



January 17, 2025

The Honorable Maura Healey Governor of the Commonwealth of Massachusetts Office of the Massachusetts Governor Massachusetts State House, Room 360 Boston, MA 02133

Dear Governor Healey:

We are writing on behalf of the Massachusetts Business Coalition for Early Childhood Education (MassBiz4EarlyEd), a diverse statewide coalition of employer leaders from <u>85 companies with</u> <u>more than 300,000 Massachusetts employees and 22 business association partners</u> <u>representing thousands of businesses</u> from all regions and industries, and the <u>Massachusetts</u> <u>Business Roundtable</u> (MBR), a public policy organization comprised of Chief Executive Officers and Senior Executives from some of the state's largest employers. Thank you and the entire Healey-Driscoll Administration for delivering yet another year of historic leadership, in strong partnership with the Legislature, on behalf of early care and education (ECE) programming that is vital to the success of all children, families, communities, employers, and the Commonwealth's economic competitiveness.

We believe that ECE, especially for children ages 0-5, represents critical economic infrastructure that helps enable Massachusetts to attract and retain the talent necessary to achieve a thriving and more equitable economy. Our belief is well founded. Ground-breaking <u>Massachusetts</u> <u>Taxpayers Foundation (MTF) research</u> in 2022 concluded that insufficient child care costs Massachusetts between \$2.6 billion and \$3 billion each year, impacting families, businesses, and tax revenues, while <u>research by ReadyNation</u> shows that the annual impact on U.S. families, businesses, and taxpayers is \$122 billion – more than double since 2018.

As a result of your Administration and the Legislature's extraordinary leadership, Massachusetts has been able to more than double its investments in ECE over the past five years to \$1.55B. Moreover, *how* and *why* Massachusetts is investing in its ECE infrastructure is equally, if not more, important. Massachusetts is the only state in the nation to maintain catalytic one-time Federal funding with State investments. Child care now is recognized as critical infrastructure to support the healthy growth and development of children, as well as equitable opportunity for families to participate in a robust economy. Massachusetts is truly making child care about education *and* workforce *and* economic development for the betterment of all families, communities, and businesses.

Notwithstanding our extraordinary state leadership in ECE, <u>MTF's latest Massachusetts</u> <u>demographics research</u> advises us to stay on point with impactful strategies to make Massachusetts more affordable and competitive for families. Faced with historically low birth rates, an increasing aging population, and cost of living headwinds, Massachusetts is losing residents to other states. Thank you for continuing to focus your leadership to address barriers to affordability and economic opportunity, including child care.

As the Commonwealth contemplates both the fiscal realities and opportunities present in current calendar year and Fiscal Year 2026 (FY26), we very respectfully ask for your continued support for the Commonwealth Cares for Children (C3) Grants, and any opportunities to enhance access to Child Care Financial Assistance (CCFA) programs and provider reimbursement rates. Together, these programs are stabilizing and growing the ECE sector, and providing access to high-quality ECE for children and families, and, thus supporting economic opportunity and mobility for working families, and creating a competitive advantage for the entire Massachusetts economy.

Furthermore, we applaud your leadership in undertaking the Inter-Agency Task Force on Early Education and Child Care, which we recognize is a visionary and potentially high-impact approach to bringing the "whole of government" to the work of making our ECE system a bona fide strength for the Commonwealth's families. We look forward to working in partnership with you to support implementation of the Task Force's recommendations, including those seeking to promote employer-provided child care options, in addition to supporting the successful implementation of the existing EEC Employer Pilot (line item 3000-1049).

We appreciate your leadership in making ECE a powerful component of our Education, Workforce, and Economic Development systems. Again, please continue to utilize our organizations as resources, as we endeavor to partner with you to create a "world-class" ECE system that will endure as a cornerstone for more successful and equitable communities and economic opportunity.

Sincerely,

Tom Weber Executive Director MA Business Coalition for Early Childhood Education JD Chesloff President and CEO Massachusetts Business Roundtable Cc: Matthew Gorzkowicz, Secretary, Executive Office of Administration and Finance Patrick Tutwiler, Ph.D., Secretary, Executive Office of Education Amy Kershaw, Commissioner, Department of Early Education and Care Lauren Jones, Secretary, Executive Office of Labor and Workforce Development Yvonne Hao, Secretary, Executive Office of Economic Development