

SENATE No. 2707

Senate, March 14, 2024 -- Text of the Senate Bill ensuring affordability, readiness and learning for our youth and driving economic development (Senate, No. 2707) (being the text of Senate, No. 2697, printed as amended)

The Commonwealth of Massachusetts

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

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; 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 provided, however, that the department shall submit any proposed rate structure or sliding scale
67 fee with the clerks of the senate and house of representatives not less than 60 days prior to
68 implementation.

69 SECTION 5. Said section 2 of said chapter 15D, as so appearing, is hereby further
70 amended by striking out, in line 108, the word "training." and inserting in place thereof the
71 following words:- training;

72 (v) in consultation with the data advisory commission established in section 12B,
73 annually collect data on: (1) the number of early education and care providers; (2) the number of
74 employees at early education and care providers, delineated by job position and full-time or part-
75 time designation; (3) the pay rates and employer-paid benefits for employees at early education
76 and care providers, delineated by job position and full-time or part-time designation; (4) the
77 tuition charged by early education and care providers for full and part-time early education and
78 care, delineated by age group; (5) the number of children enrolled by early education and care

79 providers, delineated by region, age, type of care, family income range, race, ethnicity, country
80 of origin, disability status, receipt of early intervention services, primary language of the
81 household and the number of adults in the household; (6) the number of children receiving child
82 care financial assistance, delineated by region, age, type of care, family income range, race,
83 ethnicity, country of origin, disability status, receipt of early intervention services, primary
84 language of the household and number of adults in the household; (7) the total cost of child care
85 financial assistance provided by the department or its agents; (8) the average monthly number of
86 utilized and unutilized contracted slots and vouchers, delineated by region and type of care; and
87 (9) the average monthly number of children on the department's waitlist for child care financial
88 assistance, delineated by region, age, type of care, family income range, race, ethnicity, country
89 of origin, disability status, receipt of early intervention services, primary language of the
90 household and number of adults in the household; provided, however, that the department shall
91 include a summary of the data collected in the department's annual report required by subsection
92 (g) of section 3; and

93 (w) develop, maintain and disseminate a written early education and care informational
94 pamphlet accessible through the department's website, containing resources for parents of
95 newborns including, but not limited to: (1) information on the short and long-term developmental
96 benefits of a quality early education and care curriculum; (2) the department's role in licensing
97 providers, conducting background record checks and the differences between licensed and
98 unlicensed providers; (3) child care financial assistance eligibility requirements; and (4) the
99 website for families to access an online directory, searchable by geographic location, of licensed
100 child care programs across the commonwealth; provided, however, that the department shall

101 disseminate the pamphlet to accessible locations including, but not limited to: (i) public libraries;
102 (ii) family resource centers; (iii) hospitals with maternity services; and (iv) birthing centers.

103 SECTION 6. Section 3A of said chapter 15D, as so appearing, is hereby amended by
104 striking out, in line 23, the words “Parents Alliance for Catholic Education” and inserting in
105 place thereof the following words:- Massachusetts Council for American Private Education.

106 SECTION 7. Section 3A of said chapter 15D, as appearing, is hereby amended by
107 striking out, in line 26, the words “the Bureau of Jewish Education” and inserting in place
108 thereof the following words:- Combined Jewish Philanthropies of Greater Boston, Inc.

109 SECTION 8. Section 5 of said chapter 15D, as so appearing, is hereby amended by
110 inserting after the word “knowledge”, in line 27, the following words:- , including cultural
111 competency and awareness of implicit bias.

112 SECTION 9. Said chapter 15D is hereby further amended by inserting after section 12A
113 the following section:-

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

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

122 report on staffing, scheduling and financial data in ways that support strategic resource allocation
123 decisions, including a review of national best practice models that ensure greater financial
124 transparency; (iii) strengthening the department’s capacity to use data to inform strategic
125 resource allocation and implementation decisions; and (iv) streamlining data reporting including,
126 but not limited to, eliminating duplicative reporting requirements. In making its
127 recommendations, the commission shall consider the needs and capabilities of early education
128 and care providers located in rural areas.

