

# Cape Cod & Islands Early Education and Child Care Needs Assessment

## FINAL REPORT



*Prepared for the Cape Cod Commission by the Rennie Center for Education Research & Policy  
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## INTRODUCTION

High-quality early education and care experiences are vital for the development and future outcomes of the Commonwealth's children. Time in these settings can support brain development, social-emotional growth, school readiness, and, eventually, academic success (Centers for Disease Control and Prevention, 2016). Equitable access to early childhood education is crucial to eliminating achievement gaps that may emerge in future years. The Global Resilience Institute describes the equity implications of high-quality early learning by stating, "The early learning opportunities provided by pre-schools can help reduce achievement gaps between children from low-income families and their more affluent peers that emerge well before kindergarten and largely persist throughout K-12" (Modestino, 2020).

Although research has proven its importance, a confluence of factors has left Massachusetts' early education and care system to face significant challenges. According to the Economic Policy Institute, the average cost of infant care in the Commonwealth is \$21,000 a year or \$1,743 per month—\$8,000 more per year than in-state tuition for a four-year public college. For a toddler, this cost is \$15,000 per year. Families in Massachusetts earning the gross state median income may be spending up to 39% of their income on child care—a cost that is significantly higher than the United States Department of Health and Human Services recommendation (7%). Currently, only 5.4% of Massachusetts families are able to afford infant care at a cost less than 7% of their family income (Economic Policy Institute, 2020).

As families struggle with affordability, child care workers face low wages, leaving many unable to afford housing and basic living expenses in the communities where they work. A report by The Boston Foundation detailed the implications of low pay in the early education sector, stating:

"Child care workers in Massachusetts, most of whom are women of color, make a median wage of \$14 an hour. Throughout New England these workers experience high rates of poverty and often lack any benefits..." (Jackson, 2021, p.8).

Taken together, issues of pay for child care workers and affordability for families seeking child care demonstrate the need for federal, state, and local support to improve early education and care in Massachusetts. Without resources, technical assistance, and effective systems in place, access and affordability are at odds with quality, because, as it stands, programs cannot afford to recruit and pay qualified educators with high salaries without raising tuition for families.

## Local Context

On Cape Cod and the Islands, these issues are coupled with specific regional challenges. Rising housing costs, child care program closures, limited industries, fewer subsidized care options, and a high cost of living create an added burden for those providing and seeking care. Even prior to the pandemic, gaps existed between need and supply of child care (Bipartisan Policy Center, 2020). Families on the Cape, particularly working professionals of child-rearing age, are facing a “double bind” when it comes to child care. “The same families that struggle to afford the high cost of Cape housing and child care that can rival a monthly mortgage often do not qualify for government subsidies such as Head Start,” reports the Cape Cod Times (McCormick, 2020). “There is no help for...‘the missing middle’ – full-time professionals who can barely afford their mortgage and child care costs” (McCormick). These families may struggle to pay for private care or find any affordable options.

*“There is a combination of factors that are truly impacting younger families: A lack of economic opportunity due to limited industries, a high cost of housing, and expensive child care needs. The working family labor force are being crushed with all of these issues. It is only getting harder and more expensive.” – Focus Group Participant*

Low-income families on the Cape face limited seating for federally funded programs like Head Start and state subsidized voucher programs. This may be due to the fact that, on the Cape and Islands, providers are reimbursed at an average rate of just 33-38% for subsidized infants and toddlers (Public Consulting Group, 2018). Child care providers, who often operate with low profit margins, are disincentivized from participating in the subsidy system. Finding programs that will accept state subsidies has become even more challenging in the region post-pandemic. Due to the pandemic, Dukes County had the second highest relative capacity loss (34%) for all programs compared to all counties in the state, while the Southeast/Cape regional capacity was expected to lose 16% of overall center based and family child care capacity (Massachusetts Department of Early Education and Care, 2020). As of February 2022, 66.72% of income-eligible seats were utilized in the region, yet 2,803 children were waitlisted (Massachusetts Department of Early Education and Care, 2022). This may mean that providers are facing challenges providing subsidized care due to a lack of staff to maintain adequate ratios. This discrepancy is discussed later on in the report.

It is within this context that we present the findings of the Early Education and Childcare Needs Assessment. This project aimed to investigate existing levels of provision and needs, gap areas related to child care availability and affordability, and other related findings. By sharing these findings, we hope to provide a clearer picture of the landscape of early

childhood education and care on the Cape and Islands and provide actionable strategies for improving services in the region.

