



This legislative session, Massachusetts is in a position to make a transformative investment in the Commonwealth's early education and care system through passage of two bills, both named: *An Act providing Affordable and Accessible High Quality Early Education and Care to promote child development and well-being and support the economy in the Commonwealth* ([H.489/S.301](#)). Both of these bills, which bear the same name, but differ from each other in certain ways, would make high-quality early education and care more affordable and accessible for more families in the Commonwealth and make long-overdue investments in raising the salaries of early educators. Both bills:

Make Critical Investments in Strengthening Massachusetts' Early Education and Care Sector.

- Both H.489 and S.301 require that **reimbursement for child care subsidies be based on quarterly enrollment rather than on daily attendance of state-subsidized children**. This critical policy change will provide greater financial stability to early education and care programs participating in the Massachusetts child care financial assistance program.[1]
- Both H.489 and S.301 direct the Massachusetts Department of Early Education and Care to **update the child care financial assistance reimbursement rate structure to accurately reflect the true cost of providing high-quality early education and care** to lower-income and other at-risk children.
- Both H.489 and S.301 **make permanent a direct-to-provider operations grant program**. Providing foundational funds directly to early education and care programs has been proven to be critical to program's financial stability, increased compensation for teachers, and maintaining affordability for families. To be eligible for direct-to-provider grant funds, a provider must enroll or be willing to enroll children receiving state financial assistance, comply with salary requirements advised by the Department of Early Education and Care, and comply with any contractual requirements set forth by the Department.

Make Early Education and Care More Affordable for More Massachusetts Families.

- **The Senate Version, S.301, makes all families earning up to 200% of the Massachusetts state median income (\$220,000 for a family of 3) eligible for reduced price child care** through the state's early education and care financial assistance program. Eligibility will be phased in based on family household income with priority given to all currently eligible families.
- **The House Version, H.489, makes all families earning up to 85% of the Massachusetts state median income (\$100,000 for a family of 3) eligible for reduced price child care** through the state's early education and care financial assistance program. Families currently eligible for financial assistance would have first priority. **Should additional funds be made available from the federal government, HD.2794**

[1] The Massachusetts Department of Early Education and Care recently renamed the Commonwealth's child care subsidy system. This program is now referred to as the Massachusetts child care financial assistance program. Therefore, this fact sheet uses the new terminology, as does the bill being discussed.

then makes families up to 125% of the Massachusetts state median income (\$140,000 for a family of 3) eligible for financial assistance for childcare. Eligibility will be phased in based on family household income.

- **Both H.489 and S.301 direct the Department of Early Education and Care to create a schedule for updating the sliding parent fee scale for families receiving state financial assistance for child care at least every 5 years.** The fee scale must reflect affordability standards for participating families. (Affordability standards are not defined in the legislation.)

Invest in the Early Education and Care Workforce and in Educators' Professional Development

- **Both H.489 and S.301 make permanent a scholarship program for early education educators,** which can be used to cover the cost of tuition; fees; related child care expenses; and other supports needed to successfully participate in programs granting associate or bachelor's degrees. The amount of each scholarship shall, at a minimum, be sufficient to cover the full cost of tuition and associated fees for one semester of classes at a Massachusetts community college.
- **Both H.489 and S.301 establish a loan forgiveness program for early educators** in Massachusetts, with preference for those working in communities predominantly serving high-needs children or in areas with a shortage of child care slots.
- **Both H.489 and S.301 create a permanent exemption to the Commonwealth's price limitation regulations,** to allow early education and care programs to provide discounted tuition for the children of staff members.
- **Both H.489 and S.301 direct the Department of Early Education and Care to develop an early education and care career ladder,** which should include: linking experience and skills to increased compensation; minimum salaries and compensation for each level of the career ladder that match the salaries of public school teachers with similar experience and skills; and benefits for provider staff, including health insurance, retirement benefits, paid vacation, and other leave time.

Call for Inquiry into How Employers Should Contribute to Enhanced Access to Early Education and Care

- **Both H.489 and S.301 direct the Executive Office of Labor and Workforce Development to develop recommendations for how employers of a certain size could be required to provide a child care benefit.**

Create A Timeline for Reform

- **Both H.489 and S.301 require full enactment of their respective versions of the bill within 5 years of passage.**