

SENATE No. 2697

The Commonwealth of Massachusetts

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

SENATE, March 7, 2024.

The committee on Senate Ways and Means to whom was referred the Senate Bill providing affordable and accessible high-quality early education and care to promote child development and well-being and support the economy in the Commonwealth (Senate, No. 2619), - reports, recommending that the same ought to pass with an amendment substituting a new draft with the same title (Senate, No. 2697).

For the committee,
Michael J. Rodrigues

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An Act ensuring affordability, readiness and learning for our youth and driving economic development.

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. Chapter 15A of the General Laws is hereby amended by inserting after
2 section 19E the following 2 sections:-

3 Section 19F. (a) Subject to appropriation, the board shall, in coordination with the board
4 of early education and care, establish an early education and care educator scholarship program
5 for early education and care sector educators pursuant to clause (10) of section 5 of chapter 15D
6 including, but not limited to, standards for the administration of the program and application
7 criteria to ensure that the program provides meaningful improvements in the delivery of high-
8 quality early education and care.

9 (b) A scholarship granted under the program may be used to cover the cost of tuition, fees
10 or course-related expenses including, but not limited to, personal child care expenses in order to
11 attend classes and class meetings, and other supports deemed appropriate by the board, in
12 consultation with the board of early education and care, for early education and care educators

13 who are pursuing early education credentials, associate-level degrees or bachelor-level degrees to
14 meet the teacher and program quality standards of the department of early education and care.

15 (c) Eligible recipients shall be current or prospective early education and care educators
16 employed or seeking employment in early education and care programs in the commonwealth
17 who commit to providing early education and care for a term of service to be determined by the
18 boards.

19 (d) Preference for scholarships shall be given to applicants identified as educators who
20 have displayed a proven commitment to early childhood education or are members of a socially
21 or economically disadvantaged community.

22 (e) The program shall be administered by the department, in collaboration with the
23 department of early education and care, to ensure that recipients receive adequate support in
24 selecting programs and courses that lead to the attainment of early education credentials and
25 further their career in early education and care.

26 Section 19G. Subject to appropriation, the board shall, in coordination with the board of
27 early education and care, establish an early education and care educator loan forgiveness
28 program for early education and care educators pursuant to clause (10) of the second paragraph
29 of section 5 of chapter 15D. Preference for loans shall be given to applicants identified as
30 educators who have displayed a proven commitment to early childhood education and either: (i)
31 who work in communities predominantly serving children and families with high needs as
32 defined in section 1A of said chapter 15D (ii) or work in regions with a shortage of early
33 education and care slots.

34 SECTION 2. Section 1A of chapter 15D of the General Laws, as appearing in the 2022
35 Official Edition, is hereby amended by inserting after the definition of “Group care facility” the
36 following definition:-

37 “High needs”, a designation for those individuals or families whose income is not more
38 than 85 per cent of the state median income and individuals with needs that may result in the
39 individual or family requiring more services including, but not limited to, individuals or families:
40 (i) experiencing a physical, mental, emotional, intellectual, cognitive, behavioral or health-
41 related disability or condition or exposure to domestic violence; (ii) with a history of trauma; (iii)
42 with limited English proficiency or limited literacy; (iv) experiencing homelessness or housing
43 instability; or (v) with other high needs as determined by the department.

44 SECTION 3. Said section 1A of said chapter 15D, as so appearing, is hereby further
45 amended by striking out, in lines 98 to 100, inclusive, the words “, but the number of children
46 under the age of 16 in a large family child care home shall not exceed 10, including participating
47 children living in the residence”.

48 SECTION 4. The second paragraph of section 2 of said chapter 15D, as so appearing, is
49 hereby amended by striking out clause (e) and inserting in place thereof the following clause:-

50 (e) establish and develop a schedule for revising: (1) a rate structure for voucher and
51 contracted payments to early education and care providers that enroll children receiving child
52 care financial assistance, which shall be informed by the cost of providing high-quality early
53 education and care to such children in conformity with federal and state laws, regulations and
54 quality and safety standards; and (2) a sliding fee scale for families receiving child care financial
55 assistance, which shall be updated within 1 year of the department expanding income eligibility

56 for the child care financial assistance program under subsection (e) of section 13A, or not less
57 than every 5 years, whichever occurs first, to reflect affordability standards for participating
58 families; provided, however, that recipients of child care financial assistance whose income is
59 not more than 100 per cent of the federal poverty level shall not be charged fees for care;
60 provided further, that the sliding fee scale shall be implemented by applying said scale to the
61 amount that a family's income exceeds 100 per cent of the federal poverty level; and provided
62 further, that recipients of child care financial assistance shall not be charged fees for care that
63 exceed 7 per cent of the family's total income. Prior to the establishment or revision of the rate
64 structure or sliding fee scale, the department shall hold a public hearing under chapter 30A on
65 such establishment or revisions and the board shall approve such establishment or revision.

