



June EEC Board Meeting

June 11, 2025

Agenda

Routine Business

- Approval of minutes from May 14, 2025 Meeting VOTE
- Approval of Board Meeting Dates for FY26 VOTE

Items for Discussion and Action

- FY26 State Budget Development Updates
- Approval of Child Care Financial Assistance Regulations for Promulgation VOTE
- Commonwealth Cares for Children (C3) Update
- Residential Regulations Update

FY26 Meeting Schedule

For state Fiscal Year 2026 (FY26), the Board proposes the following meeting schedule:

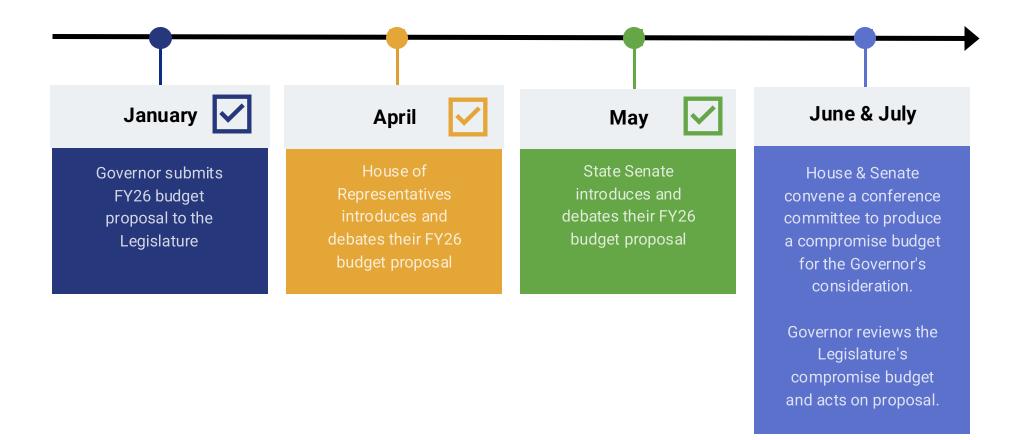
Wednesday, September 10, 2025 (1:00-4:00pm)	Wednesday, February 11, 2026 (1:00-4:00pm)
Wednesday, October 8, 2025 (1:00-4:00pm)	Wednesday, March 11, 2026 (1:00-4:00pm)
Wednesday, November 12, 2025 (1:00-4:00pm)	Wednesday, April 8, 2026 (1:00-4:00pm)
Wednesday, December 10, 2025 (1:00-4:00pm)	Wednesday, May 13, 2026 (1:00-4:00pm)
Wednesday, January 14, 2026 (1:00-4:00pm)	Wednesday, June 10, 2026 (1:00-4:00pm)

MOVED: That the Board of Early Education and Care, in accordance with G.L. c. 15D, § 3(b), shall meet in accordance with the schedule set forth above, and that all meetings will begin at 1:00 p.m. and will be held at 50 Milk Street, Boston MA, unless otherwise announced and duly posted.



FY26 State Budget Development Updates

State Budget Process



Gateway to Pre-K H.1 Budget Highlights

The Governor's H.1 budget continues to make progress in key areas of the Gateway to Pre-K agenda:

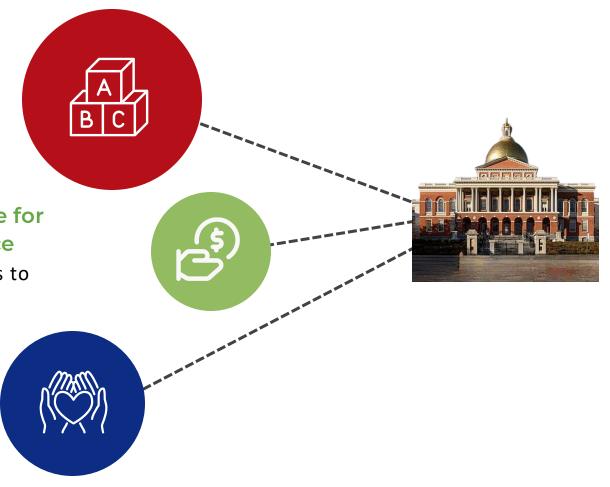
Continued investment in the Commonwealth Preschool Partnership Initiative (CPPI)

