



For Immediate Release

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Home Grown Reacts to the Supreme Court Decision to Strike Down the Biden Administration's Student Loan Forgiveness Plan

Home Grown is deeply disappointed in the Supreme Court decision to strike down the Biden Administration's student loan forgiveness plan which sought to forgive up to \$20,000 in student loans. The proposed forgiveness plan would have resulted in major economic relief for hard working home-based child care providers.

Home-based child care providers and the broader early childhood education workforce would have benefited enormously from this forgiveness program. The early childhood education workforce is one of the lowest compensated professions in this country (average pay of \$11.65 per hour); 19% of the ECE workforce hold student loan debt and a further 17% hold student loan debt on behalf of a household member. These providers have sought additional degrees because they know they can benefit families and because in many places, they are required for continued operation in the early care field. These requirements for additional degrees are seldom accompanied by scholarships and do not result in higher compensation resulting in the situation we are in today, where the essential workers who ensure our economy succeeds are in a precarious financial situation.

At this moment, as home-based child care providers face a significant pay cut due to [the expiration of the Keep Kids Fed Act](#) that will result in lower reimbursement of food served to families and the upcoming expiration of ARPA-related child care funding, this decision is a blow. Thousands of providers have already closed over the past 3 years, the expiration of these key programs coupled with the crippling burden

of student loan repayment is sure to result in additional closures. These closures will exacerbate our nation's child care crisis.

We call on the Biden Administration to include child care and home based providers in public service loan forgiveness. The Department of Education should implement eligibility verification protocols that can be used by home-based child care providers who are sole proprietors. By removing the requirement for a non-profit designation as the primary method of determining eligibility for public service loan forgiveness (PSLF), self-employed and small business home-based child care providers, which are eligible for PLSF under the statute, can apply for loan forgiveness.

We call on the Administration to delay resuming collection of loan payments and to explore all ways to reduce payment burden on home-based child care providers. We encourage the Administration to explore all options available to them to reduce loan burden on communities including home-based child care.

Additional Reading:

[The 74: Biden's Move to Cancel Student Debt a Boon For Many Teachers, Child Care Workers](#)

[Home Grown's Response to the White House Student Loan Forgiveness Announcement](#)

[Home Grown's Comments on Student Loan Forgiveness](#)

[New Changes in CACFP Affecting Family Child Care Providers Effective July 1, 2023](#)

[Child Care Cliff: 3.2 Million Children Likely to Lose Spots with End of Federal Funds](#)

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