66 SECTION 5. Said section 2 of said chapter 15D, as so appearing, is hereby further
67 amended by inserting after the word "training", in line 108, the following words:- ; and (v) in
68 consultation with the data advisory commission established in section 12B, annually collect data
69 on: (1) the number of early education and care providers; (2) the number of employees at early
70 education and care providers, delineated by job position and full-time or part-time designation;
71 (3) the pay rates and employer-paid benefits for employees at early education and care providers,
72 delineated by job position and full-time or part-time designation; (4) the tuition charged by early
73 education and care providers for full and part-time early education and care, delineated by age
74 group; (5) the number of children enrolled by early education and care providers, delineated by
75 region, age, type of care, family income range, race, ethnicity, country of origin, disability status,
76 receipt of early intervention services, primary language of the household and the number of
77 adults in the household; (6) the number of children receiving child care financial assistance,
78 delineated by region, age, type of care, family income range, race, ethnicity, country of origin,

79 disability status, receipt of early intervention services, primary language of the household and
80 number of adults in the household; (7) the total cost of child care financial assistance provided by
81 the department or its agents; (8) the average monthly number of utilized and unutilized
82 contracted slots and vouchers, delineated by region and type of care; and (9) the average monthly
83 number of children on the department’s waitlist for child care financial assistance, delineated by
84 region, age, type of care, family income range, race, ethnicity, country of origin, disability status,
85 receipt of early intervention services, primary language of the household and number of adults in
86 the household. The department shall include a summary of the data collected in the department’s
87 annual report required by subsection (g) of section 3.

88 SECTION 6. Section 3A of said chapter 15D, as appearing, is hereby amended by
89 striking out, in line 26, the words “the Bureau of Jewish Education” and inserting in place
90 thereof the following words:- Combined Jewish Philanthropies of Greater Boston, Inc.

91 SECTION 7. Said chapter 15D is hereby further amended by inserting after section 12A
92 the following section:-

93 Section 12B. (a) There shall be a data advisory commission to promote the improved use
94 of state, provider and program-level data related to the cost, quality and utilization of early
95 education and care services.

96 The data advisory commission shall assist the department in identifying, analyzing and
97 making recommendations on high-impact, cost-effective data strategies for assessing the needs
98 of families and children including, but not limited to: (i) establishing a data collection and
99 reporting system to track the data that the department is required to collect under clause (v) of
100 the second paragraph of section 2; (ii) strengthening the department’s capacity to analyze and

101 report on staffing, scheduling and financial data in ways that support strategic resource allocation
102 decisions, including a review of national best practice models that ensure greater financial
103 transparency; (iii) strengthening the department's capacity to use data to inform strategic
104 resource allocation and implementation decisions; and (iv) streamlining data reporting including,
105 but not limited to, eliminating duplicative reporting requirements.

106 (b) The data advisory commission shall consist of: the commissioner of early education
107 and care or a designee, who shall serve as chair; the secretary of education or a designee; 14
108 members who shall have demonstrated knowledge and experience in data collection and analysis
109 for the purpose of improving access to high-quality and affordable early education and care
110 services, 1 of whom shall be appointed by the Massachusetts Association for Early Education &
111 Care, Inc., 1 of whom shall be appointed by the Massachusetts Budget and Policy Center, Inc., 1
112 of whom shall be appointed by Neighborhood Villages Inc., 1 of whom shall be appointed by the
113 Alliance of Massachusetts YMCAs, Inc., 1 of whom shall be appointed by the Massachusetts
114 Head Start Association, Inc., 1 of whom shall be appointed by the Massachusetts Afterschool
115 Partnership, Inc., 1 of whom shall be appointed by the Common Start Coalition, 1 of whom shall
116 be appointed by the Massachusetts Early Childhood Funder Collaborative, 1 of whom shall be
117 appointed by the Massachusetts Business Roundtable, 1 of whom shall be appointed by the
118 Massachusetts Business Coalition for Early Childhood Education, 1 of whom shall be appointed
119 by the Boston Foundation, Inc., 1 of whom shall be appointed by Jumpstart for Young Children,
120 Inc., 1 of whom shall be appointed by Strategies for Children, Inc. and 1 of whom shall be
121 appointed by Massachusetts Taxpayers Foundation, Inc.; and 5 members who shall be appointed
122 by the commissioner, 1 of whom shall be a family-based early education and care provider, 1 of
123 whom shall be a center-based early education and care provider, 1 of whom shall be a parent of a

