



July 1, 2021

Vanessa Gomez  
U.S. Department of Education  
400 Maryland Ave. SW  
Room 2C179  
Washington, DC 20202

**Re: Negotiated Rulemaking Committee; Public Hearings on Protections for Students, Loan Repayment, Targeted Loan Cancellation Programs, and Other Higher Education Regulations**

Docket Number: ED-2021-OPE-0077

Dear Ms. Gomez:

The National Council of Nonprofits welcomes this opportunity to submit comments in response to the Negotiated Rulemaking Committee and Public Hearings held by the U.S. Department of Education's Office of Postsecondary Education on June 21, 23, and 24. The National Council of Nonprofits is a trusted resource and advocate for America's charitable nonprofits. Through our network of state associations and 25,000-plus organizational members – the nation's largest network of charitable nonprofits – we serve as a central coordinator and mobilizer to help nonprofits achieve greater collective impact in local communities across the country. We identify emerging trends, share proven practices, and promote solutions that benefit charitable nonprofits and the individuals and communities they serve. The Public Service Loan Forgiveness (PSLF) program and its impact on nonprofits and their employees has been an area of great interest to our network, and our comments here reflect the experience of charitable organizations throughout the United States.

Nationwide and in every community in America, charitable nonprofits provide vital services and are a key part of the economy, employing more people than the construction, finance, and manufacturing industries.<sup>1</sup> Prior to the pandemic, nonprofits employed more than 12.3 million workers – 10 percent of America's private workforce. During the pandemic, tens of millions more Americans than usual turned to charitable organizations for help – and nonprofits delivered. Yet resources declined for tens of thousands of nonprofits, resulting in the loss of more than 700,000 nonprofit jobs.<sup>2</sup> For communities and local economies to recover, nonprofits must attract and retain skilled, talented workers despite financial restraints and limited resources. The current rulemaking relates to a key recruitment and retention tool for our sector.

**Public Service Loan Forgiveness Helps Attract and Retain Nonprofit Workers**

The National Council of Nonprofits strongly endorses policies that promote job creation in all sectors of the economy, especially policies that promote and incentivize employment at charitable nonprofits. As proven job creators, nonprofits can and should participate in the development of job growth policies at the federal, state, and local levels.

PSLF is vital to the wellbeing of the nonprofit sector. Full time employees of nonprofit 501(c)(3) organizations, AmeriCorps and Peace Corp workers, and some other public service organization employees with certain types of student loans can receive forgiveness of outstanding debt after working full time and making payments for ten years under the PSLF program. Of the borrowers who

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<sup>1</sup> [Nonprofit Impact Matters](#), National Council of Nonprofits, Fall 2019.

<sup>2</sup> [COVID-19 Jobs Update May 2021](#), Johns Hopkins University Center for Civil Society Studies, June 14, 2021.

have submitted and had employment certification forms approved, nearly two out of five borrowers (38 percent) work at 501(c)(3) nonprofit organizations, according to FedLoan Servicing. The program helps attract talent to charitable organizations, encourages and incentivizes employees to remain in the sector, and provides relief for public service professionals who are often paid less than other employment opportunities.

**Barriers Must Be Removed to Promote and Ensure Forgiveness After Meeting Requirements for PSLF**

PSLF allows charitable nonprofit professionals to pursue careers in public service even if they have student debt. It also allows charitable nonprofits to advertise for workers to serve in every community, especially in times of crisis like the current coronavirus pandemic. We need a program that works to meet the needs for our communities and for those with student debt who rely on the program. Accordingly, we urge the Department to take steps to remove the barriers that prevent many charitable nonprofit workers from obtaining forgiveness and to improve the integrity of PSLF.

Current PSLF regulations are often implemented narrowly and in arbitrary manners. The Department should issue revised regulations that are consistent with Congress' intent to establish PSLF as a broad-based program for service and loan forgiveness. This can be done by amending the regulations to provide the following protections:

1. Establish a fair, consistent, and transparent process to determine whether a borrower meets the eligibility requirements;
2. Increase oversight of servicing entities;
3. Ensure that services other than FedLoan Servicing are not steering borrowers away from enrolling in PSLF; and
4. Provide detailed information and personalized assistance to borrowers submitting certification.

Thank you for holding public hearings and requesting stakeholder comments. As the largest network of charitable nonprofits, we stand ready to work with the Department to identify reforms and to connect with frontline nonprofits and employees who can attest to existing barriers with greater specificity. Please let us know if you have any questions.

Sincerely,



Tiffany Gourley Carter  
Policy Counsel  
National Council of Nonprofits