Good morning Chairwoman Peisch, Chairman Lewis, and members of the Committee.

Thank you for holding this hearing and for your powerful opening remarks, the understanding of the complexities early education and care and the appreciation for the people doing this work every day.

It was almost exactly a year ago that this committee held a hearing on bills related to early education and care and we testified in support of bills designed to expand and increase the state’s commitment to ensuring young children have access to high-quality, affordable early education and care.

While the context is different today, we know that many of the challenges we have faced and worked together to address have been magnified over the last five months.

The health crisis has highlighted so many inequities in so many of our systems and has also raised broad, concrete awareness of how critical and integral the early education and care sector is to our economy and to the future of this Commonwealth.

Before COVID-19, even at full enrollment the child care market was broken. The way the system is financed left too few children with access to high-quality early childhood settings, too many early childhood educators living on poverty-level wages, and too many programs one rent payment away from closing down.

We know that our field is complex – with many funding streams – public and private dollars in the system.

We know that all programs are going to need flexible, stable additional funds to have a chance of making it in the new reality.

We know there is fear, anxiety, worry, uncertainty, need for answers and accurate information, and a strong commitment to best serve children and families.

We know that parent demand, employer decisions, and what happens with K-12 education will all impact the reopening and short- and long-term future of child care.
No one part of the system will be able to do this alone. We will need an unprecedented level of intentional and thoughtful collaboration, alignment and sharing of resources. We can no longer just monitor what each part of the system is doing, we will be dependent on each other and the decisions made will have implications for all parts.

In late April, Strategies for Children developed a survey to capture the voice of parents with young children during the Coronavirus pandemic. We received 2,363 responses from families across all regions of the state in April and May.

The results of this survey helped paint a picture of parent demand for child care and provides valuable insight into parent employment status, emergency child care program usage, parent comfort level, and the financial implications of COVID-19 on the early education and care industry in Massachusetts.

What we learned:

- The relationship between employers and child care providers will be an essential component of a successful reopening process. Our survey found that 61% of parents are struggling to work from home without child care and 50% will not be able to return to work without a consistent child care solution for their child.
- During the closure, only 2/3 of parents planned to return to their pre-COVID child care arrangements. Now that we have started the re-opening process, we know there is no guarantee that these programs will be able to re-open and STAY open. Furthermore, many programs will not have the capacity to welcome all families back due to new regulations requiring smaller class sizes.
- A resounding 91% of parents were hesitant to return to child care due to health concerns. The health and safety of children should remain at the forefront of the reopening conversation, however, it is important to acknowledge the financial implications of COVID-19 on the child care industry.

We know that programs have been reaching out to families to make decisions about reopening.

Strategies for Children will also launch another parent survey this summer and in the fall.

We are working alongside advocates and child care providers to get a clear picture of the financial impact of Coronavirus on the early education and care field.

We at Strategies for Children have organized a daily zoom call for the early education and care community since March. We have been inspired by the resiliency and creativity of our field. We know that providers will find a way to deliver high quality care to families in this context.

At the same time, we fear that in spite of their hard work programs will be forced to close their doors permanently in the coming months without significant financial investment.
Over the last two weeks, we have heard heartbreaking stories from directors and family child care providers who are borrowing from their reserves in the hope of a child care bailout that may never come.

Providers are considering staff reductions and salary cuts for a workforce that already makes poverty-level wages. Other potential solutions, increasing tuition rates and changing program hours, will place a heavy burden on working families.

The importance of child care as a critical enabler for economic recovery and growth has been acknowledged by leading business groups and influencers including the Federal Reserve Bank of Boston, the Massachusetts Business Roundtable, the Massachusetts Competitive Partnership, the Massachusetts High Technology Council, the Greater Boston Chamber of Commerce, and the Boston Business Journal. At the national level supporters of child care include the Business Roundtable, U.S. Chamber of Commerce, American Enterprise Institute, FEMA, and the CDC.

We know the philanthropic community is responding and stepping up.

We know the Commissioner has held town halls, asked for input and is has worked with the Baker Administration on the plan for reopening the state and making modifications and adjustments.

We know there have been many stories in the media highlighting the structural challenges of our system, the challenges families are experiencing with food insecurity, losing their jobs, paying their bills and supporting their families.

People are fighting for us – elected officials, leaders from other sectors and our federal delegation is leading the way in Washington DC.

We will build on the strong foundation that has been laid in Massachusetts:

- The original creation of the Department of Early Education and Care.
- Seven consecutive years of post-recession state budget increases for early education and care, $182 million since fiscal year 2013.
- Connections with the Early Education and Care Business Advisory Group
- Funding and language included in the supplemental budget.

We have a long road back. Things will be different as we return to a new reality.

We will look to other states and learn from them.

Hearing the real life, day-to-day challenges will help inform our advocacy and communication strategies and match up resources with needs. It will need to inform policy making and our future.
We will rely on the innovation, creativity and can-do attitude of the early education and care community.

But that will not be enough.

We will need to develop solutions and advocate together for additional resources and support.

As we move forward together, we have some initial ideas.

- We are calling for a joint meeting of the Boards of Early Education and Care and Elementary and Secondary Education to further discuss intentional collaboration and decision making. We know that no one may have answers about the fall – but we need to be thinking though scenarios together. We will also need the same discussions and problem solving at the local level.

- We need to have local data systems designed to collect real time supply and demand for children birth – school age and can be used to determine what is available, what is needed, what is the gap, and how we can close those gaps.

- We need to change funding models. It is not to sustainable to fund based on enrollment, per child / per day. Imagine if we tried to run a transportation system based on the per rider fare alone. It does not work. We need cost-based financing.

- We need to build out technical assistance for programs – financing, business planning, shared services, support for legal and human resources. COVID-19 has revealed that child care has little-to-no infrastructure to support these functions.

- We need to advocate together to Congress for significant funding in the short and term.

- We need to think differently about state funding – in labor, education, housing, health – to address the many parts of early education and care. Providers should be considered essential workforce going forward to provide them advantages others have like access to small business and non profit support that state might be catalyzing / offering.

We appreciate the opportunity today and look forward to continuing our work together.