129 (b) The data advisory commission shall consist of: the commissioner of early education
130 and care or a designee, who shall serve as chair; the secretary of education or a designee;
131 17 members who shall have demonstrated knowledge and experience in data collection and
132 analysis for the purpose of improving access to high-quality and affordable early education and
133 care services, 1 of whom shall be appointed by the Massachusetts Association for Early
134 Education & Care, Inc., 1 of whom shall be appointed by the Massachusetts Budget and Policy
135 Center, Inc., 1 of whom shall be appointed by Neighborhood Villages Inc., 1 of whom shall be
136 appointed by the Alliance of Massachusetts YMCAs, Inc., 1 of whom shall be appointed by the
137 Massachusetts Head Start Association, Inc., 1 of whom shall be appointed by the Massachusetts
138 Afterschool Partnership, Inc., 1 of whom shall be appointed by the Common Start Coalition, 1 of
139 whom shall be appointed by the Massachusetts Early Childhood Funder Collaborative, 1 of
140 whom shall be appointed by the Massachusetts Business Roundtable, 1 of whom shall be
141 appointed by the Massachusetts Business Coalition for Early Childhood Education, 1 of whom
142 shall be appointed by the Boston Foundation, Inc., 1 of whom shall be appointed by Jumpstart
143 for Young Children, Inc., 1 of whom shall be appointed by Strategies for Children, Inc., 1 of
144 whom shall be appointed by the Massachusetts Alliance of Boys & Girls Clubs, Inc., 1 of whom

145 shall be appointed by the Massachusetts Association of School Committees, Inc., 1 of whom
146 shall be appointed by the Massachusetts Association of School Superintendents, Inc. and 1 of
147 whom shall be appointed by Massachusetts Taxpayers Foundation, Inc.; and 5 members who
148 shall be appointed by the commissioner, 1 of whom shall be a family-based early education and
149 care provider, 1 of whom shall be a center-based early education and care provider, 1 of whom
150 shall be a parent of a child currently enrolled in an early education and care program and 2 of
151 whom shall have professional experience and knowledge in the area of data collection, quality
152 and usage in establishing education policy and improving child and family outcomes. Appointees
153 on the advisory commission shall reflect geographically diverse regions of the commonwealth to
154 ensure regional equity within the commission.

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

159 SECTION 10. Said chapter 15D is hereby further amended by inserting after section 13
160 the following section:-

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

165 (b) The department shall provide child care financial assistance to support early education
166 and care through means which shall include, but shall not be limited to: (i) providing vouchers

167 for payments to early education and care providers of a family's choosing; and (ii) offering
168 families the option of an open slot with an early education and care provider that is contracted
169 with the department; provided, however, that an eligible family shall receive only 1 type of
170 support for each eligible child. Reimbursement for vouchers and contracted payments to early
171 education and care providers that enroll children receiving child care financial assistance shall be
172 based on enrollment; provided, however, that enrollment shall be measured by the department
173 using quarterly enrollment averages or if deemed appropriate by the department, enrollment
174 averages less frequent than quarterly.

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

186 (d) The department shall provide child care financial assistance to: (i) families with a
187 child who has an open case at the department of children and families or families with a child
188 who is otherwise referred by the department of children and families; (ii) families currently
189 involved with, or transitioning from, transitional aid to families with dependent children,

190 including: (A) recipients of transitional aid to families with dependent children benefits; (B)
191 former recipients of transitional aid to families with dependent children benefits who are
192 working or are engaged in an approved service need activity for up to 1 year after termination of
193 their benefits; (C) participants who are working or are engaged in an approved service need
194 activity for up to 1 year after the transitional period; (D) parents who are under 18 years of age
195 who are currently enrolled in a job training program and who would qualify for benefits under
196 chapter 118 if not for the consideration of the income of the minor parents' legal guardians or
197 parents; and (E) recipients of the supplemental nutrition assistance program who are participating
198 in education and training services approved by the department of transitional assistance; and (iii)
199 families in need of early education and care services whose family income is not more than 85
200 per cent of the state median income; provided, however, that the department shall promulgate
201 regulations to ensure that priority shall be given to families: (A) whose family income is not
202 more than 50 per cent of the state median income; (B) in which a parent or caregiver is working
203 in the field of early education and care subject to rules or regulations set by the department; (C)
204 with children who have a documented disability and whose family income is not more than 85
205 per cent of the state median income; (D) who are experiencing homelessness; (E) who are
206 headed by a young parent as determined by the department; and (F) experiencing domestic
207 violence.