The CPPI line item in FY26 will maintain and support all existing communities, with additional funding in Fair Share Supplemental distributed between FY26 to FY28 for expansion within existing and new communities; priority for Gateway Cities

Supporting continued access to affordable care for families through Child Care Financial Assistance Investments in child care financial assistance line-items to maintain FY24 and FY25 caseload expansion

Sustaining \$475M for Commonwealth Cares for Children (C3)

C3 continues to be a priority and state investment in the program maintains critical operational supports to early childhood programs



Gateway to Pre-K H.1 Budget Highlights

Overall, H.1 funds EEC at \$1.679 billion, 10% increase from FY25 final enacted budget

Key EEC investments included in the Governor's budget proposals include:

- \$475 million for Commonwealth Cares for Children (C3), funded from both general appropriations and Fair Share revenue
- **\$1 billion** to support families receiving **Child Care Financial Assistance** (Income Eligible and DTA/DCF-Related)
- **\$17 million** for the **Commonwealth Preschool Partnership Initiative (CPPI)**, supplemented by \$50 million available for the program over 3 years through the Fair Share Supplemental budget, allocating **\$25 million** for CPPI in FY26.

Governor Healey's budget proposal also maintains critical funding across EEC line-items:

- \$47 million for licensing staff, initiatives, and supports through the agency's Quality Improvement line item
- \$20 million for child care resource and referral services
- \$18.5 million for supplemental grants to Head Start and Early Head Start programs
- \$11.7 million for the Coordinated Family and Community Engagement (CFCE) grant program
- \$5 million for Career Pathways
- \$5 million for early childhood mental health grants
- \$4.25 million for the ParentChild+ program

To see the **full list of line items** and proposed funding levels, see the Governor's proposed budget <u>here</u>.

House and Senate Budget Proposals: Highlights

House of Representatives

- \$1.02B for CCFA caseload maintenance
- **\$15M** for new CCFA access through contracted seats
- \$475M for C3
- \$20M for CCR&Rs
- \$18.5M for Head Start
- \$10M for CPPI
- **\$5M** for early childhood mental health grants
- \$5M for Career Pathways
- \$4.25M for Parent Child+
- \$1.75M for Reach Out and Read
- Increases **cap on C3 funding** available to large, multi-site private programs from 1% to 1.25%
- Requires agency to reimplement **CCFA unit price contracts** rather than cost-reimbursement and enable 20% retained revenue.

Senate

- \$1.06B for CCFA caseload maintenance
- \$475M for C3
- \$27.7M for CPPI
- \$20M for CCR&Rs
- \$20M for Head Start
- **\$5M** for early childhood mental health grants
- \$4.25M for Parent Child+
- **\$2.5M** for an employer-sponsored care program
- \$1M for Reach Out and Read

EEC FY26 Legislative Budgets (in millions)

GENERAL FUND LINE ITEMS

Line Item	Appropriation	FY25 GAA	FY26 H.1	FY26 House	FY26 Senate
3000-1000	Admin	\$27.7	\$8.0	\$13.8	\$8.0
3000-1020	Quality Improvement	\$52.6	\$46.9	\$46.9	\$45.0
3000-1045	C3 Stabilization Grants	\$300.0	\$200.0	\$115.0	\$150.0
3000-1049	Employer-sponsored Child Care	\$2.5			\$2.5
3000-2000	Access Management	\$20.0	\$20.0	\$20.0	\$20.0
3000-3060	DCF/DTA Related Child Care	\$356.6	\$448.2	\$448.2	\$448.2
3000-4060	Income-Eligible Child Care	\$417.2	\$517.6	\$517.6	\$517.6
3000-5000	Grants to Head Start Programs	\$18.5	\$18.5	\$18.5	\$20.0
3000-6025	CPPI Pre-K Initiative	\$17.5	\$17.7	\$10.0	\$17.7
3000-6075	Early Childhood Mental Health	\$5.0	\$5.0	\$5.0	\$5.0
3000-7050	Coordinated Family & Community Engagement	\$11.9	\$11.7	\$11.7	\$11.7
3000-7052	Parent-Child Plus Program	\$4.3	\$4.3	\$4.3	\$4.3
3000-7055	Neighborhood Villages	\$1.0	\$1.0	\$1.0	\$1.0
3000-7066	Career Pathways	\$5.0	\$5.0	\$5.0	
3000-7070	Reach Out and Read	\$1.8	\$1.8	\$1.8	\$1.0
	Total	\$1,241.6	\$1,305.7	\$1,218.8	1,252.0

