



Tom Weber, Executive Director
MA Business Coalition for Early Childhood Education
Information Hearing on Early Education and Care
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Good afternoon, Chairpersons Garlick and Lewis, esteemed members of the Joint Committee on Education, and your dedicated staff, and thank you for the opportunity to share an employer community perspective, alongside my good friend and colleague, JD Chesloff, at today's information hearing on early education and care.

My name is Tom Weber, and I serve as the executive director for the Massachusetts Business Coalition for Early Childhood Education, a diverse and growing statewide coalition of employer leaders from 85 companies with more than 200,000 Massachusetts employees and 22 business association partners, representing thousands of businesses from all regions and industries.

Creating an early education and care system that works for all families, regardless of income, race, or neighborhood remains a National challenge. No state has solved it and, absent a strong Federal partnership, no State is likely to achieve that goal independently. What has distinguished certain States, and Massachusetts must be counted among them, is that they have endeavored to advance toward the goal, regardless of the obstacles and limitations. Over the past several years, specifically, Massachusetts has made historic progress, and this Legislature, our Governor, and recent legislators and Governors deserve immense credit. Difficult choices had to be made and, time and again, more than at any point in Massachusetts history, state leaders prioritized early education and care amidst an ongoing caregiving crisis unlike any before. That is why it is possible to say both that no collection of Massachusetts leaders has done more for early education and care, and yet never has the system required more additional attention and support.

Brief History of the Coalition

The Business Coalition for Early Childhood Education was conceived by Eastern Bank Foundation as part of its focus on Early Childhood Development as a driver for its philanthropic mission to promote economic inclusion and mobility. The initial idea began with a simple open-ended question: what good might occur if a platform existed to educate and responsively engage the Massachusetts employer community on matters of early childhood education? If the answer to that question feels self-evident, I assure you that it wasn't and isn't, but the kernel of an important opportunity was clear enough that soon Bob Rivers of Eastern Bank was

joined by Jon Bernstein of PNC Bank, Roger Crandall of MassMutual, Linda Henry of Boston Globe Media Partners, and Bridget Long of the Harvard Graduate School of Education as the co-chairs of this fledgling effort. Throughout, I have had the steadfast support of JD, who, in my experience, has been the most consistent and persistent employer community representative in the State's early education and care policy arena.

Working closely with that group, and in our preliminary conversations with employer leaders during the months immediately preceding the COVID-19 pandemic, we shared information about the long-term benefits of early education and care, as well as the struggles of the early education and care system. There was a clear and consistent response from those with whom we spoke:

- Early education and care, or, for purposes of these employer engagement discussions, childcare, was not yet a very active topic between most employers and employees.
- As a result, while many employers intuitively appreciated that a connection likely exists between childcare and the labor force, they largely were uncertain how childcare was impacting their employees, likely due to a mutual perception that employee-employer expectations did not yet encompass the subject.
- There was recognition and appreciation for early childhood education to support child development – and, consequently, an understanding that the quality of care, and not just the quantity, is important – but due to long-standing and stubborn labor market challenges, employers were primarily motivated to learn more about how childcare may support workforce solutions.
- Finally, there was sufficient leadership and will to assemble a Coalition to explore these issues, and to attempt to identify and create opportunities to address the challenge of a Massachusetts labor force participation rate that has been contracting since 1989.

As a result, the Massachusetts Business Coalition for Early Childhood Education was launched in February 2021, and, I would add, that the impacts of the ongoing pandemic, further debilitating an early education and care system that had already been exhibiting signs of crisis, further motivated employers to engage in our efforts to consider the opportunities that may exist at the nexus of childcare, workforce, and economic development.

For those unfamiliar with early education and care, and even for those considered expert in it, the system can feel opaque. The “system” is really an amalgamation of Local, State, and Federal systems, programs, and funding streams, including the most significant source of funding – families – delivered through a diverse sector of public, nonprofit, and private providers. Establishing a common understanding for the system and its challenges for Coalition members represented a significant component of our efforts in our first year. This included

championing Massachusetts Taxpayer Foundation research that estimates that [Massachusetts loses \\$2.7 billion each year due to inadequate child care](#).