124 child currently enrolled in an early education and care program and 2 of whom shall have
125 professional experience and knowledge in the area of data collection, quality and usage in
126 establishing education policy and improving child and family outcomes. Appointees on the
127 advisory commission shall reflect geographically diverse regions of the commonwealth to ensure
128 regional equity within the commission.

129 (c) Annually, not later than December 1, the data advisory commission shall submit a
130 report on recommendations and findings to the clerks of the senate and house of representatives,
131 the senate and house committees on ways and means and the joint committee on education. The
132 report shall be made publicly available on the department's website.

133 SECTION 8. Said chapter 15D is hereby further amended by inserting after section 13
134 the following section:-

135 Section 13A. (a) The department shall maintain, subject to appropriation, a child care
136 financial assistance program that shall provide sufficient financial assistance to enable eligible
137 families to afford and access high-quality early education and care for infants, toddlers,
138 preschool-age children and school-age children.

139 (b) The department shall provide child care financial assistance to support early education
140 and care through means which shall include, but shall not be limited to: (i) providing vouchers
141 for payments to early education and care providers of a family's choosing; or (ii) offering
142 families the option of an open slot with an early education and care provider that is contracted
143 with the department. Reimbursement for vouchers and contracted payments to early education
144 and care providers that enroll children receiving child care financial assistance shall be based on
145 enrollment; provided, however, that enrollment shall be measured by the department using

146 quarterly enrollment averages or if deemed appropriate by the department, enrollment averages
147 less frequent than quarterly.

148 (c) Child care financial assistance may be used for early education and care provided by
149 public, private, nonprofit and for-profit entities licensed or approved by the department
150 including, but not limited to, preschools, child care centers, nursery schools, before-school
151 programs, after-school programs, out-of-school time programs, Head Start programs, Early Head
152 Start programs, informal child care providers and independent and system-affiliated family child
153 care homes. As a condition for receiving child care financial assistance from the department
154 under this section, an early education and care provider shall enter into and comply with a
155 contract with the department or its agents. The department shall develop the contract which shall
156 include a requirement that the early education and care provider comply with all applicable
157 requirements of this chapter and any other federal or state requirements necessary to receive
158 funding for child care financial assistance provided to families under this section.

159 (d) The department shall provide child care financial assistance to: (i) families with a
160 child who has an open case at the department of children and families or families with a child
161 who is otherwise referred by the department of children and families; (ii) families currently
162 involved with, or transitioning from, transitional aid to families with dependent children,
163 including: (A) recipients of transitional aid to families with dependent children benefits; (B)
164 former recipients of transitional aid to families with dependent children benefits who are
165 working or are engaged in an approved service need activity for up to 1 year after termination of
166 their benefits; (C) participants who are working or are engaged in an approved service need
167 activity for up to 1 year after the transitional period; (D) parents who are under 18 years of age
168 who are currently enrolled in a job training program and who would qualify for benefits under

169 chapter 118 if not for the consideration of the income of the minor parents' legal guardians or
170 parents; and (E) recipients of the supplemental nutrition assistance program who are participating
171 in education and training services approved by the department of transitional assistance; and (iii)
172 families in need of early education and care services whose family income is not more than 85
173 per cent of the state median income; provided, however, that the department shall promulgate
174 regulations to ensure that priority shall be given to families: (A) whose family income is not
175 more than 50 per cent of the state median income; (B) in which a parent or caregiver is working
176 in the field of early education and care subject to rules or regulations set by the department; (C)
177 with children who have a documented disability and whose family income is not more than 85
178 per cent of the state median income; (D) who are experiencing homelessness; (E) who are
179 headed by a young parent as determined by the department; and (F) experiencing domestic
180 violence.