208 (e) If additional funds are available or the federal government obligates itself to release
209 additional funding to expand access to child care services beyond those reasonably sufficient to
210 fund subsection (d), the department shall, in a manner consistent with any requirements placed
211 on the receipt or expenditure of the relevant federal funds, allocate funding to increase the
212 number of families receiving child care financial assistance based on income eligibility in the

213 following order of priority to provide child care financial assistance to: (i) families eligible under
214 said clause (iii) of said subsection (d); (ii) families in need of child care services whose family
215 income is above 85 per cent, but not more than 100 per cent, of the state median income; (iii)
216 families in need of child care services whose family income is above 100 per cent, but not more
217 than 110 per cent, of the state median income; and (iv) families in need of child care services
218 whose family income is not more than 125 per cent of the state median income.

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

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

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

232 (h) The department or its agents shall not reduce, terminate or deny continued child care
233 financial assistance to a family based solely on family income unless the income exceeds 85 per
234 cent of the state median income or the income threshold for currently eligible families as

235 prioritized in subsection (e), whichever is higher. If a family is determined to be ineligible for
236 financial assistance, the family shall be given an opportunity for an administrative review. If the
237 department or its agents, after such administrative review, reduce, terminate or deny a family's
238 child care financial assistance, the department shall provide the family with an opportunity for an
239 administrative appeal hearing and shall process the appeal within 60 days from the date the
240 request is made. Subject to department rules and regulations, while an administrative review or,
241 if applicable, an administrative appeal hearing is pending and until a final determination is made,
242 services supported by child care financial assistance shall continue after receipt of a notice of
243 reduction, termination or denial of continued child care financial assistance.

244 (i) The department shall review the child care financial assistance program not less than
245 annually to identify access barriers to families and opportunities to improve families'
246 experiences with the child care financial assistance process, including, but not limited to,
247 department paperwork and verification requirements. The department shall take action to remove
248 any access barriers, including, but not limited to: (i) making technological improvements; (ii)
249 streamlining the application and renewal processes; (iii) improving outreach to potentially
250 eligible families regarding the availability of child care financial assistance and the application
251 process; and (iv) improving access for families with limited English proficiency.

252 (j) Annually, not later than February 15, the department shall file a report to the clerks of
253 the senate and house of representatives, the senate and house committees on ways and means and
254 the joint committee on education on the child care financial assistance program including, but
255 not limited to: (i) the number of applications received; (ii) the numbers of applications denied,
256 delineated by reason for denial; (iii) the number of administrative reviews requested, delineated
257 by reasons for ineligibility as determined by the department; (iv) the number of administrative

258 reviews performed, delineated by reversal, reduction, termination and denial of child care
259 financial assistance and length of time in which a decision was made; and (v) the number of
260 administrative appeal hearings, delineated by the administrative appeal hearing decisions and
261 length of time in which a decision was made. The report shall be made publicly available on the
262 department's website.

263 (k) The department shall promulgate regulations necessary to implement this section.

264 SECTION 11. Subsection (a) of section 17 of said chapter 15D, as so appearing, is
265 hereby amended by striking out the definitions of "Family child care provider" and "Family child
266 care services" and inserting in place thereof the following 2 definitions:-

267 "Family child care provider", a person who provides family child care services on behalf
268 of children receiving child care financial assistance and receives payment from the
269 commonwealth for such services under a rate structure for voucher and contracted payments.

270 "Family child care services", child care services provided for less than 24 hours per day
271 in the residence of the provider on behalf of children receiving child care financial assistance for
272 which payment from the commonwealth is made under a rate structure for voucher and
273 contracted payments.

274 SECTION 12. Subsection (b) of said section 17 of said chapter 15D, as so appearing, is
275 hereby amended by inserting after the fifth sentence the following sentence:- Deductions may
276 further be made under said sections 17A, 17G and 17J of said chapter 180 from payments
277 received by family child care providers through grants received under section 19; provided,
278 however, that notwithstanding subsection (g), with the exception of dispute resolution

279 procedures regarding grant payment errors, the distribution, disbursement or allocation amounts
280 or formulas of said grants shall not be the subject of negotiation or collective bargaining.

281 SECTION 13. Ssaid ection 17 of said chapter 15D, as so appearing, is hereby further
282 amended by striking out, in line 76, the words “low-income and other at-risk children” and
283 inserting in place thereof the following:- children receiving financial assistance.

