S.C. § 9858c(c)(2)(E)(i)(III) and 45 C.F.R. § 98.33 (a)(2)

**and administer ECE programs in a position to collect this information? B) Do commenters believe that all States would provide this information? C) Are there any additional considerations the Department should be aware of should HHS issue this request?**

In our experiences, some state and tribal agencies will have better capacity than others to collect and provide this information, and in the absence of dedicated funding for this effort many agencies may not be able to fully comply. That said, the Department should leverage the systems that states have in place now and were referenced in responses to prior questions. Based on the regular practice states have in place for CCDBG reporting, states could be asked to provide EINs or unique state identifiers for all licensed and regulated providers in their jurisdiction. The Department could ask them to undertake the same outreach and engagement strategies that states relied upon during the distribution of ARP's child care stabilization program to ensure a high yield of information, making clear to providers that the information collection is in service of ensuring that all ECE providers who employ those who carry federal student debt may stand to benefit from PSLF.

- 4) What feedback can be provided concerning the time it would take a State or Tribe to undertake the collection of EINs for licensed and regulated providers, including the process, privacy, administrative, or other considerations that the Department should take into account?**

While states and tribal agencies are best positioned to respond to their unique and specific needs, we reiterate that there are EIN and other unique identifier data available through IRS forms that are readily available to the Department and to early childhood educators so that states and tribal agencies would not be burdened with additional data collection. In addition, as identified in the response to Question #1, early childhood educators can also use self-attestation to verify their employment, as is allowed by the PSLF statute and as is utilized by individuals in other professions that participate in PSLF.

Should the Department determine that it will require states and tribal agencies to collect and provide EINs for licensed and regulated providers, we do note that these agencies were able to stand-up a process that allowed all licensed and regulated providers to apply for and spend \$24 billion in Child Care Stabilization funds within two and a half years—with federal resources made available to support this effort. This type of data collection could be expected to be operationalized within a similar time frame.

- 5) Should the Department consider a process that relies on unique identifiers associated with licensure as opposed to EINs to identify eligible employers?**

The current PSLF statute does not designate a specific way in which eligibility of early childhood education employers must be determined. The U.S. Department of Education, through regulations, has identified the federal employee identification number (EIN) as the primary tool for determining employer eligibility. The majority of licensed and regulated ECE

---

employers should be captured through this. As noted previously, in cases of for-profit sole proprietors that may not have an EIN or early childhood educators that work in other settings that do not have an EIN or where they cannot obtain an employer signature, we recommend the Department allow them to self-attest to their employment. This is consistent with alternative documentation options that currently exist within the PSLF system for individuals who cannot secure employer signatures. In addition, the employers will be included in the lead state agency databases that house the license and registration records of child care providers in the state.

Finally, the Department should be able to coordinate with each state's child care lead agency to verify an employer's child care license or registration number to verify that the employer is licensed or regulated (as required by the statute). Such an approach contains opportunity for automation, pulling in state, territory, or tribe lead agency lists to the Department's verification system and would balance the need to minimize judgment required by the Department.