

Early Education and Out-of-School Time Capital Investments



DATA BRIEF • APRIL 2026

As part of the Commonwealth's broader approach to capital investments, the Department of Early Education and Care (EEC) provides [capital grants](#) to early education and out-of-school time (OST) programs to expand capacity and support facility improvements. To date, these grants have provided \$65M to programs to strengthen the quality of children's learning conditions and grow system capacity, ensuring that Massachusetts's children have access to safe and developmentally appropriate environments to learn, play, and grow.

In the past few years, Massachusetts has made unprecedented investments in expanding child care capacity and supporting quality improvements through its capital grants. Annual funding for capital grants has more than doubled and additional resources from the Fair Share Amendment have allowed for expanded grant eligibility and increased impact.¹ EEC has also implemented policy improvements to more strategically allocate resources. In alignment with Massachusetts' whole-of-government approach to combat the climate crisis, EEC prioritizes projects focused on clean energy and requires all projects to meet above-code state standards for energy efficiency.

In FY25, EEC awarded \$17M to programs through three distinct capital grant opportunities: small and large grants to non-profit center-based providers; small grants to for-profit center-based providers; and grants to family child care (FCC) providers.

Early Education and Out-of-School Time (EEOST)

For licensed, non-profit center-based providers:

- Small Grant: \$200,000-\$500,000 per award
- Large Grant: \$500,000-\$1,000,000 per award

Early Education and Care Provider Capital Grants (EEPCG)

For licensed, for-profit center-based providers:

- \$200,000-\$500,000 per award

Family Child Care (FCC) Grants

For licensed, family child care providers:

- \$500-\$25,000 per award

Why Capital Investments Matter



Support for high-quality learning environments

Helps create spaces designed specifically to encourage children's active engagement and promote healthy development.



Expanded capacity

Supports facility developments that can allow providers to safely serve more children.



Impact on educators

Enables teachers to focus on delivering high-quality education rather than worrying about facilities issues, helping to reduce educator stress and burnout.

To operate and administer the grants, EEC partners with two economic development organizations: the Children's Investment Fund, which supports EEOST and EEPCG grants, and MassDevelopment, which supports FCC grants. Once grants are awarded, EEC and these partners provide consistent support and engage in continuous monitoring to ensure all programs are equipped to use the resources efficiently and effectively.

EEC also administers the [Early Childhood Emergency Fund](#) for programs in need of more immediate financial assistance to address facilities issues that have disrupted normal operations. The fund distributes financial awards of up to \$8,775 so programs can complete critical repairs or upgrades that enable them to maintain operations and minimize disruptions in care for families. This fund receives approximately \$100,000 in yearly revenue from the state's sale of "Invest in Children" license plates.

¹The Fair Share Amendment is a 2022 constitutional amendment that imposes a surtax on income above \$1M and earmarks the revenue for education and transportation investments.



Funding History

EEC’s capital grants began with the Commonwealth’s 2013 housing bond bill, which established the Early Education and Out-of-School Time (EEOST) Capital Fund. This fund awarded capital grants to non-profit, center-based child care and OST programs that served a high proportion of low-income children. For the program’s first seven years, an average of \$5M was distributed in grants annually, with awards ranging from \$200K to \$1M per grantee depending on the project.

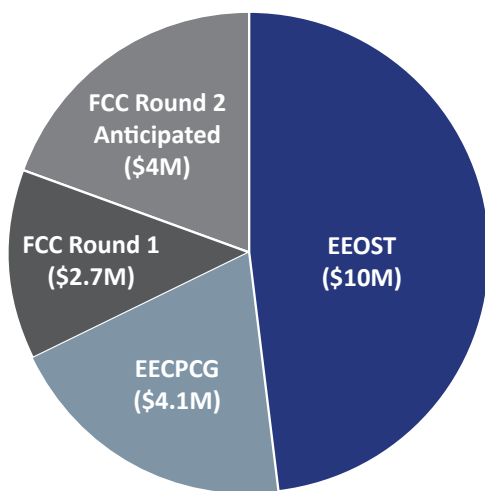
In FY24, the Healey-Driscoll Administration supported a significant boost in capital grants funding, with more than \$9M awarded to center-based providers — nearly double the amount previously awarded per year. Enabled by funding from the Fair Share Amendment, FY24 also marked the establishment of the Early Education and Care Provider Capital Grant (EEPCG) for for-profit providers, who were previously ineligible, as well as the first capital grant opportunity for FCC providers.

Following these expansions, and with continued growth in funding, the state awarded a total of nearly \$17M in capital grants in FY25 to non-profit center-based providers, for-profit center-based providers, and FCCs.

FY25 Snapshot

Of the roughly \$17M in capital grant funding distributed in FY25, \$14M was divided across the two center-based grants (EEOST and EEPCG), and \$2.7M was dedicated to FCCs — with an additional \$4M in FY25 FCC grant funding set to be distributed in FY26 (see **Figure 1**).