284 SECTION 14. Said chapter 15D is hereby further amended by adding the following 2
285 sections:-

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

289 (b) Eligible uses for operational grants shall include, but not be limited to: (i)
290 compensating early education and care provider staff through increased salaries, benefits,
291 bonuses, professional development or access to continuing education opportunities; (ii)
292 increasing the affordability of early education and care to families, including by reducing the
293 tuition and fees paid by families or offering scholarships to families; (iii) enabling early
294 education and care providers to provide high-quality early education and care and to comply with
295 applicable health, safety, educational and quality-assurance requirements, any other requirements
296 of this chapter, and requirements imposed by the department consistent with this chapter; (iv)
297 improving facilities and physical spaces used by the providers; (v) enabling early education and
298 care providers to purchase high-quality, evidence-based early literacy materials; (vi) enabling
299 providers to address emergency situations during which the cost of care significantly increases
300 due to additional federal, state or department requirements or the loss of fees due to absence or

301 unenrollment that jeopardizes early education and care providers' ability to retain their facilities
302 and staff; and (vii) enabling early education and care providers to maintain or increase capacity
303 to provide voluntary supplemental services to enrolled children and their families including, but
304 not limited to, social work services, health and disability-related services and support services to
305 parents and caregivers.

306 (c) The department shall maintain a formula for distributing operational grants to early
307 education and care providers, which shall give preference to providers that serve: (i) high
308 numbers of children receiving child care financial assistance; (ii) high numbers of high needs
309 children; and (iii) unique populations or that otherwise advance the interest of the program as
310 determined by the department. The formula shall consider: (i) licensed capacity and enrollment
311 including the ages of the children enrolled and the ages of the children for whom the provider
312 has capacity; provided, however, that enrollment shall be measured by the department using
313 quarterly enrollment averages or if deemed appropriate by the department, enrollment averages
314 less frequent than quarterly (ii) costs associated with employee compensation, including salaries
315 and benefits; (iii) the number of enrolled children receiving child care financial assistance or
316 scholarship assistance from an early education and care provider; (iv) the demographics and
317 income of families served, including the number of children enrolled and identified as high
318 needs; (v) the cost of goods and services necessary for provider operations, including rent,
319 utilities, maintenance and facility improvements; (vi) the cost of quality care methodology
320 developed by the department and, until such time as the methodology is established, any
321 available information regarding the cost of quality early education and care, including available
322 credentialing frameworks and applicable salary guidelines; (vii) increasing the financial stability
323 of providers in need; (viii) and business structure of providers; and (ix) any other factors

324 impacting the cost of providing quality early education and care including, but not limited to,
325 serving infants and toddlers, providing nonstandard hours of care and providing care in socially
326 and economically disadvantaged and historically underrepresented communities with shortages
327 of early education and care slots. A provider that is not an “eligible organization” as defined in
328 section 18 of chapter 15D and that, directly or through an affiliate, operates more than 10 center-
329 based programs in the commonwealth shall not receive more than 1 per cent of annual program
330 funds unless the provider is granted a waiver by the commissioner deeming such allocation of
331 more than 1 per cent to be in the best interest of the commonwealth. The department shall
332 incorporate geographic equity into the development of the distribution formula.

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

338 (d) As a condition for receiving operational grants under this section, the department shall
339 require early education and care providers to: (i) enter into and comply with contractual
340 agreements with the department or its agents, which shall be developed by the department; (ii)
341 continue to, or demonstrate a willingness to, enroll children receiving child care financial
342 assistance, if a family receiving child care financial assistance chooses the provider and the
343 provider has an available opening; (iii) comply with the career ladder established in section 20,
344 and if not feasible, provide increased salaries, compensation and benefits to the extent possible;
345 and (iv) provide the department with data that the department requires, as needed to carry out the
346 department’s assessment and reporting requirements under this section. The department shall

347 solicit public comments prior to establishing or revising criteria for eligible recipients of the
348 operational grant program.

