

December 14, 2021

The Honorable Charlie D. Baker
Governor of Massachusetts
Massachusetts State House, Room 360
24 Beacon Street
Boston, MA 02133

Dear Governor Baker:

As you consider recommendations for your budget proposal for Fiscal Year 2023 (FY23), we respectfully ask that you include additional funding for young children and families in the Commonwealth. Specifically, we ask for the designation of \$600 million, as projected by the Department of Early Education and Care, to extend and study the (EEC) Child Care Stabilization Grants through Fiscal Year 2023 to position the program for sustained support and success into the future.

The pandemic highlighted inequities in so many of our social systems; perhaps most starkly, it raised broad, concrete awareness of how critical and integral the early education and care sector is to our economy and to the future of our state. We appreciate the decisions you and members of your Administration have made to support and stabilize the early education and care sector over the last 2 years during the global pandemic.

There is an urgent need, however, to sustain this substantial progress in the upcoming fiscal year.

The COVID-19 pandemic continues to disrupt the childcare sector. We are in the midst of a childcare staffing crisis that is the result of years of chronic underinvestment and low wages. As a result, the workforce that cares for our children and serves as the backbone of our economy has been depleted. The Commonwealth will continue to lose its early education and care workforce to the many other sectors able to offer higher wages and more generous benefits unless we address educator compensation.

This is having a direct impact on states' economies and revenue. A recent five state survey by the U.S. Chamber of Commerce found that breakdowns in the childcare system cost states an estimated average of \$2.7 billion annually to their economies in lost tax revenue and employer losses from absences and employee turnover. Equally as alarming, the survey found that childcare issues are significantly affecting parents' job decisions: between 28 and 40 percent of parents in the survey reported that they or someone in their household has left a job, not taken a job, or changed jobs because of

problems with childcare in the last 12 months. **The innovative Commonwealth Cares for Children (C3) funding formula designed by the Department of Early Education and Care through the Child Care Stabilization Grant program remains critical for the early education and care sector.**

This grant program provides a stable source of direct-to-provider funding that can meet the full range of costs associated with providing high quality early education and care, including higher educator pay. This funding source has provided programs with the necessary stability to weather ongoing uncertainties, mitigate the harm of short-term fluctuations in their enrollment, and to make investments in educator wages and hire teachers. Frankly, it is because of the C3 stabilization grants that many programs have been able to keep their classrooms open and available to the children and families who rely on them. The C3 grant program not only addresses acute, pandemic-related challenges, but begins to lay the foundation for a strengthened and reimagined system that:

- Prioritizes access and support for the state's most vulnerable families;
- Provides childcare operators with resources at a scale that more closely equals the cost of doing business; and
- Starts to close the gap, for an entire field of workers, between substandard wages and the cost of living in Massachusetts.

The annual budget process is an opportunity to re-examine our financial commitment and reframe how we support children, families and early educators in the Commonwealth.

We urge you to include the following in your recommendations to the legislature (H.2):

- **Designate \$600 million to extend the Department of Early Education and Care's (EEC) Child Care Stabilization Grants through Fiscal Year 2023 and study its underlying Commonwealth Cares for Children (C3) formula for potential expansion.**
- **Enhance transparency and promote flexibility** in ECE state budgeting to creatively invest in strengthening the ECE system.

Extending the C3 stabilization grants, which are available to all licensed EEC programs – including early education, afterschool, and out of school time (OST) providers – through FY 2023 provides steady resources to the troubled ECE sector and attempts to promote fundamentally important goals such as staff retention and recruitment, programming for younger children who are more expensive to serve, longer program

hours to support the evolving needs of working families, equitable access, and higher program quality.

Maintaining funding for the grants program at \$600M through FY 2023 is critical for sustaining the progress we have made in stabilizing and building back the Commonwealth's early education and care infrastructure. It is absolutely essential for stemming the exodus of early educators, which has kept classrooms closed and families stranded without care solutions. Importantly, extending the grant funding through FY 2023 also presents a unique opportunity to research the true economic needs of the early education and care field; data collected over the fiscal year will enable evidence-based design of effective, efficient direct-to-program funding mechanisms that are aligned with concrete goals for access, affordability, quality, and equity.