181 (e) If additional funds are available or the federal government obligates itself to release
182 additional funding to expand access to child care services beyond those reasonably sufficient to
183 fund subsection (d), the department shall, in a manner consistent with any requirements placed
184 on the receipt or expenditure of the relevant federal funds, allocate funding to increase the
185 number of families receiving child care financial assistance based on income eligibility in the
186 following order of priority to provide child care financial assistance to: (i) families eligible under
187 said clause (iii) of said subsection (d); (ii) families in need of child care services whose family
188 income is above 85 per cent, but not more than 100 per cent, of the state median income; (iii)
189 families in need of child care services whose family income is above 100 per cent, but not more
190 than 110 per cent, of the state median income; and (iv) families in need of child care services
191 whose family income is not more than 125 per cent of the state median income.

192 (f) If a school-age child is receiving child care financial assistance, the assistance shall
193 continue until the end of the school year even if the child reaches the maximum age prior to the
194 last day of the school year.

195 (g) For the purposes of child care financial assistance eligibility, “family income” shall
196 include the income of parents living with the child receiving child care financial assistance but
197 shall not include: (i) any form of income of foster parents, caregivers or other adult family
198 members; (ii) income of siblings who are not receiving child care financial assistance; or (iii)
199 earned income of any minor child.

200 To the extent allowable under federal law and regulation, no child care financial
201 assistance provided under this section shall be counted as income or assets for the purpose of
202 disqualifying any person from eligibility for any other government benefit for which the person
203 is otherwise eligible including, but not limited to, transitional aid to families with dependent
204 children benefits.

205 (h) The department or its agents shall not reduce, terminate or deny continued child care
206 financial assistance to a family based solely on family income unless the income exceeds 85 per
207 cent of the state median income or the income threshold for currently eligible families as
208 prioritized in subsection (e), whichever is higher. If a family is determined to be ineligible for
209 financial assistance, the family shall be given an opportunity for an administrative review. If the
210 department or its agents, after such administrative review, reduce, terminate or deny a family’s
211 child care financial assistance, the department shall provide the family with an opportunity for an
212 administrative appeal hearing and shall process the appeal within 60 days from the date the
213 request is made. Subject to department rules and regulations, while an administrative review or,

214 if applicable, an administrative appeal hearing is pending and until a final determination is made,
215 services supported by child care financial assistance shall continue after receipt of a notice of
216 reduction, termination or denial of continued child care financial assistance.

217 (i) The department shall review the child care financial assistance program not less than
218 annually to identify access barriers to families and opportunities to improve families’
219 experiences with the child care financial assistance process, including, but not limited to,
220 department paperwork and verification requirements. The department shall take action to remove
221 any access barriers, including, but not limited to: (i) making technological improvements; (ii)
222 streamlining the application and renewal processes; (iii) improving outreach to potentially
223 eligible families regarding the availability of child care financial assistance and the application
224 process; and (iv) improving access for families with limited English proficiency.

225 (j) The department shall promulgate regulations necessary to implement this section.

226 SECTION 9. Subsection (a) of section 17 of said chapter 15D, as so appearing, is hereby
227 amended by striking out the definitions of “Family child care provider” and “Family child care
228 services” and inserting in place thereof the following 2 definitions:-

229 “Family child care provider”, a person who provides family child care services on behalf
230 of children receiving child care financial assistance and receives payment from the
231 commonwealth for such services under a rate structure for voucher and contracted payments.

232 “Family child care services”, child care services provided for less than 24 hours per day
233 in the residence of the provider on behalf of children receiving child care financial assistance for
234 which payment from the commonwealth is made under a rate structure for voucher and
235 contracted payments.

236 SECTION 10. Subsection (h) of said section 17 of said chapter 15D, as so appearing, is
237 hereby amended by striking out, in line 76, the words “low-income and other at-risk children”
238 and inserting in place thereof the following:- children receiving financial assistance.

239 SECTION 11. Said chapter 15D is hereby further amended by adding the following 2
240 sections:-

241 Section 19. (a) The department shall, subject to appropriation, establish, distribute and
242 maintain an operational grant program for early education and care providers to provide high-
243 quality and sustainable education and care.

