



For Immediate Release

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Home Grown's Response to the White House Student Loan Forgiveness Announcement

Home Grown applauds the Biden administration for outlining a [plan](#) to address student loan debt for millions of borrowers. This is an issue of particular relevance for the early childhood workforce currently in crisis, with 19% of early childhood workers responding to the RAPID-EC survey reporting that they carry student loan debt (a rate higher than the national average of 17%). On average the early childhood worker earns \$11.65/hour, poverty level wages. One in four work a second job to make ends meet, over half qualify for public assistance and one in three report experiencing hunger. Notably, home-based providers often earn less than the industry average and annual earnings rank among the lowest of early childhood workers. For home-based providers addressing student loan debt is also an issue of equity. Over 97% of the home-based child care workers are women and 50% are persons of color. Nationally, the greatest burden of student loan debt falls on the shoulders of Black borrowers. Black borrowers are both more likely to take on student loan debt and more likely to borrow greater amounts than any other racial demographic.

Over 12 million children under the age of 13 receive care in a home-based child care setting. Home-based childcare is the preference of parents who work non-traditional hours, parents of infants and toddlers, Black and Latinx families, families in marginalized communities, families experiencing poverty and families in rural communities.

The Biden-Harris Administration's announced student loan relief plan has the potential to significantly aid home-based providers and the early childhood workforce. Loan forgiveness lifts the burden of student debt from a workforce experiencing a great deal of material hardship, and represents progress towards restoring dignity and economic security to early childhood professionals. As federal and state governments explore additional, comprehensive approaches to solve the workforce and child care crisis, this is an important and necessary first step.

Meaningful steps are also needed to inform early childhood professionals about this opportunity and to make applications simple and accessible. In an earlier [comment](#) to the Department of Education, Home Grown urged the administration to implement a process to qualify early



childhood workers, including home-based providers, for the [Public Service Loan Forgiveness Program](#).

Similarly, we recommend a general loan forgiveness process that includes:

- Diligent and intentional outreach via trusted community partners
- Technical assistance and support for application completion
- A simple application process that is accessible to multilingual applicants
- A verification process that accesses readily available public data sets, reducing the need for applicant document submission
- An income verification process that accepts multiple sources of evidence and includes sources of evidence that can be provided by sole proprietors without W2 statements and those registered to operate under a social security number instead of an FEIN
- Technical assistance and support for application completion

Home Grown encourages the administration to consider these recommendations as they work to roll out loan forgiveness, to ensure this critical support reaches the most vulnerable borrowers and is inclusive of home-based providers.