### PROJECT METHODOLOGY

In order to gather data and evidence around early childhood needs on the Cape and Islands, the Rennie Center worked in partnership with the Cape Cod Commission to design and release surveys for both families and providers. This process included determining research questions to guide survey item development, drafting initial surveys that aligned with survey goals and best practices, holding cognitive interviews with families and providers to pilot the survey, developing a plan for convenience sampling, conducting outreach across the region, and, ultimately, distributing electronic and paper surveys. Surveys were released on April 12, 2022 and remained open through May 6, 2022. The family survey was offered in four languages—English, Spanish, Portuguese, and Haitian Creole—based on the demographics of the Cape and Islands.

The Family Survey data was cleaned to remove incomplete and bad data and includes 201 responses, including 158 complete and 43 partial. Table 1 shows the demographics of the Family Survey respondents. The overwhelming majority of respondents were parents (95%) with one child (63%), female (89%), 31 to 40 years of age (67%) and white (81%). Survey respondent location was representative of the Cape and Islands population, where 88% of the population lives on the Cape compared to 80% of respondents and 12% of the population lives on the Islands compared to 20% of respondents.

**Table 1. Family Survey Respondent Demographics**

Subgroup	ID	Number	Percentage
<b>Gender</b>			
	Male	14	9%
	Female	139	89%
	Transgender	1	1%
	Prefer not to respond	3	2%
<b>Age</b>			
	19 to 24 years old	7	4%
	25 to 30 years old	22	14%
	31 to 40 years old	105	67%
	41 to 50 years old	21	13%
	Over 50 years old	2	1%



Race/Ethnicity			
American Indian or Alaska Native	6	4%	
Asian	3	2%	
Black or African American	8	5%	
Hispanic/Latinx	3	2%	
White	128	81%	
Prefer not to respond	7	4%	
Other	3	2%	
Household Income			
Less than \$10,000	2	1%	
\$10,000-\$19,999	2	1%	
\$20,000-\$29,999	4	3%	
\$30,000-\$39,999	6	4%	
\$40,000-\$49,999	7	4%	
\$50,000-\$59,999	9	6%	
\$60,000-\$69,999	13	8%	
\$70,000-\$79,999	24	15%	
\$80,000-\$89,999	9	6%	
\$90,000-\$99,999	17	11%	
\$100,000-\$149,999	37	24%	
\$150,000-\$199,999	19	12%	
\$200,000+	8	5%	
Number of Children			
1	99	63%	
2	54	34%	
3	3	2%	
4	1	1%	
5+	1	1%	
Ages of Children *by # of children of respondents			
Under 1 year old	41	15%	
1 year old	32	11%	
2 years old	54	19%	
3 years old	43	15%	
4 years old	59	21%	
5 years old	51	18%	
Relationship to Children			
Parent	154	95%	
Grandparent	3	2%	
Other legal guardian	2	1%	
Foster parent	3	2%	

Location			
Upper Cape: Bourne, Sandwich, Falmouth, Mashpee	31	20%	
Mid Cape: Barnstable, Yarmouth, Dennis	58	37%	
Lower Cape: Brewster, Harwich, Orleans, Chatham	19	12%	
Outer Cape: Eastham, Wellfleet, Truro, Provincetown	18	11%	
Islands: Nantucket & Martha's Vineyard	31	20%	
Length of Residence on Cape & Islands			
0 - 2 years	8	5%	
3 - 10 years	50	32%	
11 - 20 years	31	20%	
21+ years	69	44%	
Total Complete Responses	158	79%	
Total Partial Responses	43	21%	
Total Responses	201		

Numbers may not add up to the total 201 depending on partial responses.

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The Provider Survey resulted in 68 complete responses from both public and private providers across the Cape and Islands. Table 2 describes the Provider Survey respondents. For definitions of key terms, including from descriptions below, please refer to the Appendix.

