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## Loan Forgiveness Programs for Early Childhood Educators

Directly increasing compensation for early childhood educators working with children birth through age 8, across all settings, is the most important step policymakers can take to drive the supply and quality of early childhood education, and recruit and retain staff.

In addition, however, policymakers have sought to reduce the cost burden that current educators experience, including by forgiving student loan payments for those who have pursued higher education degrees and credentials.

This document summarizes the three main federal loan forgiveness programs for which some early childhood educators may qualify. You can see the entire list of federal student aid options here: [Student Loan Forgiveness | Federal Student Aid](#). In addition, some states and employers support loan forgiveness programs, and we encourage early childhood educators to reach out to their state agencies, including those that manage early childhood, higher education, or student assistance, to see what types of forgiveness may be available at the state level.

*Please note that the information in this document may change subject to additional legislation and/or guidance from Congress and the US Department of Education. This document is for informational purposes only and should not be considered legal or financial advice.*

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### Public Service Loan Forgiveness (PSLF)

<https://studentaid.gov/manage-loans/forgiveness-cancellation/public-service>

- › Administered through the U.S. Department of Education
- › For eligible borrowers who have worked in public service for at least 10 years (meeting all requirements outlined below), PSLF forgives the remaining balance on Direct Loans.
- › To qualify for PSLF, you must:
  - Be employed by a U.S. federal, state, local, or tribal **government** or **not-for-profit** organization;
  - work full-time for that agency or organization;
  - have Direct Loans (or consolidate other federal student loans into a Direct Loan);
  - repay your loans under an income-driven repayment plan; and
  - make 120 qualifying payments (10 years); these do not have to be consecutive
- › **Temporary waiver through October 2022 with some time-limited exceptions to the normal eligibility and qualifying payment requirements.**
  - Details on the PSLF waiver: <https://studentaid.gov/announcements-events/pslf-limited-waiver>
- › The [PSLF Help Tool](#) can help borrowers determine if they are eligible and what steps they could take to become eligible.
- › You can watch recordings of PSLF webinars for early childhood educators:
  - [PSLF Coalition webinar](#)
  - [Administration for Children & Families and Department of Education webinar](#)

## Teacher Loan Forgiveness Program

<https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher>

- › Administered through the U.S. Department of Education
- › Eligibility requirements for Teacher Loan Forgiveness:
  - You must not have had an outstanding balance on Direct Loans or Federal Family Education Loan (FFEL) Program loans as of Oct. 1, 1998, or on the date that you obtained a Direct Loan or FFEL Program loan after Oct. 1, 1998.
  - You must have been employed as a full-time, highly qualified teacher for five complete and consecutive academic years, and at least one of those years must have been after the 1997–98 academic year.
    - To be considered a **highly qualified teacher**, you must have:
      - › attained at least a bachelor's degree;
      - › received full state certification as a teacher
      - › Additional requirements, as specified on the [TLFP website](#)
  - You must have been employed at an **elementary school**, secondary school, or educational service agency that serves low-income students
    - Check the [database of qualifying schools and educational service agencies](#)
  - The loan(s) for which you are seeking forgiveness must have been made before the end of your five academic years of qualifying teaching service.
- › Loan forgiveness amounts:
  - Most **highly qualified teachers in an elementary school** can receive up to **\$5,000** in forgiveness
  - **Highly qualified special education teachers at elementary** or secondary schools can receive up to **\$17,500** in forgiveness, along with secondary math and science teachers
- › Borrowers cannot receive Teacher Loan Forgiveness Program and PSLF for the same period – meaning the 5 years applied to Teacher Loan Forgiveness will not be counted in the 120 qualifying payments for PSLF. However, this restriction is waived temporarily under the PSLF waiver. See the [PSLF waiver website](#) for more information.

## Federal Perkins Loan Cancellation

<https://studentaid.gov/manage-loans/forgiveness-cancellation/perkins#perkins-loan-discharge>

- › Administered through the U.S. Department of Education
- › **Perkins Loan Teacher Cancellation**
  - You qualify for cancellation of up to 100% of a Federal Perkins Loan if you have served full time in a **public or nonprofit elementary** or secondary school system as a:
    - teacher in a school serving students from low-income families;
    - special education teacher, including teachers of infants, toddlers, children, or youth with disabilities; or
    - teacher in the fields of mathematics, science, foreign languages, or bilingual education, or in any other field of expertise determined by a state education agency to have a shortage of qualified teachers in that state.
  - You must be employed directly by the school system for this cancellation (see additional employment eligibility qualifications below).
  - You do not need to be certified or licensed to receive cancellation benefits. However, your employing school must consider you to be a full-time professional.
- › **Other Employment Eligible for Perkins Loan Cancellation**
  - In addition to teaching, the following employment or service may qualify you for a full or partial Perkins Loan cancellation depending on the type of loan you have and the date of the loan:
    - **Early childhood education provider**
    - **Employee at a child or family services agency**
    - Faculty member at a tribal college or university
    - Librarian with master's degree at Title I school
    - Professional provider of early intervention (disability) services
      - › Speech pathologist with master's degree at Title I school
      - › Volunteer service (AmeriCorps VISTA or Peace Corps)