244 (b) Eligible uses for operational grants shall include, but not be limited to: (i)
245 compensating early education and care provider staff through increased salaries, benefits,
246 bonuses, professional development or access to continuing education opportunities; (ii)
247 increasing the affordability of early education and care to families, including by reducing the
248 tuition and fees paid by families or offering scholarships to families; (iii) enabling early
249 education and care providers to provide high-quality early education and care and to comply with
250 applicable health, safety, educational and quality-assurance requirements, any other requirements
251 of this chapter, and requirements imposed by the department consistent with this chapter; (iv)
252 improving facilities and physical spaces used by the providers; (v) enabling early education and
253 care providers to purchase high-quality, evidence-based early literacy materials; (vi) enabling
254 providers to address emergency situations during which the cost of care significantly increases
255 due to additional federal, state or department requirements or the loss of fees due to absence or
256 unenrollment that jeopardizes early education and care providers’ ability to retain their facilities
257 and staff; and (vii) enabling early education and care providers to maintain or increase capacity

258 to provide voluntary supplemental services to enrolled children and their families including, but
259 not limited to, social work services, health and disability-related services and support services to
260 parents and caregivers.

261 (c) The department shall maintain a formula for distributing operational grants to early
262 education and care providers, which shall give preference to providers that serve: (i) high
263 numbers of children receiving child care financial assistance; (ii) high numbers of high needs
264 children; and (iii) unique populations or that otherwise advance the interest of the program as
265 determined by the department. The formula shall consider: (i) licensed capacity and enrollment
266 including the ages of the children enrolled and the ages of the children for whom the provider
267 has capacity; provided, however, that enrollment shall be measured by the department using
268 quarterly enrollment averages or if deemed appropriate by the department, enrollment averages
269 less frequent than quarterly (ii) costs associated with employee compensation, including salaries
270 and benefits; (iii) the number of enrolled children receiving child care financial assistance; (iv)
271 the demographics and income of families served, including the number of children enrolled and
272 identified as high needs; (v) the cost of goods and services necessary for provider operations,
273 including rent, utilities, maintenance and facility improvements; (vi) the cost of quality care
274 methodology developed by the department and, until such time as the methodology is
275 established, any available information regarding the cost of quality early education and care,
276 including available credentialing frameworks and applicable salary guidelines; (vii) increasing
277 the financial stability of providers in need; (viii) and business structure of providers; and (ix) any
278 other factors impacting the cost of providing quality early education and care including, but not
279 limited to, serving infants and toddlers, providing nonstandard hours of care and providing care
280 in socially and economically disadvantaged and historically underrepresented communities with

281 shortages of early education and care slots. A provider that is not an “eligible organization” as
282 defined in section 18 of chapter 15D and that, directly or through an affiliate, operates more than
283 10 center-based programs in the commonwealth shall not receive more than 1 per cent of annual
284 program funds unless the provider is granted a waiver by the commissioner deeming such
285 allocation of more than 1 per cent to be in the best interest of the commonwealth. The
286 department shall incorporate geographic equity into the development of the distribution formula.

287 Annually, the department shall review and update the operational grant formula to ensure
288 equity and effectiveness in the financial sustainability of early education and care providers.
289 Prior to the establishment or a revision of the operation grant formula, the department shall
290 conduct a public hearing under chapter 30A and submit the proposed updates to the board for its
291 approval.

292 (d) As a condition for receiving operational grants under this section, the department
293 shall require early education and care providers to: (i) enter into and comply with contractual
294 agreements with the department or its agents, which shall be developed by the department; (ii)
295 continue to, or demonstrate a willingness to, enroll children receiving child care financial
296 assistance, if a family receiving child care financial assistance chooses the provider and the
297 provider has an available opening; (iii) comply with the career ladder established in section 20,
298 and if not feasible, provide increased salaries, compensation and benefits to the extent possible;
299 and (iv) provide the department with data that the department requires, as needed to carry out the
300 department’s assessment and reporting requirements under this section. The department shall
301 solicit public comments prior to establishing or revising criteria for eligible recipients of the
302 operational grant program.

303 (e) Operational grants shall, subject to appropriation and the distribution formula
304 developed under subsection (c), be renewed for each provider; provided, however, that renewal
305 shall not be required if there is a change in circumstances for the provider making them
306 ineligible, the provider is not in compliance with this section or if the department, in its
307 discretion, determines that renewal would not be appropriate.