EEC FY26 Legislative Budgets (in millions)

FAIR SHARE-FUNDED LINE ITEMS

Line Item	Appropriation	FY25 GAA	FY26 H.1	FY26 House	FY26 Senate
1596-2410	Child Care Grants to Providers	\$175.0	\$275.0	\$360.0	\$325.0
1596-2411	Income Eligible Access (Waitlist Remediation)	\$15.0		\$15.0	
1596-2412	CPPI Pre-K Initiative	\$5.0			\$10.0
1596-2429	Early Education & Care Provider Capital Grants	\$15.0			
1596-2434	Rate Increases for Early Education and Care	\$65.0			
1596-2435	EEC Affordability	\$18.0			
1596-2452	Child Care Supports		\$98.0	\$53.0	\$98.0
	Total	\$278.0	\$373.0	\$428.0	\$433.0

To see the full list of line items and proposed funding levels, see the House of Representatives' proposed budget here.

FY25 Fair Share Supplemental Budget

In January, Governor Healey filed an FY25 Fair Share Supplemental Budget to complement her FY26 budget proposal. It included \$150 million to support:

- capacity building & workforce development
- family access & affordability
- implementation of the Early Education & Care Task Force recommendations
- Commonwealth Preschool Partnership Initiative (CPPI) (over the next 3 years).

The House and Senate recently approved their versions of the Fair Share Supplemental Budget, which will be reconciled and sent to the Governor for her approval.

House of Representatives

- **\$20 million** for capacity building & workforce development, family access & affordability, implementation of the Early Education & Care Task Force recommendations, & CPPI.
- **\$20 million** for CCFA reimbursement rate increases in FY26.
- **\$8 million** for CCFA access for staff working in early education & care.
- **\$7.5 million** for loan repayment for staff working in early education & care.
- **\$3.8 million** for local child care and out-of-school-time programs to support capital and programmatic improvements.
- Establishes the Dolly Parton Imagination Library in Massachusetts **Senate**
- **\$2.6 million** for local child care and out-of-school-time programs to support capital and programmatic improvements.



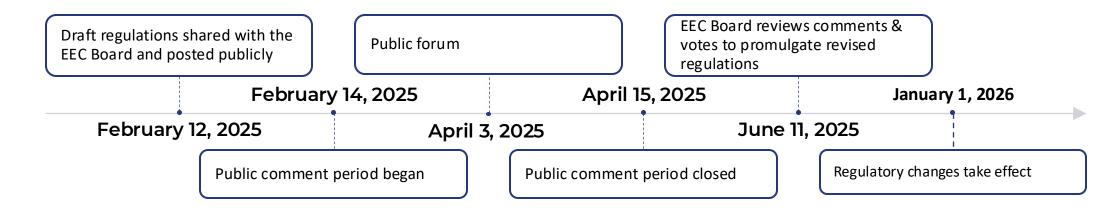
Approval of Child Care Financial Assistance Regulations for Promulgation

Summary of Proposed CCFA Regulatory Changes

In February, EEC proposed changes to regulations governing the state's Child Care Financial Assistance programs to bring the agency's regulations into compliance with recently enacted changes to MGL Ch. 15D.

- Expand initial eligibility to families with incomes at and up to 85% of State Median Income (SMI) and allow the Department to go beyond 85% SMI if the federal government allocates additional funding to do so. Add priority access for families at or below 50% SMI.
- Codify existing priority access for staff working in early education and care programs, disability, families experiencing homelessness, young parents, and individuals facing domestic violence.
- Codify that CCFA does not count as income for purposes of disqualifying families for other state governmental assistance.
- Require the Department to annually review the CCFA program to streamline processes and paperwork, add technology, and expand outreach, particularly to non-English speaking families.
- The proposed changes to the regulation will be effective January 1, 2026.

