

**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 17members 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 17. Not later than January 1, 2025, the department of early education and care  
431 shall submit a report to the clerks of the senate and house of representatives, the senate and house  
432 committees on ways and means and the joint committee on education on family, friend and  
433 neighbor care, which shall include, but not be limited to: (i) feasibility of implementing and  
434 overseeing a family, friend and neighbor care network; (ii) department structures necessary to  
435 evaluate and support a family, friend and neighbor care network; (iii) sustainability of said

436 network; and (iv) any legislative changes necessary to carry out the recommendations. Prior to  
437 reporting its findings, the department shall consult with Community Labor United Inc.'s Care  
438 That Works pilot program, New England United for Justice, Inc., Service Employees  
439 International Union Local 509 and the Massachusetts Child Care Resource and Referral  
440 Network, Inc.

441 SECTION 18. Subject to appropriation, the department of early education and care, in  
442 consultation with the executive office of economic development, shall establish a competitive  
443 matching grant pilot program to increase access to high quality and affordable early education  
444 and care by incentivizing employer investments. The pilot program shall be open to a  
445 Massachusetts employer, a group of Massachusetts employers or an early education and care  
446 provider partnering with a Massachusetts employer or group of Massachusetts employers. The  
447 pilot program shall fund investments in infrastructure, startup, employment or other related costs  
448 to establish new early education and care slots or increase the number of children that can be  
449 served by at least 1 early education and care provider. As part of the application for the pilot  
450 program, an applicant shall: (i) commit to investing not less than 50 per cent of the expected pilot  
451 program cost on infrastructure, startup, employment or other costs related to creating new early  
452 education and care slots or increasing the number of children that can be served by at least 1  
453 early education and care provider; (ii) certify that it will pay employees pursuant to salary and  
454 compensation guidelines established by the department; and (iii) ensure that early education and  
455 care providers funded through this program enroll or commit to enrolling children receiving  
456 child care financial assistance. The department shall seek to maximize equity when reviewing  
457 and selecting grant applicants, including prioritizing applications that: (i) support higher numbers  
458 of children from low-income families; (ii) present a plan for maintaining affordable tuition prices

459 for families; (iii) are from applicants located in rural area or in areas with a shortage of early  
460 education and care slots; (iv) support historically underserved populations, infants, toddlers,  
461 families with nontraditional work hours and families with children with high needs as defined in  
462 section 1A of chapter 15D of the General Laws; and (v) promote equity in other ways as deemed  
463 appropriate by the department. An early education and care provider shall not be eligible to  
464 participate in the pilot program unless the provider is a non-profit organization, an organization  
465 in which a non-profit organization has a controlling financial or managerial interest or a family-  
466 based early education and care provider. The department may contract with quasi-public or non-  
467 profit organizations to administer the program, including, but not limited to, the Community  
468 Economic Development Assistance Corporation established in chapter 40H of the General Laws.  
469 The department may promulgate regulations or guidelines to implement this section, including,  
470 but not limited to, additional eligibility requirements and compliance protocols. Nothing in this  
471 section shall require the department to select an application if the department deems the  
472 application is not in the best interest of the program. Not later than December 1, 2024, and  
473 biannually thereafter for the duration of the pilot program, the department of early education and  
474 care shall file a report on the pilot program with the clerks of the senate and house of  
475 representatives, the senate and house committees on ways and means and the joint committee on  
476 education.

477 SECTION 19. The department of early education and care and the executive office of  
478 labor and workforce development, in consultation with the commonwealth corporation and the  
479 early education and care workforce council established in section 79 of chapter 154 of the acts of  
480 2018, shall conduct a study and report on enhancing the early education and care workforce  
481 pipeline and developing strategies and prioritizing programming and funding opportunities to

482 ensure that the early educator workforce meets the needs of the commonwealth. The report shall  
483 include, but not be limited to, recommendations on the following: (i) recruiting new early  
484 education and care providers; (ii) developing apprenticeship programs and non-traditional  
485 recruitment opportunities including, but not limited to, education and workforce corps in the area  
486 of early education and care, as part of a curriculum-based service-learning program; (iii)  
487 opportunities for collaboration between early education and care providers and vocational  
488 schools with curricula that include early education and care; (iv) retaining early educators; (v)  
489 incentivizing the development of family child care providers; and (vi) exploring the potential for  
490 the growth of family child care providers into center-based programs. The report shall take into  
491 consideration existing resources pursuant to clause (12) of the second paragraph of section 5 of  
492 chapter 15D of the General Laws and may make recommendations regarding additional  
493 resources which would be required to fully implement the report.