Now, we stand at a unique moment in time. We have the opportunity to reimagine what is possible; to envision a future with a stronger, modernized early education and care system – one equipped to build a competitive 21st century workforce. The C3 stabilization grant program puts us on the path toward that goal.

Please contact Amy O'Leary, aoleary@strategiesforchildren.org, if you need additional information.

Thank you for your consideration.

Sincerely,

Adams Street Early Learning Center
Milton, MA

Boston Children's Hospital
Boston, MA

Alliance of Massachusetts YMCAs

Boston Chinatown Neighborhood Center
Boston, MA

Ayer Kiddie Depot
Fitchburg, MA

Boston College Center for Optimized
Student Support
Chestnut Hill, MA

Beginning Years Child Development
Centers
Medfield, MA

Bright Beginners Family Daycare LLC
Randolph, MA

Berkshire United Way
Pittsfield, MA

Cambridge-Ellis School
Cambridge, MA

Cambridgeport Children's Center
Cambridge, MA

Campus Child Care
Cambridge, MA

Charlestown Nursery School
Charlestown, MA

Child Tools Consulting
Fitchburg, MA

Children First
Granby, MA

Coalition for Social Justice
Somerset, MA

Commonwealth Children's Fund

Concord Children's Center
Concord, MA

Don and Pam Hawley Foundation
Concord, MA

Early Learning of Medfield, Inc
Medfield, MA

Early Minds Child Care, Inc.
Swansea, MA

Edna's Little Garden FCC
Woburn, MA

Edward Street
Worcester, MA

Elisabeth Amen Nursery School
Norton, MA

Ellis Early Learning
Boston, MA

Virginia Martinez Family Child Care
Revere, MA

Doris Frechette Family Child Care
Lowell, MA

Fantastic Family Daycare
Boston, MA

Frances Jacobson Early Childhood
Center
Boston, MA

Global Healing Project
Newton, MA

Great Beginnings Learning School, Inc.
Danvers, MA

Greater Lowell Community Foundation
Lowell, MA

Grove Hall Child Development Center
Mattapan, MA

Harbor City School
East Boston, MA

Healthy Chelsea
Chelsea, MA

Hills and Falls
Newton, MA

Horizons for Homeless Children
Roxbury, MA

Jumpstart
Boston, MA

Kiddie Academy of Cambridge
Cambridge, MA

Kiddie Kollege Early Learning Center
Hyannis, MA

King's Corner Learning Center
Leominster, MA

Lexington Playcare Center
Lexington, MA

Lincoln Nursery School
Lincoln, MA

Little People Nursery School, Inc.
Templeton, MA

Little Star Of Ours Daycare
Cambridge, MA

Lucia Pena Family Child Care
Dorchester, MA

Magic Garden Inc.
Lincoln, MA

Marblehead Children's Center
Marblehead, MA

Maritza Crespo Family Child Care
Dorchester, MA

Massachusetts Afterschool Partnership

Massachusetts Association of Early
Childhood Teacher Educators

Massachusetts Association for the
Education of Young Children

Massachusetts Business Coalition for
Early Childhood Education

Massachusetts Business Roundtable

Massachusetts Child Care Resource &
Referral Network

Massachusetts Early Childhood Funder
Collaborative

Massachusetts Head Start Association

Milford Family & Community Network
CFCE
Milford, MA

Neighborhood Villages Action Fund
Boston, MA

Newtowne School
Cambridge, MA

Northern Berkshire United Way
Adams, MA

Panda Bilingual Child Care
Cambridge, MA

Play Academy Learning Center
Medford, MA

Roger and Lisa Krakoff Family Fund
Boston, MA

Rogers-Pierce Children's Center
Arlington, MA

Sharon Cooperative School
Sharon, MA

Strategies for Children
Boston, MA

Teach Plus Massachusetts
Boston, MA

Temple Beth Shalom
Needham, MA

Thalis Family Day Care
Mattapan, MA

The Children's Garden Nursery School
Ashby, MA

The Family Cooperative
Watertown, MA

The Institute for Education and
Professional Development and
Education, Inc.

The Teddy Bear Club
Newton, MA

The Village Common Children's Center
Townsend, MA

Treehouse School of Charlestown
Charlestown, MA

United South End Settlements
Boston, MA

United Way of Greater Fall River
Fall River, MA

United Way of Massachusetts Bay and
Merrimack Valley
Boston, MA

Wellesley Centers for Women