The timing of the Coalition’s launch immediately was ripe with opportunity. The pandemic quickly generated a much-needed National dialogue about the importance of caregivers, broadly, and childcare, specifically, and spurred Federal assistance opportunities, which the Coalition strongly supported. In anticipation of their creation and delivery, the Coalition also supported State efforts to produce an equitable funding formula for the disbursement of Federal emergency relief funds for childcare, in what became the Commonwealth Cares for Children (C3) Stabilization Grants, now the C3 Operational Grants. The value that we saw, and that the C3 Grants appear to be providing, is broad-based, foundational support that helps to enable programs in this fragile industry to keep their doors open, supporting a diverse range of families in need, including those who are eligible for or receiving State Financial Assistance.

The Coalition also robustly participated in the EEC Economic Review Commission, a vital exercise to stabilize the early education and care system by building on the foundational work of previous reforms and quickly delivering assistance to families and programs. With credit to all of the participants, but especially to co-chairs Representative Alice Peisch and Senator Jason Lewis, a framework for the prioritization to deliver up to \$1.5 billion in support to the early education and system emerged, and, impressively, the Legislature immediately began to implement significant features of the recommendations in the state budget enacted just several months later. It remains important to make progress across all four Focal Areas: 1.) Program Stabilization; 2.) Family, Affordability, and Access; 3.) Workforce Compensation, Pipeline, and Advancement, and, 4.) System Infrastructure and Local Partnerships.

Public-Private Partnership and a Whole-of-Government Approach

Recommendation #6 of the Commission Report calls for engagement with the business community to identify and promote employer best practices and explore incentives for employers to support additional early education and care benefits for their employees. As a result, our Coalition initiated a landscape analysis of employer-supported childcare practices, which was augmented by [more formal research on the topic](#) by the Massachusetts Taxpayers Foundation. What we found is that employer-supported childcare benefits are relatively nascent but gaining some traction. [Care.com’s most recent annual “Future of Benefits” report](#), issued in March 2023, found that a shift in employee benefits may be occurring as the employers assess the post-peak pandemic economy; specifically, “95% are recalibrating their companies’ benefit strategies and 47% are trimming overall employee benefits in 2023,” but, interestingly, “46% are prioritizing childcare benefits more in 2023 (trailing only retirement plans as the most popular benefit to prioritize this year).”

Common employer childcare benefits identified by Massachusetts Taxpayers Foundation include: On-Site Child Care Child (care that the employer provides at their office location(s)); Subsidies with a Local Provider (subsidized child care that the employer provides with an existing local child care provider); Back Up Care (at home or center-based child care if regular child care coverage fails); Flexible Spending Account (a pre-tax, flexible spending account for child care expenses); and, Resource and Referral Services (services that help families find and get connected to child care.)

Similar to efforts in states like Iowa, Colorado, and Wisconsin, there may be benefits in supporting and studying public-private partnerships to incentivize employer-supported childcare, which is why we filed ["An Act to Encourage Employer Supported Childcare \(H.1394\),"](#) which is based, in part, on the Iowa experience. Our Coalition also is launching an Employer-Supported Childcare Community of Practice to promote the aforementioned opportunities, consider ways to assist their adoption, and to inform any private or public-private models to support their expansion. Fundamental to this exercise will be bridging an issue that I referenced at the beginning of my testimony: the historic, mutual perception that employee-employer expectations did not yet encompass the topic of childcare. Developing tools for employer-employee engagement around childcare will be essential to designing and implementing responsive and sustainable employer-supported childcare strategies that work for everyone.

Finally, I want to strongly emphasize my belief that the most significant, impactful, state-level progress to be made across all four Focal Areas of the Commission's Report would come from an all-of-government approach. The Department of Early Education and Care is an extraordinary agency, led by a terrific commissioner in Amy Kershaw and supported by an incredible group of professionals who care deeply about our amazing field of early childhood education professionals and the children and families who they serve. The research is clear: early childhood education is Education and an extraordinary benefit to the healthy development of all children and their future prospects. But early childhood education also is workforce development and economic development, and accomplishing and the extending the Commission's goals will require the engagement and coordination of Federal, State, and Local Systems responsible for leading those efforts, not just as supporters, but as co-equal leaders in the charge.

I want to thank you again for this opportunity. I would be very happy to answer any questions, now or after the hearing, and I look forward to continuing to work together on behalf of an issue of critical importance to so many Massachusetts families and, indeed, the growth and success of the entire Commonwealth.