Public Comment Overview & Changes Adopted from Public Comment



EEC received 6 written comments. Based on the feedback, we propose incorporating the following revisions:

- Clarifying the definition of an Intentional Program Violation (IPV) to confirm that a violation must be for purposes of
 establishing eligibility to receive financial assistance to better align with federal regulations. 606 CMR 10.02.
- Editing priority access categories to confirm each has equal status. 606 CMR 10.03(3)(a).
- Aligning the language for priority access for families experiencing domestic violence with existing EEC definition of domestic violence in regulations. 606 CMR 10.03(3)(a).
- Excluding Social Security benefits from household income considered for income eligibility. Also inserting text to allow EEC to exclude additional types of income in policy. 606 CMR 10.04(3).
- Deleting separate requirements for accelerated semester work for part-time or full-time care. 606 CMR 10.04(2)(b)(1)(c)(iii).

Child Care Financial Assistance (CCFA) Proposed Regulations Revisions - VOTE

Pursuant to G.L. c. 15D, § 3, the Board of Early Education and Care ("Board") shall set policies and establish regulations related to early education and care programs and services.

EEC seeks authority to revise its Financial Assistance for Subsidized Care regulations to align EEC regulations with recently codified state law. In order to be adopted, the proposed amended regulations must be filed with the Secretary of the Commonwealth and published in the Massachusetts Register. Therefore, EEC recommends that the Board authorize the Commissioner of Early Education and Care to file the proposed amended regulations governing Financial Assistance for Subsidized Care, 606 C.M.R 10, to be effective January 1, 2026, with the Secretary of the Commonwealth for publication in the Massachusetts Register.

MOVED: that the Board of Early Education and Care, in accordance with G.L. c. 15D, § 3(f), having solicited Public Comment as required by G.L. c. 30A, hereby approves 606 CMR 10.00, the proposed amended regulations governing Financial Assistance for Subsidized Care, and authorizes the Commissioner of Early Education and Care to file the proposed amended regulations with Secretary of the Commonwealth for publication in the Massachusetts Register.



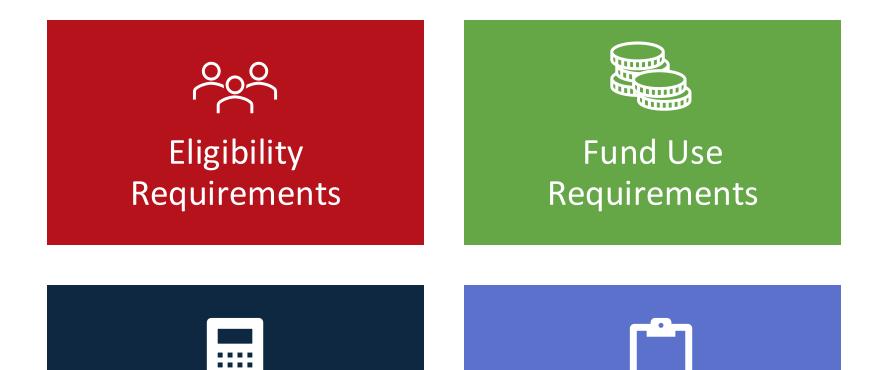
Commonwealth Cares for Children (C3)

Planning/Proposed Approach for FY26

- Maintain commitment to predictability and minimize disruptions after two significant changes in the past two fiscal years
- Build compliance to new statutory requirements
 - Ensure that all programs receiving C3 demonstrate a willingness to enroll children receiving child care financial assistance
 - Encourage programs to meet salary benchmarks
- Consider formula/equity adjustment to better recognize community needs (Tier 1) and programs serving a range of children with financial assistance (Tier 2)
- Continue to gather data and program/field feedback; report on impact and input

All changes in FY26 must be cost neutral

Levers for C3 Program





Eligibility: CCFA Acceptance

• New statutory requirement:

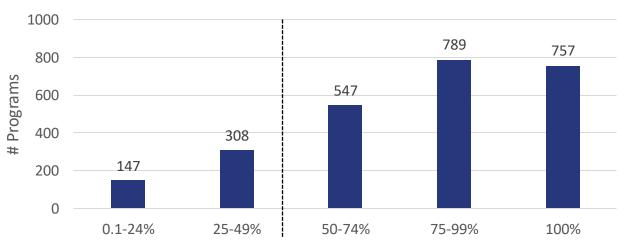


(d) As a condition for receiving operational grants under this section, the department shall require early education and care providers to... (ii) continue to, or demonstrate a willingness to, enroll children receiving child care financial assistance, if a family receiving child care financial assistance chooses the provider and the provider has an available opening.