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

354 (f) The department shall establish enforceable compliance standards to ensure the
355 integrity of the program. The standards shall ensure that open slots in early education and care
356 providers that receive operational grants are accessible to children receiving child care financial
357 assistance and that recipients are making meaningful progress towards complying with the career
358 ladder standards established in section 20; provided however, that a provider that is not an
359 “eligible organization” as defined in section 18 of chapter 15D and that, directly or through an
360 affiliate, operates more than 10 center-based programs in the commonwealth and receives
361 operational grants shall: (i) demonstrate a willingness to accept more children receiving child
362 care financial assistance at each program location operated by the provider or an affiliate of the
363 provider in proportion to the provider’s size, as determined by the department; (ii) dedicate a
364 certain percentage of the provider’s operational grant funds, as determined by the department, to
365 increasing compensation for their early education educators in alignment with the department's
366 career ladder; and (iii) annually provide the department with an audited financial statement
367 detailing how the provider’s operational grant funds are spent. Prior to establishing or revising
368 standards, the department shall solicit public input.

369 (g) The department shall include information on the status of the operational grant
370 program in the department's annual report required by subsection (g) of section 3. This
371 information shall include, but not be limited to: (i) a description of the distribution formula; (ii)
372 an analysis of the incorporation of equity into the distribution formula; (iii) an analysis of the
373 demographic data of the families served by recipients of operational grants; (iv) an analysis of
374 how recipients are using operational grants; (v) an analysis of the impact of the operational grant
375 program on supporting provider sustainability, increasing the availability of early education and
376 care slots, supporting the early education and care workforce, assisting providers with complying
377 with the career ladder established under section 20 and improving access to, and the affordability
378 of, high-quality early education and care; (vi) an analysis of the impact that the termination of
379 the operational grant program would have on the commonwealth; (vii) if applicable,
380 recommendations on how the program could be modified to most effectively direct grant funding
381 to providers serving families with the greatest needs; and (viii) if applicable, recommendations
382 on how to amend the distribution formula to maximize the goals of educational equity, school
383 readiness and optimal results for families with the greatest needs. The department shall publicly
384 post on its website the amount of operational grants awarded, delineated by the name of each
385 recipient and by the municipality in which the recipient is located.

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

388 (b) The career ladder shall include, but not be limited to: (i) minimum recommended
389 salaries and compensation for each level of the career ladder that are commensurate with the
390 salaries of public school teachers with equivalent education, credentials and training required for
391 a position; (ii) minimum recommended benefits for early education and care provider staff

392 including, but not limited to, health insurance, retirement benefits, paid vacation and other leave
393 time; and (iii) recommendations for linking professional development and educational
394 credentials to increased compensation and leadership opportunities in early education and care.
395 Prior to establishing or revising the career ladder, the department shall solicit public input.

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

399 SECTION 15. Section 3 of chapter 40A of the General Laws, as appearing in the 2022
400 Official Edition, is hereby amended by striking out the fifth paragraph and inserting in place
401 thereof the following paragraph:-

402 Family child care home and large family child care home as defined in section 1A of
403 chapter 15D shall be an allowable use and no city or town shall prohibit or regulate such use in
404 its zoning ordinances or by-laws.

405 SECTION 16. Not later than October 31, 2024, the department of early education and
406 care shall submit a report to the clerks of the senate and house of representatives, the senate and
407 house committees on ways and means and the joint committee on education on a proposed
408 methodology to calculate and assess the cost of providing high-quality early education and care.
409 The methodology shall take into consideration the full cost of service delivery, including, but not
410 limited to, costs that vary based on: (i) geographic region; (ii) early education and care provider
411 type and size; (iii) the age ranges of children served; (iv) group size and ratios; (v) the
412 demographics of the populations served by early education and care providers; and (vi) costs of
413 additional services to children and families with high needs, as defined in section 1A of chapter

414 15D of the General Laws, including staff and staff training necessary to accommodate children
415 with disabilities or other high needs, interpreter services, mental health supports for children and
416 staff and staff time required to provide comprehensive family engagement and services to ensure
417 effective early education and promote multigenerational success.

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

423 The department shall include in its report: (i) recommendations to annually assess and
424 update the methodology to ensure continued alignment with the cost of providing high-quality
425 early education and care and compliance with federal regulations; and (ii) recommendations
426 regarding the use of the methodology to inform the development of child care financial
427 assistance reimbursement rates under clause (e) of the second paragraph of section 2 of said
428 chapter 15D and the distribution formula for the operational grant program established in section
429 19 of said chapter 15D.

