

## JOINT COMMITTEE ON EDUCATION

TESTIMONY OF NEIGHBORHOOD VILLAGES IN SUPPORT OF
H.489 and S.301: 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
October 17, 2023

Chair Lewis, Chair Garlick, and Members of the Joint Committee on Education:

My name is Lauren Kennedy, the Co-Founder and Co-President of Neighborhood Villages, a Massachusetts systems-change non-profit working to realize a future in which all families have access to affordable, high-quality early education and care. I am submitting testimony IN SUPPORT of H.489 and S.301: 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.

Neighborhood Villages is an early education systems-change organization: we innovate, pilot and scale solutions for building the capacity and quality of the early education and care sector in Massachusetts and nationally. As direct service practitioners, we operate Massachusetts' largest early education and care Registered Apprenticeship program, provide operational and instructional coaching support to early childhood education (ECE) providers, and develop high-quality curricula for children in ECE programs. We also conduct research and seek to deepen the public's understanding of effective ECE practice and policy solutions for ECE sector reform. Additionally, we maintain the capacity to meet urgent and emergency needs in the ECE sector and were instrumental in providing Covid-19 testing and other operational support to ECE programs and to families statewide during the height of the Covid-19 pandemic.

Through our direct service work to support ECE educators and provide pathways for them to enter and improve their skills in the field, we see firsthand the challenges faced by educators and providers and the transformative impact that public investments and structural supports can have within the sector.

Structural improvements to the early education and care sector are needed to ensure that (a) every family in the Commonwealth has access to a quality early education for their children and the ability to work, (b) early educators are paid higher wages and offered professional development opportunities, and (c) providers have the capacity-building supports and financial stability needed both to provide high-quality early learning programs and invest in their educators.

## Why We Need H.489/S.301

While the intractable, volatile dynamics of the EEC sector – where affordability and quality (inclusive of educator compensation) come at the expense of one another – were in place prior to the Covid-19 pandemic, we witnessed acutely during the pandemic the impact of insufficient public funding and lack of centralized infrastructure. Child care programs closed, teachers were laid off, and families struggled to find care solutions. More than three years later, we are still feeling those impacts: the cost of child care has increased and while the numbers of Massachusetts ECE providers have rebounded, those providers are unable to enroll at their full capacity, due to staffing shortages. As a result, waitlists for care remain months long. Indeed, according to the Massachusetts Department of Early Education and Care (EEC), one-third of licensed ECE programs are operating below capacity with 20 percent having a closed classroom, mostly due to a lack of qualified teachers<sup>1</sup>.

Today, we are seeing how the persistent lack of a unified early education and care system is exacerbating the refugee and homelessness crisis in Massachusetts and failing the thousands of migrant families with very young children who are arriving daily. While refugee children ages 5 to 18 years old and their families are immediately connected to educational opportunities, daily school meals, medical care, transportation, and other needed services through their local public school districts, nothing equivalent exists for families with children 4 and younger. There are insufficient early education and care slots to meet family demand and many wrap-around services from meals to transportation to social workers simply do not exist for this age group of children and their families, due to insufficient public investment and infrastructure in the EEC sector.

Such failures, however, are not new. Massachusetts maintains nearly 16,000 children on its waitlist for receipt of early education financial assistance and

<sup>&</sup>lt;sup>1</sup> Massachusetts Department of Early Education and Care September Board Meeting Agenda <a href="https://www.mass.gov/doc/september-13-2023-eec-board-meeting-agenda/download">https://www.mass.gov/doc/september-13-2023-eec-board-meeting-agenda/download</a>

enrollment in care. Estimates are that there are thousands of additional eligible children whose families do not even apply for assistance. While we highly commend the Legislature for its effort to address this issue through increased funding for the Commonwealth's child care financial assistance program – most recently through the appropriation of \$25 million towards waitlist remediation –the reality is that less than 50 percent of licensed ECE providers in Massachusetts accept state financial assistance. Research tells us that low levels of provider participation are driven by inadequate reimbursement rates that fall below the cost of operating child care programs and by administrative burden<sup>2</sup>.

H.489/S.301, would incentivize more early education providers to participate in the child care financial assistance program and thereby improve access to care for families through promoting (a) an increase to providers' rate reimbursement for child care financial assistance and (b) a reduction in administrative burdens. Providing greater incentive to early education programs to participate in the state's child care financial assistance program is crucial to equitably expanding access to quality care for the low-income children and families in Massachusetts who need it most.

H.489/S.301 would also help address the current ECE workforce crisis in Massachusetts. Each year, roughly one third of the ECE workforce turns over, with the majority leaving the field entirely and many going to K-12 schools<sup>3</sup>. Critical to families' ability to enroll their children in quality early education programs is recruiting and retaining quality teachers. H.489/S.301 is designed to lead to increases in educator wages, enhancement to educator professional development opportunities, and improved ability of ECE providers to staff classrooms at best-in-class teacher to child ratios.

Indeed, key to equitable access to care and core to quality and safety is ensuring that providers can staff classrooms to the appropriate teacher to child ratios. The unavoidable truth is that successfully staffing classrooms at appropriate adult to child ratios is expensive, as it rightly necessitates multiple adults in each classroom, all of whom require paid salaries.