308 (f) The department shall establish enforceable compliance standards to ensure the
309 integrity of the program. The standards shall ensure that open slots in early education and care
310 providers that receive operational grants are accessible to children receiving child care financial
311 assistance and that recipients are making meaningful progress towards complying with the career
312 ladder standards established in section 20; provided however, that a provider that is not an
313 “eligible organization” as defined in section 18 of chapter 15D and that, directly or through an
314 affiliate, operates more than 10 center-based programs in the commonwealth and receives
315 operational grants shall: (i) demonstrate a willingness to accept more children receiving child
316 care financial assistance in proportion to the provider’s size, as determined by the department;
317 (ii) dedicate a certain percentage of the provider’s operational grant funds, as determined by the
318 department, to increasing compensation for their early education educators in alignment with the
319 department's career ladder; and (iii) annually provide the department with an audited financial
320 statement detailing how the provider’s operational grant funds are spent. Prior to establishing or
321 revising standards, the department shall solicit public input.

322 (g) The department shall include information on the status of the operational grant
323 program in the department’s annual report required by subsection (g) of section 3. This
324 information shall include, but not be limited to: (i) a description of the distribution formula; (ii)
325 an analysis of the incorporation of equity into the distribution formula; (iii) an analysis of the

326 demographic data of the families served by recipients of operational grants; (iv) an analysis of
327 how recipients are using operational grants; (v) an analysis of the impact of the operational grant
328 program on supporting provider sustainability, increasing the availability of early education and
329 care slots, supporting the early education and care workforce, assisting providers with complying
330 with the career ladder established under section 20 and improving access to, and the affordability
331 of, high-quality early education and care; (vi) an analysis of the impact that the termination of
332 the operational grant program would have on the commonwealth; (vii) if applicable,
333 recommendations on how the program could be modified to most effectively direct grant funding
334 to providers serving families with the greatest needs; and (viii) if applicable, recommendations
335 on how to amend the distribution formula to maximize the goals of educational equity, school
336 readiness and optimal results for families with the greatest needs.

337 Section 20. (a) The department shall maintain an early education and care career ladder
338 as considered under clause (11) of the second paragraph of section 5.

339 (b) The career ladder shall include, but not be limited to: (i) minimum recommended
340 salaries and compensation for each level of the career ladder that are commensurate with the
341 salaries of public school teachers with equivalent education, credentials and training required for
342 a position; (ii) minimum recommended benefits for early education and care provider staff
343 including, but not limited to, health insurance, retirement benefits, paid vacation and other leave
344 time; and (iii) recommendations for linking professional development and educational
345 credentials to increased compensation and leadership opportunities in early education and care.
346 Prior to establishing or revising the career ladder, the department shall solicit public input.

347 (c) The department shall review the career ladder’s compensation structure and benefits
348 guidelines annually and update them, as needed, based on increased cost of living or any other
349 factors deemed relevant by the department to determine appropriate compensation for the field.

350 SECTION 12. Not later than October 31, 2024, the department of early education and
351 care shall submit a report to the clerks of the senate and house of representatives, the senate and
352 house committees on ways and means and the joint committee on education on a proposed
353 methodology to calculate and assess the cost of providing high-quality early education and care.
354 The methodology shall take into consideration the full cost of service delivery, including, but not
355 limited to, costs that vary based on: (i) geographic region; (ii) early education and care provider
356 type and size; (iii) the age ranges of children served; (iv) group size and ratios; (v) the
357 demographics of the populations served by early education and care providers; and (vi) costs of
358 additional services to children and families with high needs, as defined in section 1A of chapter
359 15D of the General Laws, including staff and staff training necessary to accommodate children
360 with disabilities or other high needs, interpreter services, mental health supports for children and
361 staff and staff time required to provide comprehensive family engagement and services to ensure
362 effective early education and promote multigenerational success.

363 In developing the methodology, the department shall consider the factors that affect the
364 cost of service delivery including, but not limited to: (i) administration; (ii) staff pay and
365 benefits; (iii) professional development and instructional coaching; (iv) operations and
366 maintenance including, but not limited to, rent, equipment, technology, furniture and utility
367 costs; (v) educational supplies and curricula; (vi) food services; and (vii) transportation services.

368 The department shall include in its report: (i) recommendations to annually assess and
369 update the methodology to ensure continued alignment with the cost of providing high-quality
370 early education and care and compliance with federal regulations; and (ii) recommendations
371 regarding the use of the methodology to inform the development of child care financial
372 assistance reimbursement rates under clause (e) of the second paragraph of section 2 of said
373 chapter 15D and the distribution formula for the operational grant program established in section
374 19 of said chapter 15D.

