

HOUSE No. 1934

The Commonwealth of Massachusetts

PRESENTED BY:

Alice Hanlon Peisch

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to encourage employer supported childcare.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Alice Hanlon Peisch</i>	<i>14th Norfolk</i>	<i>1/19/2023</i>
<i>Sally P. Kerans</i>	<i>13th Essex</i>	<i>2/8/2023</i>

HOUSE No. 1934

By Representative Peisch of Wellesley, a petition (accompanied by bill, House, No. 1934) of Alice Hanlon Peisch and Sally P. Kerans for an investigation by a special commission (including members of the General Court) relative to employer-supported child care benefits. Labor and Workforce Development.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act to encourage employer supported childcare.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 2VIII of Chapter 29 of the General Laws is hereby amended by
2 striking the section in its entirety and inserting in place thereof the following section:

3 Section 2VIII. There shall be an Early Education and Care Public-Private Partnership
4 Trust Fund. (a) The fund shall be administered by the commissioner of early education and care,
5 in partnership with the secretary of housing and economic development and secretary of labor
6 and workforce development, for the purpose of helping employers offer or expand child care
7 options as a benefit to their employees. (b) There shall be credited to the fund: (i) revenue from
8 appropriations or other money authorized by the general court and specifically designated to be
9 credited to the fund; (ii) interest earned on such revenues; and (iii) funds from public and private
10 sources, including, but not limited to, gifts, grants and donations, to support state, philanthropic
11 and private partnership efforts supporting Massachusetts employer-childcare provider
12 partnerships; provided, grants are made to qualified Massachusetts employers; provided, no more

13 than 50% of project costs shall come from privately raised or investment dollars and no more
14 than 50% of project costs shall come from public sources; provided further, that participating
15 employers must have a minimum of 75 employees, or a combined minimum of 75 employees
16 within a consortium; and provided further, that amounts credited to the fund that are unexpended
17 at the end of a fiscal year shall not revert to the General Fund. (c) Amounts credited to the fund
18 may be expended, without further appropriation, by the commissioner of early education and
19 care for the following purposes: (i) for local infrastructure investments to build or expand child
20 care capacity; (ii) to support arrangements between employers and child care facilities to expand
21 and reserve child care slots, including but not limited to grants to support projects that increase
22 licensed or operational child care slots, add slots to meet new time/day, requirements of
23 employees, or fill currently licensed (but unfilled) slots for the benefit of employees; and (iii) for
24 other priorities as determined by the commissioner of early education and care; provided further,
25 that no less than 1% of the appropriation provided herewith shall be used to support the
26 administration, marketing, and communicating of the trust fund to the employer community. (d)
27 Amounts received from private sources shall be approved by the commissioner of early
28 education and care and subject to review before being deposited in the fund to ensure that
29 pledged funds are not accompanied by conditions, explicit or implicit, on their implementation.
30 The review shall be made publicly available. (e) Annually, not later than October 1, the secretary
31 of labor and workforce development and the commissioner of early education and care shall
32 report to the clerks of the house of representatives and senate, the house and senate committees
33 on ways and means, the joint committee on labor and workforce development, and the joint
34 committee on education, on the fund's activity. The report shall include, but shall not be limited
35 to: (i) the source and amount of funds received; (ii) the amounts distributed and the purpose of

36 expenditures from the fund, including, but not limited to, funds expended to participating
37 employers and early education and care providers; (iii) any grants provided to participating
38 employers and early education and care programs, philanthropic organizations or other
39 stakeholder organizations; and (iv) anticipated revenue and expenditure projections for the next
40 year.

41 SECTION 2. a) There shall be a special commission to study and make recommendations
42 on employer-supported child care benefits. The commission shall consist of: the chairs of the
43 joint committee on education or their designees who shall serve as co-chairs; the chairs of the
44 joint committee on labor and workforce development or their designees; 1 member who shall be
45 appointed by the minority leader of the senate; 1 member who shall be appointed by the minority
46 leader of the house of representatives; the chairs of the joint committee on labor and workforce
47 development or their designees; the secretary of education or a designee; the secretary of housing
48 and economic development or a designee.

49 (b) In making its recommendations, the commission shall: (i) evaluate a potential state
50 employer tax credit to encourage employee early education and care supports; provided, that
51 qualifying expenses may include the cost of building or acquiring and operating an in-house
52 child care center; amounts paid by a business to contract with a licensed childcare program
53 (including home-based providers); employer-managed or contracted on-site early education and
54 care for the benefit of the employer's employees; employer-supported financial assistance
55 childcare subsidies to employees; employer-supported backup childcare for employees;
56 employer-supported flexible spending accounts for employees; employer-supported dependent
57 care assistance programs for employees ; employer-supported partnerships with programs that
58 include reserving or subsidizing slots for employees; pre-tax childcare spending accounts for

59 employees funded in part by the employer; employers-supported reduced tuition for employees
60 at a specific childcare provider; an employer-supported stipend to be used by employees for
61 childcare at a location of the employee's choice; or other such strategies.

62 (ii) The special commission shall assess additional opportunities to create and promote
63 employee early education and care supports; provided that said additional opportunities may
64 include: identifying and promoting employer best practices and exploring incentives for
65 employers to support additional early education and care benefits for their employees; expanding
66 state partnerships with the business community to identify and share best practices and explore
67 incentives for employers to support employees who have young children; improved collaboration
68 across Secretariats to engage with the business community; encouraging employers to provide
69 employer-supported early education and care benefits to employees; incentives for employers of
70 a certain size and specific subgroups of employers to provide employer-supported early
71 education and care benefits to employees; and other matters related to the expansion of
72 employer-supported early education and care benefits in the commonwealth, including, but not
73 limited to, the feasibility of requiring employers of a certain size to include the provision of a
74 childcare subsidy as an employment benefit.

75 (iii) The special commission shall evaluate the performance and impact of the activities
76 of the EEC Public-Private Partnership Trust Fund established in section xx of chapter xx of the
77 MGL by providing an assessment of its performance and recommendations for improved
78 efficiency, effectiveness, and enhancements.

79 (c) The special commission shall hold not less than 3 public meetings and may hold
80 additional meetings, hearings and other forums that is considers necessary. The commission shall

81 file its report and recommendations with the clerks of the senate and the house of representatives,
82 the senate and house committees on ways and means and the joint committee on education not
83 later than June 30, 2024.