



**Joint Committee on Education
Early Education and Care Oversight Hearing
July 7, 2020**

Chairwoman Peisch, Senator Lewis and Members of the Committee, thank you for inviting me to provide some comments on early education and child care and the massive impact that the global Covid-19 pandemic is having on the early childhood field, communities, employers, and the economy.

My name is JD Chesloff and I am Executive Director of the Massachusetts Business Roundtable. The Roundtable is a public policy organization comprised of CEOs and Senior Executives from large employers across the Commonwealth. Our mission is to strengthen the state's long-term economic vitality with the goal of making Massachusetts a highly desirable place to do business. Obviously a key strategy to meeting that mission and goal is through education and workforce development, and I am so grateful to this Committee and its Chairs for your great collaboration with the Roundtable over the years and for your impactful work on so many areas critical to the state's competitiveness.

As many of you know, early childhood education has been a priority for the Roundtable for many years and I personally served on the state's Board of Early Education and Care for 10 years, five of those as Chair. I also serve on the Advisory Committee of Ready Nation, a national organization that cultivates business leaders as champions for early childhood education. I recently wrote a blog for them which I'll discuss in a minute.

Over the past few months, we at the Roundtable have been focusing a great deal on child care as an enabler to reopening, restarting and sustaining our economy. We did this primarily because it was what we heard from our members, what we were hearing nationally from the national Business Roundtable, and what our members were hearing from their employees who have increasingly been working from home: Child care is a key component of the infrastructure necessary for a functioning and thriving economy.

One quick note here: I want to be very clear what the Roundtable members are and what they are not. Our members are primarily large companies, with white collar workers, who mostly live in the suburbs. The business community is not monolithic, and I bring one perspective to the table. But I do not speak for the business community...just the Roundtable.

As I spoke to Roundtable members about reopening the economy, there were four key messages that I heard which helps to frame our focus on childcare.

Number 1: Safety First. Employers are completely focused on providing a safe environment for employees and customers, and understand that any successful recovery strategy must give people

confidence that they can safely return to their offices and other public spaces. This is not unlike what providers are currently experiencing as they reopen.

Second: Work from home will continue into the foreseeable future. Roundtable members currently have more than 90% of their employees working from home and I don't expect that to change any time soon. As an experiment forced upon many employers and employees, it is working better than anyone thought it would. Again, however, I want to stress that Roundtable members are primarily large companies with white collar employees, so what is working for our members now is not possible for all employers. Surveys show that upwards of 30% of people will continue to work from home once the pandemic is over. Some of my members anticipate that number being as high as 40% to 50%. This will have impacts on a wide variety of public policies, including childcare.

Third: Uncertainty is the biggest barrier to moving forward. Whether it be the trajectory of the Covid-19 virus, employees' comfort levels with returning to the office, how to procure PPE, customer behavior, liability issues, just to name a few, decision making is increasingly difficult. Are K-12 schools going to be open in the fall, and what does that mean for parents, employers and childcare? People are understandably anxious. Other parts of the country are seeing new waves of coronavirus infections. No one knows what's right around the corner.

And finally, childcare and transportation are essential to reopening. As I wrote recently in the Ready Nation blog, "Early education and childcare are vital to the workforce, both in terms of supporting working parents and preparing children for success. Childcare allows parents to work, be more productive while on the job, and reach higher levels of professional achievement. At the same time, nurturing learning environments prepare young children for kindergarten and future achievement in school and, eventually, in the workplace."

Here's just a sampling of what I've heard from Roundtable members:

- "This is a **critical issue for us** and has many of our **parents under considerable stress.**"
- "Our employees have been able to manage childcare issues so far, but **without care** during the summer months we anticipate that **staff availability will be moderately to significantly reduced.**"
- The longer this situation lasts, the more **critical** return-to-school and childcare become to **assist all workers and economic reopening.**"
- With schools closing, can we really ask parents to return when they have **no opportunities for care** of their children?