**Table 2. Provider Survey Respondent Program Demographics**

	Subgroup	Number	Percentage
Location of Center			
	Upper Cape: Bourne, Sandwich, Falmouth, Mashpee	24	36%
	Mid Cape: Barnstable, Yarmouth, Dennis	24	36%
	Lower Cape: Brewster, Harwich, Orleans, Chatham	10	15%
	Outer Cape: Eastham, Wellfleet, Truro, Provincetown	2	3%
	Islands: Nantucket & Martha's Vineyard	7	10%
Years of Operation			
	0 - 5 years	12	18%

6 - 10 years	8	12%
11 - 15 years	5	7%
16 - 20 years	7	10%
20+ years	29	43%
Other	7	10%
<b>QRIS Rating</b>		
Level 1	15	22%
Level 2	22	32%
Level 3	13	19%
Not applicable	18	27%
<b>Specialized Offering</b>		
Montessori	9	13%
Waldorf	3	4%
Reggio Emilia	4	6%
Dual Language	6	9%
Religious/Parochial	4	6%
Head Start/Early Head Start	4	6%
Other	22	32%
Not Applicable	30	44%
<b>Total Complete Responses</b>	<b>68</b>	

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The Rennie Center provided the Cape Cod Commission with a summary report of initial findings generated by Alchemer (an online, best-practice survey tool), with which a gap analysis was conducted to determine which underrepresented populations to target for focus groups. The following focus group populations were identified: parents of children under one year old; non-traditional guardians (foster parents, grandparents); Portuguese-speaking families; significantly cost-burdened families; providers of in-home care (nannies, au pairs); and private providers of care in their own home. We intended to hold focus groups due to the benefit they would provide to the findings, but we were unable to carry these out, given challenges with obtaining legitimate participants through virtual outreach. Barriers to conducting focus groups are discussed in more detail in the Limitations section of this report.

In addition to the above, the Rennie Center prepared case studies for the Commission on evidence-based strategies to address anticipated gaps in need. The case studies cover the following topics: affordable housing for child care workers; increasing salary and benefits to promote the retention of child care workers; expanding eligibility for subsidized child care; expanding access to child care subsidies; and incentivizing parents to return to the



labor force. These case studies, and additional case study deep dives (upon requisition from the Commission), are included in the Appendix.

## FINDINGS

The following section shares findings from both the Family Survey and Provider Survey, including relevant quantitative and qualitative data, disaggregation, and visualizations.

### Family Survey Findings

Findings from the Family Survey will be discussed as they relate to current and preferred child care arrangements, child care availability, child care affordability, and commute. Some findings exclude specific subgroups with less than six respondents.

**Childcare Arrangements.** On the Cape and Islands, one-quarter of respondents’ children are primarily enrolled in center-based child care (27%), another quarter are being cared for by a parent/guardian (24%), and 14% are enrolled in a public/charter school program. As a secondary arrangement,

40% of respondents’ children are cared for by a parent/guardian and 12% by a grandparent. Meanwhile, of all arrangement options, respondents chose center-based care as the most preferred (34%). This preference rings true regionally—almost 50% of Lower Cape (47%) and Upper Cape (48%) respondents and one-third of Islands

(32%), Outer Cape (39%), and Mid Cape (26%) respondents identified center-based care as their preferred option. Public/Charter School and Early Head Start/Head Start were the following highest preferences. 41% of respondents’ children spend 30 or more hours per week in a child care setting.

Within these arrangements, families are satisfied with the quality of care. Overall, 54% of all respondents were very satisfied with the quality of care their child/ren are receiving, a trend that is reflected both regionally and by income level. Lower Cape respondents are the