375 SECTION 13. Subject to appropriation, the department of early education and care, in
376 consultation with the executive office of economic development, shall establish a competitive
377 matching grant pilot program to increase access to high quality and affordable early education
378 and care by incentivizing employer investments. The pilot program shall be open to a
379 Massachusetts employer, a group of Massachusetts employers or an early education and care
380 provider partnering with a Massachusetts employer or group of Massachusetts employers. The
381 pilot program shall fund investments in infrastructure, startup, employment or other related costs
382 to establish new early education and care slots or increase the number of children that can be
383 served by at least 1 early education and care provider. As part of the application for the pilot
384 program, an applicant shall: (i) commit to investing not less than 50 per cent of the expected pilot
385 program cost on infrastructure, startup, employment or other costs related to creating new early
386 education and care slots or increasing the number of children that can be served by at least 1
387 early education and care provider; (ii) certify that it will pay employees pursuant to salary and
388 compensation guidelines established by the department; and (iii) ensure that early education and
389 care providers funded through this program enroll or commit to enrolling children receiving
390 child care financial assistance. The department shall seek to maximize equity when reviewing

391 and selecting grant applicants, including prioritizing applications that: (i) support higher numbers
392 of children from low-income families; (ii) present a plan for maintaining affordable tuition prices
393 for families; (iii) are from applicants located in an area with a shortage of early education and
394 care slots; (iv) support historically underserved populations, infants, toddlers, families with
395 nontraditional work hours and families with children with high needs as defined in section 1A of
396 chapter 15D of the General Laws; and (v) promote equity in other ways as deemed appropriate
397 by the department. An early education and care provider shall not be eligible to participate in the
398 pilot program unless the provider is a non-profit organization, an organization in which a non-
399 profit organization has a controlling financial or managerial interest or a family-based early
400 education and care provider. The department may contract with quasi-public or non-profit
401 organizations to administer the program, including, but not limited to, the Community Economic
402 Development Assistance Corporation established in chapter 40H of the General Laws. The
403 department may promulgate regulations or guidelines to implement this section, including, but
404 not limited to, additional eligibility requirements and compliance protocols. Nothing in this
405 section shall require the department to select an application if the department deems the
406 application is not in the best interest of the program. Not later than December 1, 2024, and
407 biannually thereafter for the duration of the pilot program, the department of early education and
408 care shall file a report on the pilot program with the clerks of the senate and house of
409 representatives, the senate and house committees on ways and means and the joint committee on
410 education.

411 SECTION 14. The department of early education and care and the executive office of
412 labor and workforce development, in consultation with the commonwealth corporation and the
413 early education and care workforce council established in section 79 of chapter 154 of the acts of

414 2018, shall conduct a study and report on enhancing the early education and care workforce
415 pipeline and developing strategies and prioritizing programming and funding opportunities to
416 ensure that the early educator workforce meets the needs of the commonwealth. The report shall
417 include, but not be limited to, recommendations on the following: (i) recruiting new early
418 education and care providers; (ii) developing apprenticeship programs and non-traditional
419 recruitment opportunities; (iii) opportunities for collaboration between early education and care
420 providers and vocational schools with curricula that include early education and care; (iv)
421 retaining early educators; (v) incentivizing the development of family child care providers; and
422 (vi) exploring the potential for the growth of family child care providers into center-based
423 programs. The report shall take into consideration existing resources pursuant to clause (12) of
424 the second paragraph of section 5 of chapter 15D of the General Laws and may make
425 recommendations regarding additional resources which would be required to fully implement the
426 report.

427 The report shall be filed with the clerks of the senate and house of representatives, the
428 senate and house committees on ways and means, the joint committee on education and the joint
429 committee on labor and workforce development not later than June 30, 2025. The report shall be
430 made publicly available on the websites of the department of early education and care and the
431 executive office of labor and workforce development.

432 SECTION 15. (a) Not later than June 30, 2025, the executive office of labor and
433 workforce development, in consultation with the department of early education and care and the
434 executive office of economic development, shall file a report with the clerks of the senate and
435 house of representatives, the senate and house committees on ways and means and the joint
436 committee on education to study and make recommendations on employer-supported early

437 education and care benefits. The report shall include, but not be limited to: (i) identifying and
438 promoting employer best practices; (ii) exploring employer incentives to support additional early
439 education and care benefits for their employees; (iii) examining the availability of state
440 partnerships with the business community to support employees who have young children; (iv)
441 exploring ways to improve collaboration across secretariats of state agencies to engage with the
442 business community; (v) considering incentives or requirements for employers of a certain size
443 or specific subgroups of employers to provide employer-supported early education and care
444 benefits to employees; and (vi) considering the feasibility of assessing all or certain employers in
445 order to fund expanded access to high quality, affordable early education and care. Prior to
446 making its recommendations, the executive office of labor and workforce development shall
447 meet with regionally-diverse stakeholders.