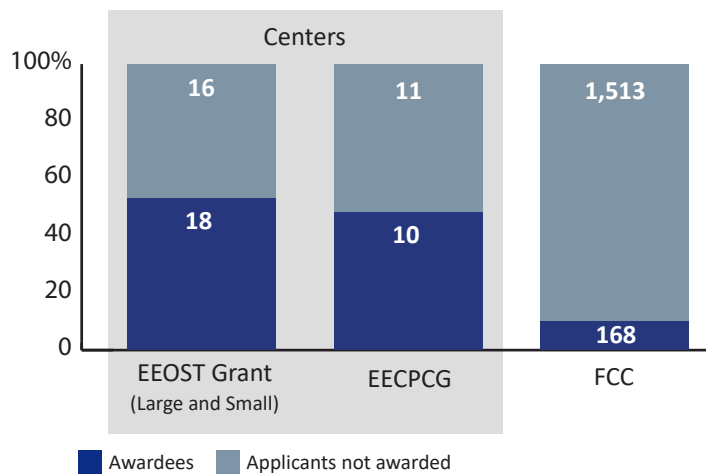
FIGURE 1: FY25 Award Amounts



Demand for capital grants was also greater than ever before in FY25, with 1,736 total applicants, driven in large part by FCCs. In total, 1,681 FCCs and 55 center-based programs applied for capital grants. Across all FCC applicants, \$36.6M in funding was requested, representing more than 10 times the \$2.7M available for FCCs. Similarly, \$27.5M was requested across 55 center-based applicants, roughly double available resources. The especially high demand among FCCs for capital funding indicates a particular need for this type of support.

In total, 168 FCCs and 28 center-based programs were awarded capital grants in FY25. A majority of the center-based awardees (18) were non-profits applying through EEOST; the remaining 10 programs were for-profits eligible to apply through EECPCG (see **Figure 2**).

FIGURE 2: FY25 Applicants and Awardees by Grant Type



FY25 awardees are spread out across the state, and located in both urban and rural communities, including 22 Gateway Cities (see **Figure 3**). The majority of awardees are also located in under-resourced communities (see **Figure 4**).²

Across grant types, awarded projects include critical facility work to maintain operations, such as roof and gutter replacements, masonry restoration, and fencing repairs; health and safety enhancements like upgraded ventilation systems and security camera installation; and improvements related to environmental sustainability, including redesigned insulation or electrical systems.

Funding is also supporting the creation and redesign of indoor and outdoor play areas, as well as the construction of new classrooms and program space to expand capacity.

²The Child Opportunity Index is an asset-based, child-centric measure of the level of resources available to support conditions that matter for a child’s healthy development. For more information, see diversitydatakids.org.

FIGURE 3: FY25 Grantees by Municipality

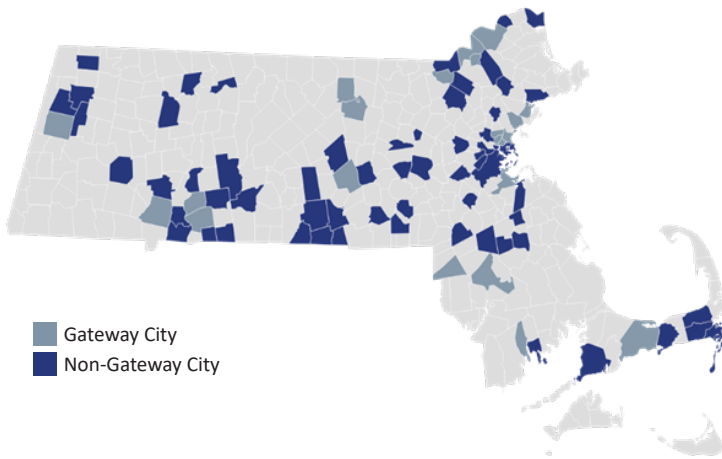
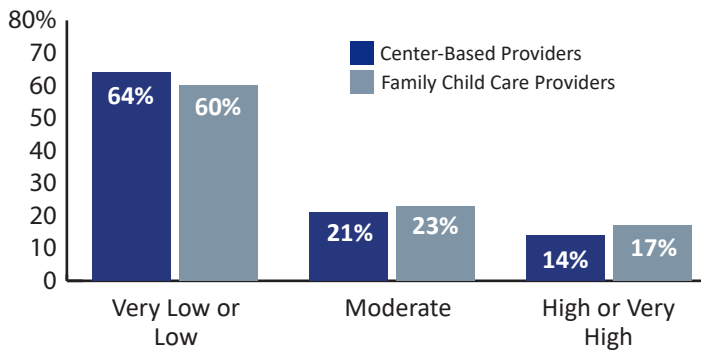


FIGURE 4: FY25 Grantees by Child Opportunity Index Level



Looking Ahead

In June 2025, the Healey-Driscoll Administration released its \$16.6B FY26-FY30 Capital Investment Plan, which includes \$57M specifically for EOST capital grants for non-profit, center-based programs over the next four years. Additional capital funding for for-profit center-based programs or FCCs was not appropriated in FY26.

Moving forward, EEC will continue to assess the impact of capital grants and explore paths to increasing their reach, with a focus on ensuring that families furthest from high-quality, accessible early learning experiences, and the programs that serve them, are centered in the process.

Grants In Action



In FY25, LEO Inc. used funding from an EOST large grant to complete the transformation of a former commercial building into a comprehensive early learning center in Lynn. The Broad Street Early Education and Care Center serves infants through preschoolers and includes fifteen classrooms, an outdoor space, and a commercial kitchen that enables them to provide two nutritious meals a day to the 500 children in their network. *Photo credit: Damianos Photography.*