**Table 3. Primary Childcare Arrangement**

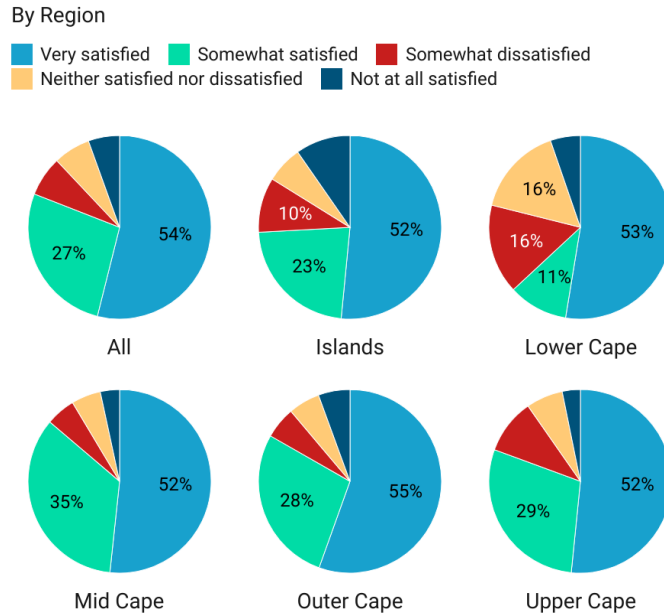
By Number of Children

Arrangement	# of Children	▲ % of Children
Neighbor, Friend, or Family Member (unpaid, not a parent/guardian)	2	1%
Other - Write In	14	5%
Grandparent	16	6%
Nanny, Babysitter or Au Pair	18	6%
Early HeadStart/HeadStart	21	8%
Licensed Family Childcare Provider (care occurs in provider's home)	26	9%
Public School/Charter School	40	14%
Parent/Guardian	68	24%
Center-based Care	74	27%
<b>Total</b>	<b>279</b>	<b>100%</b>

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only ones to be somewhat dissatisfied more than somewhat satisfied with the quality of their care.

**Figure 1. How satisfied are you with the quality of your child's current childcare provider?**



A focus group participant noted that even though they struggled to find affordable care, that experience didn't color their satisfaction with their children's family care arrangement. "I learned about home daycare through word of mouth. [The provider] was outstanding. Her price point was very good and she was an extraordinary caregiver—I'm very pleased with the home care my children received." This satisfaction reflects a positive trend across the Cape and Islands: although they may prefer an alternative arrangement, families are still satisfied with the quality of care their children receive.

**Childcare Availability.** Many survey respondents detailed the difficulty of acquiring child care seats and the frustration of waitlists. Along with affordability, lack of availability of quality care was one of the most-identified challenges in the region. This lack of availability can lead Cape and Islands parents to make changes at work, set up informal arrangements with family members (if they live close by), or, ultimately, decide to move out of the region.

When asked how different factors affected a parent/guardian's decision to select their current primary child care arrangement, many respondents detailed the lack of choice they had in determining their child's care. Among those with more choice, respondents named reliability of care (75.2%), hours of care (61.2%), a program's quality rating (54.5%), word of mouth referral (43%), and location (41.2%) as the top considerations for choosing an arrangement.

### Quotes from Cape Cod and Islands Families

*"I cannot find child care because there are no openings. My child has been on waitlists for 3 years."*



*“I literally have found ONE open daycare for my 9 month old in over a year. And now I feel stuck with it.”*

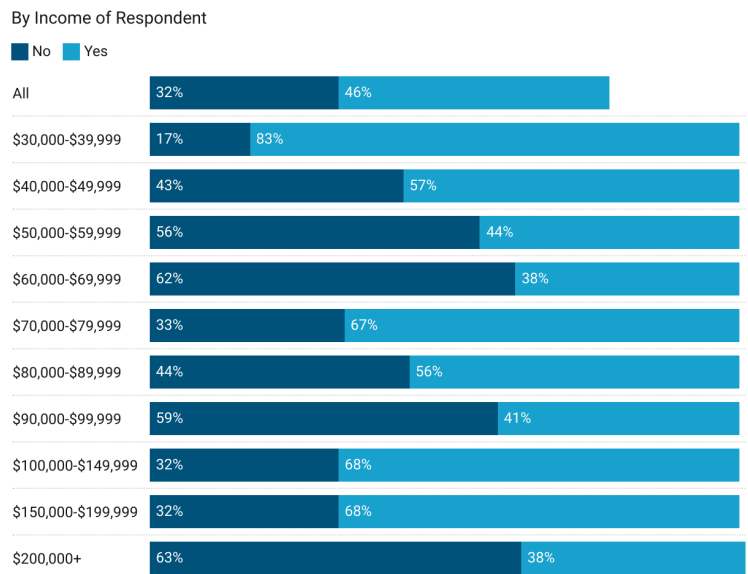
*“My biggest influence in choosing my child care is that it was the only thing we could find! We tried for a while to find child care, and this was the first to come up. It’s high quality, so we lucked out.”*

*“It is so hard to find child care, thankfully Gramma lives down the street or we would have to move off Cape.”*

*“All of the providers have waitlists lasting months to years so we can not find one nor be picky about the qualities of the place.”*

Due to the lack of open seats, 46% of all respondents said that an adult in their household has made significant changes at work based on child care responsibilities, like shortening work hours, reducing to part-time, working from home, or quitting their job altogether. In response to a question about whether they’d personally experienced changes at work, 61% of female respondents and approximately 60% of respondents spanning from ages 25 - 40 years old answered affirmatively. Figure 2 shows the percentage of respondents who made changes at work to accommodate child care

**Figure 2. Has any adult in your household made significant changes at work based on childcare responsibilities?**



22% of respondents did not answer the question, which leads the all category to not add up to 100%. Respondents with incomes below \$29,999 excluded due to <6 responses.  
Created with Datawrapper

responsibilities by income. Among respondents making between \$30,000 and \$39,999, 83% had an adult in their household make significant changes. In fact, multiple income brackets, both lower and higher, saw over 50% of respondents needing to make changes at work.