Yet as we know, Covid-19 is threatening an already struggling childcare sector. With businesses and many childcare providers shuttered across the nation, workers have been left with fewer and less accessible choices for high-quality care. It has also further destabilized the childcare industry itself; post-crisis, childcare businesses are expected to remain at risk of financial insolvency due to unpredictable revenue and increased costs associated with maintaining safe environments. The impact of destabilization has had—and will continue to have—a disproportionate impact on women, particularly women of color: 96 percent of childcare providers are women; 40 percent are women of color. Moreover, many childcare businesses—some of which have been forced to close permanently—are women-owned.

Early childhood education also provides a powerful strategy to address systemic racism. The Roundtable recently adopted a purpose statement to guide our anti-racism work, which commits us to ending racism and discrimination in Massachusetts' systems and institutions by "promoting, encouraging and advocating for social and economic opportunity for people of color so that they can access and share in these institutions' power and control." Early childhood education is the beginning of the pathway to economic opportunity and social justice.

But you know all that. So what do we do about it?

At the Roundtable, in partnership with the Eastern Bank Charitable Foundation, we are creating a Business Coalition for Early Childhood Education. You heard a little about Eastern's efforts last week from Rahn Dorsey, who is involved in this initiative as well. Modeled after similar organizations around the country, the Coalition will provide a central point of focus for the business community to engage with government, philanthropy, and the early childhood education sector to address the child care crisis and take direct action to help. We have a leadership structure and staff in place, including Tom Weber, the former Commissioner of Early Education and Care, and are actively recruiting members.

The Business Coalition will have four primary areas of focus, driven by the overarching goal of increasing the availability, affordability, stability, and quality of early education programs:

1. Develop and advocate for an early childhood public policy agenda. A few years ago, Speaker DeLeo created the Early Education and Care Business Advisory Group which developed a framework for action in the short, medium and long terms. That group, however, was populated by folks like me—association heads—rather than real business leaders, which I believe was always his vision. Similarly, the Senate President has talked about establishing a public-private partnership to address childcare issues, and the Coalition could help serve that purpose as well. The public-private matching fund making its way through the legislature is a good example of how we can partner, and the Coalition would work closely with the Committee and other stakeholders on additional initiatives going forward.
2. Develop and advocate for funding initiatives to support early childhood providers. Currently this includes urging the federal government to provide significant dollars for early education. Given the scope and scale of the needs of the early childhood community, along with the projected fiscal freefall facing the Commonwealth, we need bi-partisan action in Congress to sustain and stabilize the childcare sector.

Once we know the level of commitment from the federal government, the state will have to make some very difficult decisions about how to fund important priorities, like childcare. We want to engage productively in those conversations with you in the legislature about how we adequately fund childcare going forward, how we build a sustainable business model for providers, and how we reimagine and build a model system for the long term.

3. Share and model best practices for how to support employees' early childhood education needs. I recently conducted an informal focus group of Roundtable members regarding current supports for employees regarding childcare as well as potential future considerations. Most Roundtable employers subsidize back up or emergency care, primarily through Bright Horizons. But with the prevalence of work from home, and the likelihood that it continues,

the employer-employee relationship as it relates to benefits and supports is likely to be dramatically altered. For example, subsidizing transit passes no longer holds value to employees not commuting, but what about more robust subsidization of childcare? Additionally, employers are providing greater flexibility in how people work and adding more mental health supports for the employees. As employers adapt to a new workplace paradigm and rethink how they support their employees, developing and sharing best practices particularly as it relates to childcare will be an important way to build and scale what works.

4. Collecting data and conducting research to help inform the public dialogue. One takeaway from my focus group was that employers do not have good data about their employees' child care needs, both now and anticipated in the future. It's difficult to make good decisions without that information. Similarly, we all know that good policy requires good research. The Coalition will be a producer, collector and aggregator of data and information to help inform policymakers, the public, the field and employers as we collectively navigate the future of child care.

If there's one message I want to leave you with it's that we—the Roundtable and the new Business Coalition for Early Childhood—are committed to engaging with you to address the childcare crisis and we are organizing ourselves in a way to be most productive. The blog I wrote for Ready Nation concludes by saying: “We must use this time to reimagine the child care sector and elevate it as an essential component of the infrastructure necessary for our economy to thrive.” We look forward to partnering with you on this work.