- To comply, EEC will include a new attestation for participating programs in the FY26 C3 application
- Currently, 69% of programs participate in CCFA (defined as having an active voucher agreement or contract)
 - Of the programs that do not currently participate, 83% have indicated willingness or are undecided.

Funds Use: Workforce Investment

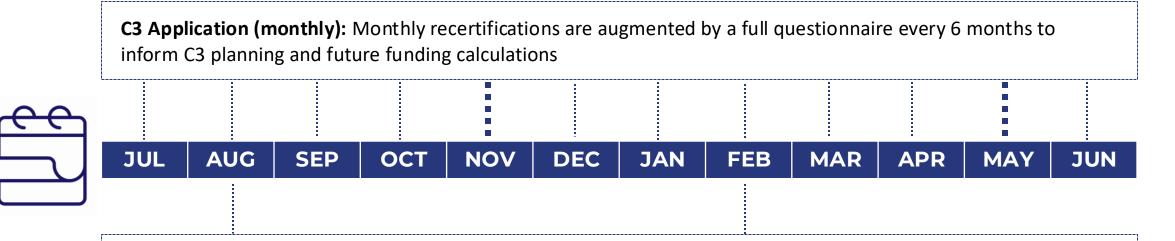
- EEC is proposing to require that center-based programs invest at least 50% of C3 funds in their workforce as this is a primary goal of the funding
- Review of current fund use suggest most, but not all programs are using C3 as a support for workforce investments.
- Based on the most recent C3 survey, 18% of programs would need to shift use of C3 funds



Center-based Programs: Percent of C3 Funds Invested in the Workforce

Data Collection: C3 Application and Survey

• C3 application and survey provide predictable cadence for data collection from the field through point-in-time data collection.



C3 Survey (bi-annual): August and February surveys focusing on different topics

• Provides regular information to support future costing, ongoing analysis of C3 successes and planning for FY27.

Formula: Adjustment Considerations

- Many programs situated in largely low opportunity communities are in census tracts that do not meet the very low opportunity designation
- Programs currently serving a portion of families/children with non-CCFA scholarships are not fully recognized in equity calculations
- Tier 2 provides significantly more funding to a large range of programs from those serving 1 child with CCFA to 24% of licensed capacity
- CEO compensation ratio sets a benchmark that precludes some very large programs from incentives to serve low-income families by restricting access to equity adjustments
- More attention to diverse program models including
 - Out of school time programs investing in significant numbers of full time professional staff
 - Additional staffing to address/recognize behavioral/ special needs staffing

FY26 Timeline

Spring/Summer

- Continue to review formula and feedback from the field on potential changes
- Bring any proposed changes to the Board

Fall

- Hold public comment period
- Finalize any potential program changes for Board consideration and vote
- Update recertification process to reflect any Board action

For the most up to date information, program resources & opportunities to learn more and share feedback visit: <u>mass.gov/c3</u>



Residential Regulations Update

Primary Goals of Revision

<u>606 CMR 3.00</u> govern EEC's oversight and licensing of residential programs. These regulations have not seen a comprehensive revision since **1995**.

• There have been targeted revisions since that time, most recently in **2015**, regarding the use of prone, mechanical, and chemical restraints in residential programs EEC licenses.

Goals of Revision



Center the experience of the **youth and families** that are served by these programs.



Streamline to ensure better **efficiency** and less duplication.



Minimize financial impact and added costs on programs.



Foster the **development** of a **stable, skilled workforce.**



Eliminate provisions, practices, and language that are **outdated** or no longer applicable.



Utilize research and evidence-based best practices to inform revisions and recommended policy changes.



Enhance compliance, accountability, & transparency.