### Quotes from Cape Cod and Islands Families

*“Moms are being forced to stay home and not work because the lack of child care is huge.”*

*“I now work from home at night after the kids sleep.”*

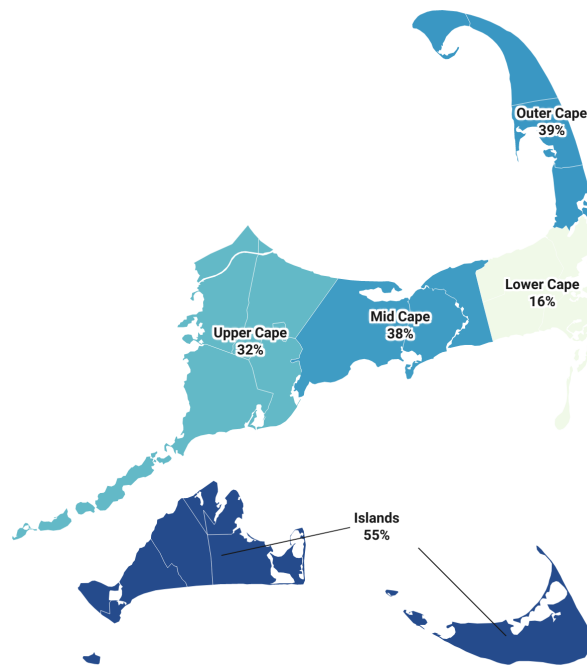
*“I took a year of leave due to no available child care.”*

*“I have to make minimum effort and reduce my performance at work to accommodate child care.”*

It may be hard to draw conclusions about how the difference in income affects workplace changes, as some employers may have allowed for more flexibility in work from home policies that could be connected to the salary levels for that industry. However, every single income level saw at least one-third of respondents making significant changes.

**Figure 3. Have you considered leaving the Cape and/or Islands because of difficulty finding affordable, quality childcare?**

Respondent answered “Yes” | By Region



Map data: MassGIS • Created with Datawrapper

With child care attainment challenges, some families expressed that they have considered relocating away from the Cape and Islands to places where there may be a higher prevalence of care options. Even so, it’s not clear that other regions have substantially more availability; analyses have shown that “[t]he number of openings, or ‘seats,’ for young children fell by as much as 20 percent in Massachusetts since the pandemic and it’s not clear if those seats will return” (Jackson, p. 5). Even in 2019, prior to the start of the pandemic, supply estimates determined that roughly one-third of young children in the state would not be able to access a seat if they wanted to—meaning that a departure from the Cape is unlikely to ensure that families attain child care (Bipartisan Policy Center, 2020). Despite this, survey data shows that 30% of respondents have considered leaving the Cape or Islands

because of difficulty finding affordable, quality child care. Individuals aged 25 - 30 years were the age group most likely to say yes (45%), a fact that may be a warning sign to local industries looking to engage young professionals in the labor force.

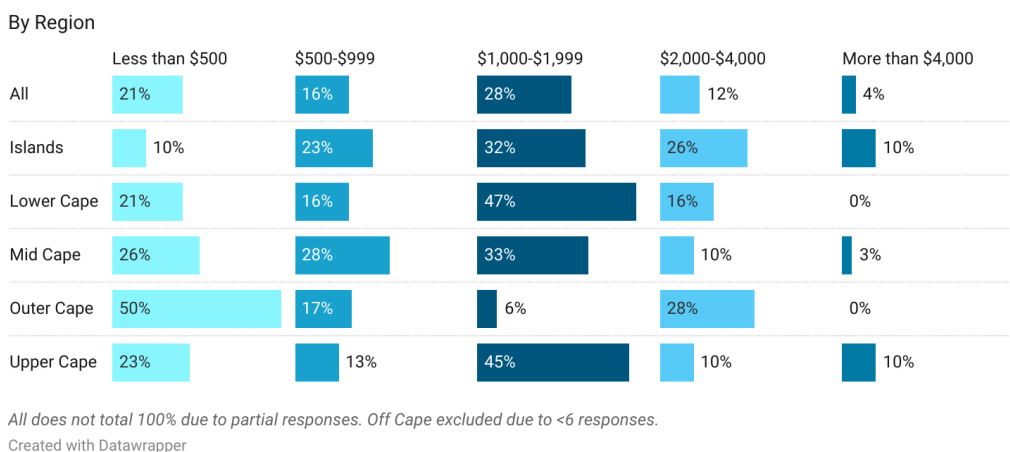
Regionally, over 55% of Island respondents said they considered moving due to an inability to access child care, compared to only 16% on the Lower Cape. Regions with higher concentrations of families considering moving due to child care shortages may learn from