430 SECTION 18. Subject to appropriation, the department of early education and care, in
431 consultation with the executive office of economic development, shall establish a competitive
432 matching grant pilot program to increase access to high quality and affordable early education
433 and care by incentivizing employer investments. The pilot program shall be open to a
434 Massachusetts employer, a group of Massachusetts employers or an early education and care
435 provider partnering with a Massachusetts employer or group of Massachusetts employers. The

436 pilot program shall fund investments in infrastructure, startup, employment or other related costs
437 to establish new early education and care slots or increase the number of children that can be
438 served by at least 1 early education and care provider. As part of the application for the pilot
439 program, an applicant shall: (i) commit to investing not less than 50 per cent of the expected pilot
440 program cost on infrastructure, startup, employment or other costs related to creating new early
441 education and care slots or increasing the number of children that can be served by at least 1
442 early education and care provider; (ii) certify that it will pay employees pursuant to salary and
443 compensation guidelines established by the department; and (iii) ensure that early education and
444 care providers funded through this program enroll or commit to enrolling children receiving
445 child care financial assistance. The department shall seek to maximize equity when reviewing
446 and selecting grant applicants, including prioritizing applications that: (i) support higher numbers
447 of children from low-income families; (ii) present a plan for maintaining affordable tuition prices
448 for families; (iii) are from applicants located in rural area or in areas with a shortage of early
449 education and care slots; (iv) support historically underserved populations, infants, toddlers,
450 families with nontraditional work hours and families with children with high needs as defined in
451 section 1A of chapter 15D of the General Laws; and (v) promote equity in other ways as deemed
452 appropriate by the department. An early education and care provider shall not be eligible to
453 participate in the pilot program unless the provider is a non-profit organization, an organization
454 in which a non-profit organization has a controlling financial or managerial interest or a family-
455 based early education and care provider. The department may contract with quasi-public or non-
456 profit organizations to administer the program, including, but not limited to, the Community
457 Economic Development Assistance Corporation established in chapter 40H of the General Laws.
458 The department may promulgate regulations or guidelines to implement this section, including,

459 but not limited to, additional eligibility requirements and compliance protocols. Nothing in this
460 section shall require the department to select an application if the department deems the
461 application is not in the best interest of the program. Not later than December 1, 2024, and
462 biannually thereafter for the duration of the pilot program, the department of early education and
463 care shall file a report on the pilot program with the clerks of the senate and house of
464 representatives, the senate and house committees on ways and means and the joint committee on
465 education.

466 SECTION 19. The department of early education and care and the executive office of
467 labor and workforce development, in consultation with the commonwealth corporation and the
468 early education and care workforce council established in section 79 of chapter 154 of the acts of
469 2018, shall conduct a study and report on enhancing the early education and care workforce
470 pipeline and developing strategies and prioritizing programming and funding opportunities to
471 ensure that the early educator workforce meets the needs of the commonwealth. The report shall
472 include, but not be limited to, recommendations on the following: (i) recruiting new early
473 education and care providers; (ii) developing apprenticeship programs and non-traditional
474 recruitment opportunities including, but not limited to, education and workforce corps in the area
475 of early education and care, as part of a curriculum-based service-learning program; (iii)
476 opportunities for collaboration between early education and care providers and vocational
477 schools with curricula that include early education and care; (iv) retaining early educators; (v)
478 incentivizing the development of family child care providers; and (vi) exploring the potential for
479 the growth of family child care providers into center-based programs. The report shall take into
480 consideration existing resources pursuant to clause (12) of the second paragraph of section 5 of

481 chapter 15D of the General Laws and may make recommendations regarding additional
482 resources which would be required to fully implement the report.

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

488 SECTION 20. (a) Not later than June 30, 2025, the executive office of labor and
489 workforce development, in consultation with the department of early education and care and the
490 executive office of economic development, shall file a report with the clerks of the senate and
491 house of representatives, the senate and house committees on ways and means and the joint
492 committee on education to study and make recommendations on employer-supported early
493 education and care benefits. The report shall include, but not be limited to: (i) identifying and
494 promoting employer best practices; (ii) exploring employer incentives to support additional early
495 education and care benefits for their employees; (iii) examining the availability of state
496 partnerships with the business community to support employees who have young children; (iv)
497 exploring ways to improve collaboration across secretariats of state agencies to engage with the
498 business community; (v) considering incentives or requirements for employers of a certain size
499 or specific subgroups of employers to provide employer-supported early education and care
500 benefits to employees; and (vi) considering the feasibility of assessing all or certain employers in
501 order to fund expanded access to high quality, affordable early education and care. Prior to
502 making its recommendations, the executive office of labor and workforce development shall
503 meet with regionally-diverse stakeholders.