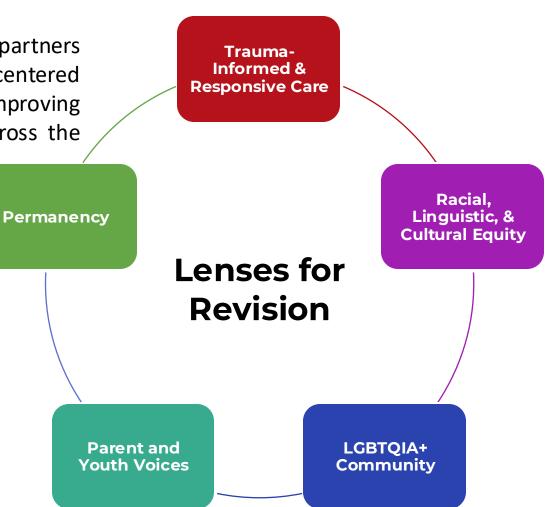
Promote inclusive, dignified **language & practices** that **reflect the needs** of the population served.

Collaboration and Shared Vision

The EEC team has been working collaboratively with key partners towards the promulgation of sound, equitable regulations centered around the voices of persons served and with a shared goal of improving outcomes for the youth residing in EEC licensed programs across the Commonwealth.

Desired Workgroup Outcomes

- ✓ Ensure feasibility of practical application
- ✓ Enhance compliance through clarity
- ✓ Limit/eliminate unintended consequences
- ✓ Streamline across agencies for efficiency
- Build relationships and promote further and ongoing collaboration
- Identify and problem solve potential barriers to implementation
- ✓ Identify and address gaps in current document
- ✓ Incorporate the voices of persons with lived experience



Brief Project History: Current & Historical Work

A comprehensive revision of the Residential regulations began in 2021. We are anticipating promulgation of the revised regulations in the spring of 2026 and implementation in the fall of 2026.

Ongoing Work	2022	2023	2024	2025
Research (Looking at other states, studies, federal legislation and reports)				
Document Review				
Audit & Comparative Analysis (Reviewed regulations in all 50 states)				
External Engagement				
I nternal Working Groups (cross division effort to work together)				

State Agency Partners and Collaborators

EEC provides regulatory oversight and has licensing responsibility for residential programs and placement agencies. Other state agencies and external partners have different, and sometimes overlapping, roles in these systems.



Department of Elementary and Secondary Education (DESE)



Department of Public Health (DPH)



Department of Children and Families (DCF)



Department of Developmental Services (DDS)



Department of Youth Services (DYS)



Department of Mental Health (DMH)



Office of the Child Advocate (OCA)



Disabled Persons Protection Commission (DPPC)

Stakeholder/Partner Engagement

R & P Licensing Team

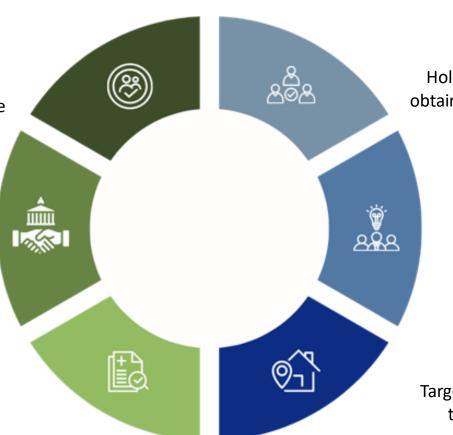
Obtain critical information from licensing team regarding practical application of regulations and changes needed to enhance compliance, quality care, and enforcement.

Other State Agencies

Engage partner agencies who work with R&P programs across the Commonwealth to ensure alignment.

Residential Programs

Distribute online survey, on site visits, & targeted workgroups



Persons Served

Hold youth and family centered sessions to obtain essential feedback & learn about lived experiences.

Youth Advisory Boards

Obtain critically important information and gain perspective directly from youth.