Staffing early education and care programs is so expensive because, unlike K-12 classrooms where there is a 1:12 or sometimes 1:24 teacher to student ratio, early education classrooms require a 1:3 ratio for infants, 1:4 for toddlers, and a

<sup>&</sup>lt;sup>2</sup>Increasing Provider Participation in the Child Care Subsidy System: Why it Matters <a href="https://www.neighborhoodvillages.org/neighborhood-villages-events/increasing-provider-participation-in-the-child-care-subsidy-system-why-it-matters">https://www.neighborhoodvillages.org/neighborhood-villages-events/increasing-provider-participation-in-the-child-care-subsidy-system-why-it-matters</a>

<sup>&</sup>lt;sup>3</sup> Massachusetts Department of Early Education and Care September Board Meeting Agenda <a href="https://www.mass.gov/doc/september-13-2023-eec-board-meeting-agenda/download">https://www.mass.gov/doc/september-13-2023-eec-board-meeting-agenda/download</a>

1:10 ratio for preschoolers.<sup>4</sup> The National Association for the Education of Young Children (NAEYC) and Bank Street College of Education state that the class ratios for a high-quality program operating from 8am-6pm should be 3:9 for infants and toddlers and 3:15 for preschoolers, to ensure that both the children in the classroom have appropriate ratios and teachers have sufficient time to lesson plan, communicate with families, and take small breaks to eat and use the restroom through the day.<sup>5</sup>

To be clear, Massachusetts' teacher to child ratios should be commended – the appropriate number of adults *should* be in the classroom and child care *should* be expensive to provide. Staffing ratios are a major driver of quality in the classroom and are important to creating a sustainable work environment that keeps experienced teachers in the classroom. In fact, The National Center for Children in Poverty recently recognized Massachusetts as one of only 11 states meeting the quality benchmark of 1 adult to every 4 toddlers in an early education setting. The issue, however, is that families cannot carry the expense.

To date, the cost of providing early education has been borne entirely by families through sky-high tuition fees and subsidized by teachers through suppressed wages. This cannot continue. Ensuring equitable family access to a high-quality early education for their children requires that government offset the high-cost of adequate workforce wages, as it does in the Commonwealth's K-12 public education system.

The math for why providing child care is expensive is simple: If a provider pays each early education teacher in a toddler classroom with 9 children \$50,000 a year (still significantly less than their K-12 counterparts, especially when you consider that most early education providers offer 10-hour-day, year-round programing, in contrast with school-day, school-year programing for K-12), that provider is spending \$150,000-\$200,000 per year on salaries alone for one classroom. Add to those labor force costs additional necessary operating expenses (for rent or mortgage, utilities, materials, staff benefits and a director), and each toddler classroom conservatively costs \$225,000 to

https://www.mass.gov/doc/606-cmr-700-regulations-for-family-group-school-age-child-care-programs/download

<sup>&</sup>lt;sup>4</sup> Department of Early Education and Care Standards for Licensure

<sup>&</sup>lt;sup>5</sup> NAEYC program standards

operate. Without public investment, this means that each family with a child in that classroom will pay upwards of \$25,000 for their toddler's care. A family will pay even more for infant care, as infant classrooms must maintain even stricter teacher to child ratios.

In Massachusetts, at current child care tuition rates, a family of four making \$125,000 annually (a household income that renders them ineligible to qualify for any state childcare financial assistance) will pay more than 20 percent of their annual income to have one child in full time child care. If a family has more than one child younger than 5, which many families do, they may pay upwards of 40 percent of their gross income solely on child care tuition. Regular updates from the U.S. Department of Labor and countless research reports tell us year over year that it is women who bear the professional and economic consequences when families are financially locked out of child care options.

H.489/S.301 offers a transformative opportunity to invest public funds in the early education and care sector in a way that breaks the cycle of family affordability coming at the expense of educator wages and vice versa. In addition to laying a foundation for increasing the reimbursement rate for state child care financial assistance and creating a competitive salary scale for educators, H.489/S.301 would make permanent a compelling new financing vehicle: direct-to-provider operations grants.

Introduced relatively recently as a feature of how the Commonwealth finances its child care sector, operations grants, issued through the Commonwealth Cares for Children (C3) grant program, have led to near-immediate investments in educator salaries and, at the same time, have successfully protected against substantial increases to tuition charged to families. C3 operations grants have served as an incredibly effective mechanism with respect to enabling providers to raise salaries without having to pass the cost of those expenses off onto families.

In addition to other provisions promoting family affordability, educator wages, and sector growth, H.489/S.301 would make direct-to-provider grants permanent, create a competitive salary scale for educators, and improve benefits available to ECE teachers. The provisions in this bill, if enacted together, are a critical step to improving the current conditions and future desirability of the early education and care field for educators, thereby improving quality and access for children. Such steps are necessary to keep qualified teachers working in the field and attract the thousands of teachers

needed if the sector is to function at its full capacity. Important to note is that achieving the potential of C3 grants and the intent of the salary scale and its objectives (recruitment and retention of teachers) will require that robust public funding accompany their establishment.

Investing in early education and care through the passage of H.489/S.301 would yield benefits in the short term and long term. We have known for decades how important the first five years of children's' lives are. Ninety percent of the brain is developed by age five. Countless studies show how access to high quality early education improves outcomes for individual children over their lifetime, yields benefits in the near and long term for families, and improves the economic, health, and educational wellbeing of communities. Additionally, increases in tax revenue from increased teacher salaries and more available slots for children, optimized state spending on K-12 interventions, higher 3<sup>rd</sup> grade reading levels in schools, and improved high school and college graduation rates are just a few of the benefits quality early education has been proven to yield. With H.489/S.301, the Commonwealth has the opportunity to capitalize on these benefits and invest in the future of Massachusetts.

Early education is a public good and must be treated as such.

Thank you for your consideration of my testimony. I ask that you report **H.489** and **S.301** out of committee favorably.

Sincerely,

Lauren Kennedy

Co-Founder, Neighborhood Villages