504 SECTION 21. Not later than June 30, 2025, the department of early education and care
505 shall file a report with the clerks of the senate and house of representatives, the senate and house
506 committees on ways and means and the joint committee on education that assesses the current
507 supply of slots for, and the unmet needs of, families in need of early education and care services
508 whose family income is not more than 125 per cent of the state median income, taking into
509 account relevant differences among geographic locations including, but not limited to: (i)
510 subsidized transportation of children to and from early education and care providers; (ii) early
511 education and care services for time periods outside standard hours; (iii) substitute care for when
512 a family's regular early education and care provider is unavailable; and (iv) any other factors that
513 prevent families from accessing child care financial assistance. The report shall also include an
514 assessment of the cost of addressing these unmet needs.

515 SECTION 22. Not later than June 30, 2025, the department of early education and care
516 shall file a report with the clerks of the senate and house of representatives, the senate and house
517 committees on ways and means and the joint committee on education detailing a plan to pilot,
518 scale and regularly evaluate shared services and quality licensed hubs for early education and
519 care programs, including family-based early education and care providers.

520 SECTION 23. Not later than March 31, 2025, the department of higher education, in
521 consultation with the department of early education and care, shall file a report with the clerks of
522 senate and the house of representatives, the senate and house committees on ways and means and
523 the joint committee on education, on the design and implementation of sections 19F and 19G of
524 chapter 15A of the General Laws.

525 SECTION 24. Not later than October 31, 2024, the department of early education and
526 care shall file a report on the operational grant program established under section 19 of chapter
527 15D of the General Laws with the clerks of senate and the house of representatives, the senate
528 and house committees on ways and means and the joint committee on education. The report shall
529 include the department’s proposed: (i) distribution formula for the operational grant program; (ii)
530 eligibility criteria for the operational grant program; (iii) allowable uses of operational grants;
531 and (iv) enforceable compliance standards for ensuring that program openings in early education
532 and care providers receiving operational grants are accessible to children receiving child care
533 financial assistance.

534 SECTION 25. The department of early education and care shall file a report: (i) detailing
535 a plan to expand local partnerships, including strategies and resources necessary to address
536 community-based program expansion plans currently in development under the Commonwealth
537 Preschool Partnership Initiative grant; (ii) identifying means by which existing programming
538 may be continued using existing resources available to child care providers in the mixed delivery
539 system; (iii) identifying strategies for expanding the number of slots available in communities
540 currently receiving Commonwealth preschool partnership initiative grants; and (iv) identifying
541 best practices to expand local partnerships to more communities, including through mixed
542 delivery programs administered by the local school system, municipal scholarship programs
543 provided directly to families based on successful models already being implemented in certain
544 municipalities and other approaches to expand access to public high-quality care. The report
545 shall be filed with the clerks of the senate and house of representatives, the senate and house
546 committees on ways and means and the joint committee on education not later than December
547 31, 2025.

548 SECTION 26. Not later than December 31, 2025, the department of early education and
549 care, in consultation with the Children’s Investment Fund and the Community Economic
550 Development Assistance Corporation, shall file a report with the clerks of the senate and house
551 of representatives, the senate and house committees on ways and means and the joint committee
552 on education detailing proposed improvements to the Early Education and Out of School Time
553 Capital fund. The report shall include, but not be limited to: (i) eligibility criteria; (ii) size of
554 grants; (iii) ways to streamline the application process; (iv) any other parameters to increase the
555 impact of the fund; and (v) any data available on unmet needs for early education and care
556 facilities improvements.

557 SECTION 27. The department shall establish the first early education and care career
558 ladder pursuant to section 20 of chapter 15D of the General Laws not later than October 31,
559 2024.

560 SECTION 28. Unless otherwise specified, the reports required to be issued pursuant to
561 sections 16 to 26, inclusive, shall be made publicly available on the website of the department of
562 early education and care.

563 SECTION 29. Sections 10 and 14 shall take effect on January 15, 2025.