other towns on the Cape that have created solutions to support families with young children. On the Lower Cape, Orleans has a Universal Pre-K program. On the Outer Cape, Eastham, Wellfleet, Provincetown, and Truro all have programs that include financial support or centralized school-based programs. Mashpee, on the Upper Cape, has an integrated preschool and Universal Pre-K program. These programs are featured in the case studies (found in the Appendix). A Barnstable-based focus group participant detailed the regionality of the Cape and Islands that could lead to fewer options: “My sense is that the number of options for child care are limited based on where you live. From a geographic standpoint, I’m lucky that I live in Barnstable and work in Hyannis because the location gives me more options as a more populous part of the Cape.”

The cost of living on the Cape and Islands exacerbates the financial strain on families and may motivate their departure. Housing costs have risen sharply in recent years, with historic high prices and record low inventory in the Cape Cod real estate market (Hughes, 2022): “The median sales price of a home on the Cape was \$570,000 in 2021, a 19% increase from the previous year...” The median household income in all major towns on the Cape and Islands is lower than what is needed to afford to own a home, and the large market for vacation homes purchased by out-of-towners continues to drive prices up (Cape Cod Commission, 2022). Those who currently own a home feel fortunate: “I’m lucky that I bought my house right after the crash in 2008, so I bought very low” (Zamarripa, 2022). In our survey, 67.1% of respondents are homeowners. Of those homeowners, 31% have considered leaving the region. Meanwhile, among the 20.3% of respondents who are renters, more than 50% have considered relocating.

**Childcare Affordability.** Families participating in focus groups and the child care survey report difficulty finding any child care, let alone affordable child care.

**Figure 4. On average, how much does your family pay in total for childcare each month?**



One-third of respondents reported an average monthly price tag of \$1,000 – \$1,999, and 17%

of respondents pay over \$2,000 a month for care. Figure 4 shows the average total child care costs per household by region.

Within every region except the Outer Cape, one-third of families (or more) are paying between \$1,000 - \$1,999 monthly. Prices on the Mid Cape and Outer Cape trend lower, while 10% of the Islands and the Upper Cape respondents pay more than \$4,000 a month. Using the 7-10% income cost suggestion from the U.S. Department of Health and Human Services mentioned above and the median earnings for Barnstable County residents ages 16 years and older (\$42,887), the affordable cost of care for households with one working caregiver is roughly \$250 - \$350 monthly (Quicken, 2021; Cape Cod Commission). Currently, about one-fifth of all families have child care arrangements that may be within that range. In our survey, 73.1% of all respondents with an adult in their household who made changes at work cited lack of affordable child care options as their primary reason, ahead of lack of child care options with hours needed (72%).

### Quotes from Cape Cod and Islands Families

*“You either can get a spot in a place you can afford or you can keep your child at home...”*

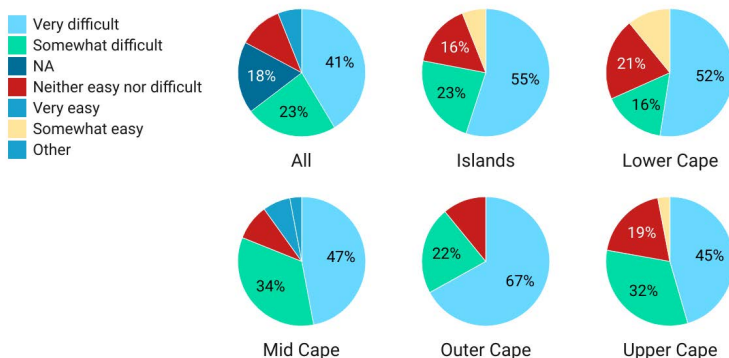
*“I am a stay at home mom but I also work from home and run a business. It is very hard doing both and I wish I had help. I can not afford quality child care. There are also waitlists everywhere so I can't get them in anywhere even if I could afford it.”*