448 SECTION 16. Not later than June 30, 2025, the department of early education and care
449 shall file a report with the clerks of the senate and house of representatives, the senate and house
450 committees on ways and means and the joint committee on education that assesses the current
451 supply of slots for, and the unmet needs of, families in need of early education and care services
452 whose family income is not more than 125 per cent of the state median income, taking into
453 account relevant differences among geographic locations including, but not limited to: (i)
454 subsidized transportation of children to and from early education and care providers; (ii) early
455 education and care services for time periods outside standard hours; (iii) substitute care for when
456 a family's regular early education and care provider is unavailable; and (iv) any other factors that
457 prevent families from accessing child care financial assistance. The report shall also include an
458 assessment of the cost of addressing these unmet needs.

459 SECTION 17. Not later than June 30, 2025, the department of early education and care
460 shall file a report with the clerks of the senate and house of representatives, the senate and house
461 committees on ways and means and the joint committee on education detailing a plan to pilot,
462 scale and regularly evaluate shared services and quality licensed hubs for early education and
463 care programs, including family-based early education and care providers.

464 SECTION 18. Not later than March 31, 2025, the department of higher education, in
465 consultation with the department of early education and care, shall file a report with the clerks of
466 senate and the house of representatives, the senate and house committees on ways and means and
467 the joint committee on education, on the design and implementation of sections 19F and 19G of
468 chapter 15A of the General Laws.

469 SECTION 19. Not later than October 31, 2024, the department of early education and
470 care shall file a report on the operational grant program established under section 19 of chapter
471 15D of the General Laws with the clerks of senate and the house of representatives, the senate
472 and house committees on ways and means and the joint committee on education. The report shall
473 include the department's proposed: (i) distribution formula for the operational grant program; (ii)
474 eligibility criteria for the operational grant program; (iii) allowable uses of operational grants;
475 and (iv) enforceable compliance standards for ensuring that program openings in early education
476 and care providers receiving operational grants are accessible to children receiving child care
477 financial assistance.

478 SECTION 20. The department of early education and care shall file a report: (i) detailing
479 a plan to expand local partnerships, including strategies and resources necessary to address
480 community-based program expansion plans currently in development under the Commonwealth

481 Preschool Partnership Initiative grant; (ii) identifying means by which existing programming
482 may be continued using existing resources available to child care providers in the mixed delivery
483 system; (iii) identifying strategies for expanding the number of slots available in communities
484 currently receiving Commonwealth preschool partnership initiative grants; and (iv) identifying
485 best practices to expand local partnerships to more communities, including through mixed
486 delivery programs administered by the local school system, municipal scholarship programs
487 provided directly to families based on successful models already being implemented in certain
488 municipalities and other approaches to expand access to public high-quality care. The report
489 shall be filed with the clerks of the senate and house of representatives, the senate and house
490 committees on ways and means and the joint committee on education not later than December
491 31, 2025.

492 SECTION 21. Not later than December 31, 2025, the department of early education and
493 care, in consultation with the Children’s Investment Fund and the Community Economic
494 Development Assistance Corporation, shall file a report with the clerks of the senate and house
495 of representatives, the senate and house committees on ways and means and the joint committee
496 on education detailing proposed improvements to the Early Education and Out of School Time
497 Capital fund. The report shall include, but not be limited to: (i) eligibility criteria; (ii) size of
498 grants; (iii) ways to streamline the application process; (iv) any other parameters to increase the
499 impact of the fund; and (v) any data available on unmet needs for early education and care
500 facilities improvements.

501 SECTION 22. The department shall establish the first early education and care career
502 ladder pursuant to section 20 of chapter 15D of the General Laws not later than October 31,
503 2024.

504 SECTION 23. Unless otherwise specified, the reports required to be issued pursuant to
505 sections 12 to 21, inclusive, shall be made publicly available on the website of the department of
506 early education and care.

507 SECTION 24. Sections 8 and 11 shall take effect on January 15, 2025.