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

499 SECTION 20. (a) Not later than June 30, 2025, the executive office of labor and  
500 workforce development, in consultation with the department of early education and care and the  
501 executive office of economic development, shall file a report with the clerks of the senate and  
502 house of representatives, the senate and house committees on ways and means and the joint  
503 committee on education to study and make recommendations on employer-supported early  
504 education and care benefits. The report shall include, but not be limited to: (i) identifying and

505 promoting employer best practices; (ii) exploring employer incentives to support additional early  
506 education and care benefits for their employees; (iii) examining the availability of state  
507 partnerships with the business community to support employees who have young children; (iv)  
508 exploring ways to improve collaboration across secretariats of state agencies to engage with the  
509 business community; (v) considering incentives or requirements for employers of a certain size  
510 or specific subgroups of employers to provide employer-supported early education and care  
511 benefits to employees; and (vi) considering the feasibility of assessing all or certain employers in  
512 order to fund expanded access to high quality, affordable early education and care. Prior to  
513 making its recommendations, the executive office of labor and workforce development shall  
514 meet with regionally-diverse stakeholders.

515           SECTION 21. 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 that assesses the current  
518 supply of slots for, and the unmet needs of, families in need of early education and care services  
519 whose family income is not more than 125 per cent of the state median income, taking into  
520 account relevant differences among geographic locations including, but not limited to: (i)  
521 subsidized transportation of children to and from early education and care providers; (ii) early  
522 education and care services for time periods outside standard hours; (iii) substitute care for when  
523 a family's regular early education and care provider is unavailable; and (iv) any other factors that  
524 prevent families from accessing child care financial assistance. The report shall also include an  
525 assessment of the cost of addressing these unmet needs.

526           SECTION 22. Not later than June 30, 2025, the department of early education and care  
527 shall file a report with the clerks of the senate and house of representatives, the senate and house



528 committees on ways and means and the joint committee on education detailing a plan to pilot,  
529 scale and regularly evaluate shared services and quality licensed hubs for early education and  
530 care programs, including family-based early education and care providers.

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

536 SECTION 24. Not later than October 31, 2024, the department of early education and  
537 care shall file a report on the operational grant program established under section 19 of chapter  
538 15D of the General Laws with the clerks of senate and the house of representatives, the senate  
539 and house committees on ways and means and the joint committee on education. The report shall  
540 include the department's proposed: (i) distribution formula for the operational grant program; (ii)  
541 eligibility criteria for the operational grant program; (iii) allowable uses of operational grants;  
542 and (iv) enforceable compliance standards for ensuring that program openings in early education  
543 and care providers receiving operational grants are accessible to children receiving child care  
544 financial assistance.

545 SECTION 25. The department of early education and care shall file a report: (i) detailing  
546 a plan to expand local partnerships, including strategies and resources necessary to address  
547 community-based program expansion plans currently in development under the Commonwealth  
548 Preschool Partnership Initiative grant; (ii) identifying means by which existing programming  
549 may be continued using existing resources available to child care providers in the mixed delivery

550 system; (iii) identifying strategies for expanding the number of slots available in communities  
551 currently receiving Commonwealth preschool partnership initiative grants; and (iv) identifying  
552 best practices to expand local partnerships to more communities, including through mixed  
553 delivery programs administered by the local school system, municipal scholarship programs  
554 provided directly to families based on successful models already being implemented in certain  
555 municipalities and other approaches to expand access to public high-quality care. The report  
556 shall be filed with the clerks of the senate and house of representatives, the senate and house  
557 committees on ways and means and the joint committee on education not later than December  
558 31, 2025.

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

568 SECTION 27. The department shall establish the first early education and care career  
569 ladder pursuant to section 20 of chapter 15D of the General Laws not later than October 31,  
570 2024.

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

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