*“[I need] affordable child care. I work from home 3 days/week and keep my kids home while I work, which is extremely stressful, but I can't afford to send them more often.”*

*“Our 10 month old stays at home with me. I cannot afford to pay a babysitter or child care center as it's too expensive and/or not available in our area for his age.”*

**Figure 5. How difficult has it been to find quality childcare within your budget?**

By Region



When asked “How difficult has it been to find quality child care within your budget?” more than 60% of all respondents said it was “somewhat difficult” or “very difficult.” The majority of respondents across all regions of the Cape and Islands have found it very or somewhat difficult to find quality child

NA indicates % of respondents that did not answer the question. Off Cape excluded due to <6 responses.  
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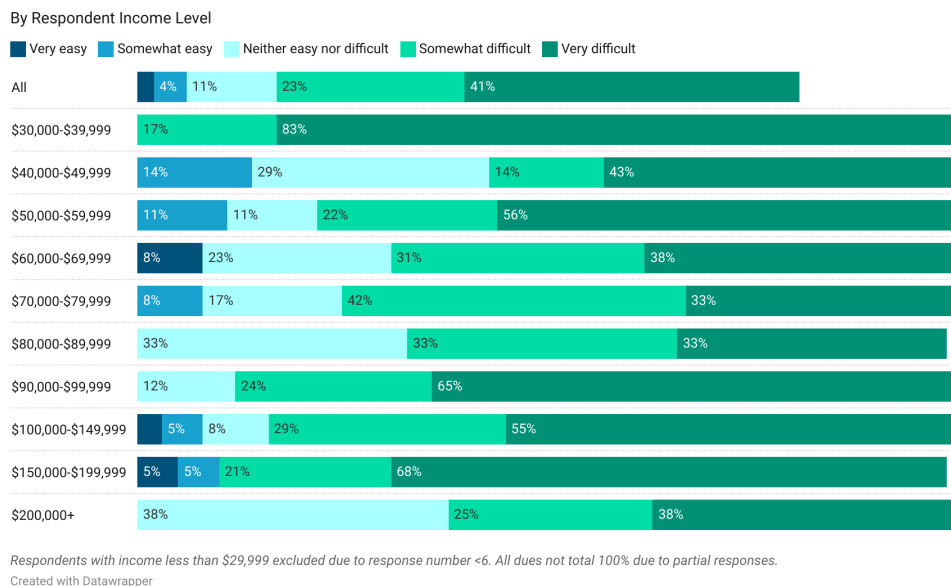


care within their budget (Figure 5).

Across all income levels, the majority of respondents found it either somewhat or very difficult to find quality child care within their budget. In particular, 100% of those with the lowest income bracket of \$30,000 - \$39,999 found it somewhat or very difficult. According to the Department of Early Education and Care:

“Over 10,000 children under five years old are on a waitlist for subsidized care and roughly 58,000 (40%) three- and four-year-olds are currently not enrolled in any form of early education. A majority of those children are in households with incomes below 200% of the federal poverty line (\$55,500/year for a family of four), a population that stands to gain the most benefit from formal child care” (Department of Early Education and Care, August 2020).

**Figure 6. How difficult has it been to find quality childcare within your budget?**



Not only is child care unaffordable for lower-income respondents, but respondents at the top of the income bracket also face similar issues. Nearly 90% of respondents in each bracket between \$90,000 - \$199,999 found it somewhat or very difficult to find quality child care within their budget. Yet, findings show that even those who qualify for vouchers might not be accessing them.