Advocacy & Trade Groups

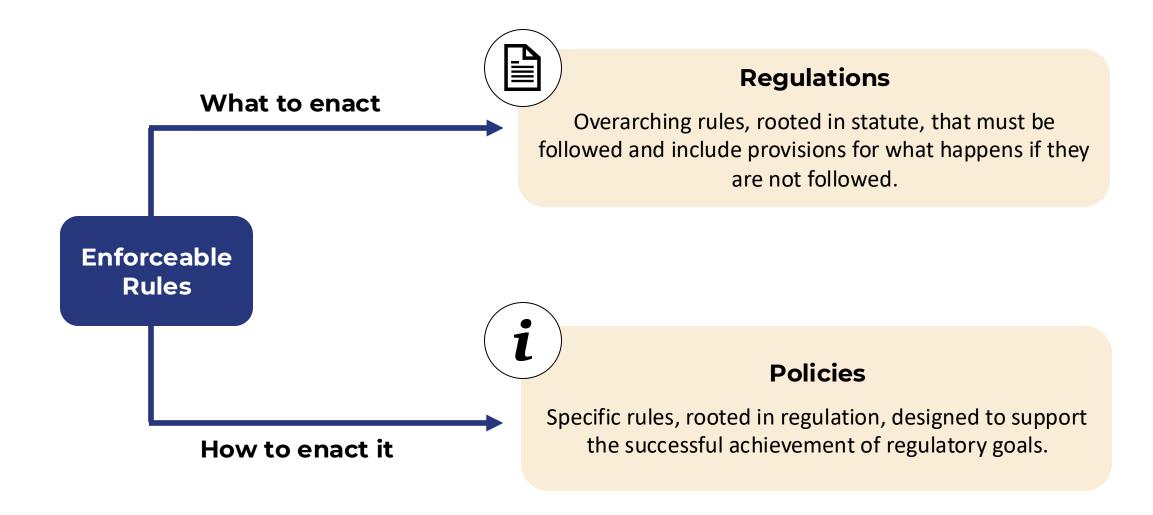
Targeted sessions with advocacy groups and trade groups to obtain critical feedback.

Key Areas of Focus

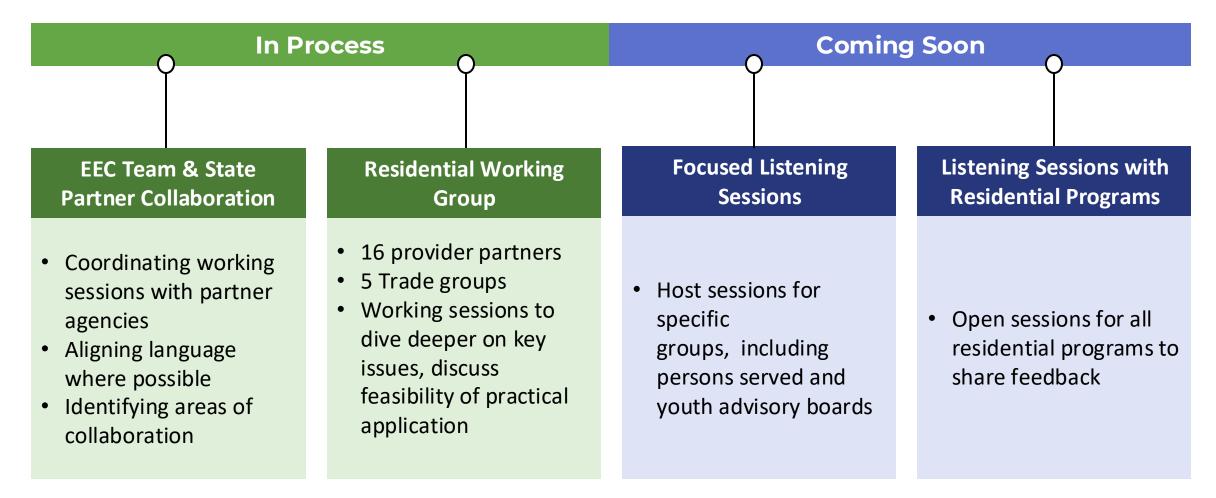
- Use of surveillance cameras
- Public Posting & Transparency
- Updates to "Behavior support" section
- Minimum hiring requirements
- Enhanced abuse/neglect requirement
- Minimum initial and ongoing training requirements

- Updates to overall language throughout document
- Work towards a more accessible document
- Addition of requirements for: LGBTQIA+, enhanced family engagement, trauma informed and responsive care
- Continuous Quality Improvement (CQI) and Accountability

Regulations & Policy: What does each do?



Upcoming Engagements



Starting in July 2025 – September 2025

Upcoming Project Milestones

Ongoing Work		2025			2026			
	Spring	Summer	Fall	Winter	Spring	Summer	Fall	Winter
Coordinate Supportive Materials (Policies,								
TA and technology for implementation)								
Document Revisions								
			_					
Public Comment Period								
External Engagement								
I nternal Working Groups (cross division								
effort to work together)								
Training								
Anticipated Effective Date								



THANK YOU

View Agency KPI Dashboards (updated monthly) here.