In 2020, approximately 25% of children between 0 - 14 years old in a care arrangement in Massachusetts were supported by the subsidy system of the Department of Early Education and Care (EEC). The subsidized system includes more than 10,000 center-based and family child care/home-based care programs (Department of Early Education and

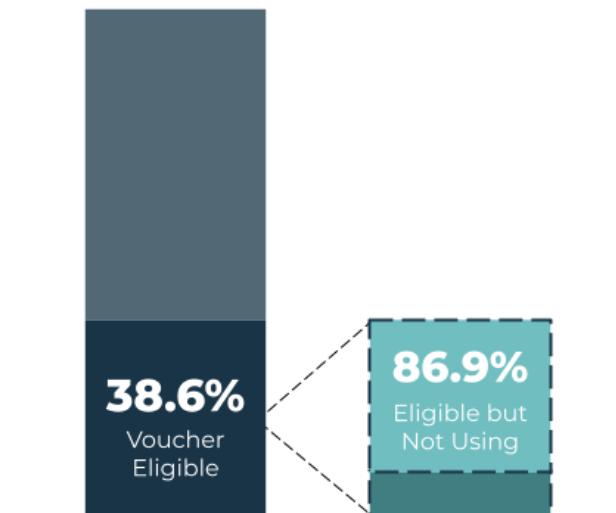
Care, 2020). In Southeast MA and the Cape & Islands,<sup>1</sup> the total number of children receiving EEC subsidies decreased by 12% from January 2019 to December 2021 (Department of Early Education and Care, 2022). As of February 2022, 2,803 income-eligible children were on a waitlist for a subsidized program. Based on our survey data, 70% of all respondents who answered the question about subsidy/voucher access indicated that their family does not receive a child care subsidy/voucher. Regionally, Outer Cape respondents had the highest rate of voucher receipt at 28%, while the Upper Cape and Islands were at 16%.

According to an analysis of eligibility for child care subsidy/voucher among survey respondents (that is, families making under 50% of the state median household income of \$84,385 [50% would be \$42,193]), 38.6% are eligible to receive subsidies/vouchers based on their reported income and estimated family size (see note below Figure 7). Of those families, only 13.1% are currently using vouchers to support the cost of child care. This means that an overwhelming majority of eligible families (86.9%) do not currently have subsidies/vouchers.

It may be challenging to pinpoint exactly why families are not accessing subsidies/vouchers. For one, families have to be knowledgeable about the subsidies/vouchers and application system in order to receive the support. In addition, child care assistance rules changed in 2019 and now require EEC, rather than individual providers, to review a family’s application for eligibility—a change that has caused backlogs and extended wait times for families. Because the survey did not ask whether respondents are on waitlists for a voucher, some of the 86.9% of voucher-eligible respondents may be a part of the thousands of families waiting for care (Lazar, 2020). For families whose incomes do not fall into the eligible range but struggle to pay for care, gaining access to vouchers for their children was a hope reflected in the survey.

**Figure 7. Voucher Eligibility**

**Does your family receive a childcare voucher or subsidy?**



*Of the 38.6% of respondents eligible to receive childcare vouchers, only 13.1% are using them. That means that 86.9% of eligible families are not using vouchers.*

\*Note: The survey did not ask for the total number of family members living in the household. Since there can be children older than 5 in the household that were not counted, it is likely that there are more respondents that were eligible.

<sup>1</sup> Grouped by EEC for data collection



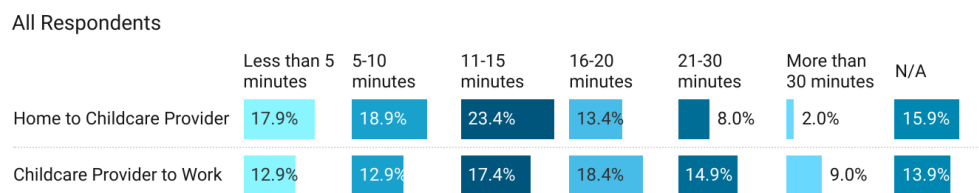
### Quotes from Cape Cod and Islands Families

*“[An adult in our household made changes at work because] the waitlists are long. No one will call you back. Our family has been on a few of these waitlists for 4+ years... We don't qualify for subsidies, but we can also barely afford rent, cost of living and a part time preschool bill for one kid.”*

*“I would really, really appreciate more child care subsidies options. We especially need ones that factor in the difference in cost of living for Cape Codders. Need-based looks different out here than it would in Taunton—what is high income there, is not enough income here. So I wish Cape Cod had its own version of the poverty line for determining need-based opportunities.”*

**Childcare Commute.** For families on the Cape and Islands with child care arrangements, 81.2% commute to child care via car. Others walk (6.7%), bike (6.7%), take the public bus (4.8%), or ride share (5.5%), while 15.9% of respondents said they had no commute. A majority of commute times for all respondents from home to child care provider were under 20 minutes long, with 13.9% of respondents sharing that they had no commute from care to work (work from home or don't work). For respondents' commute from child care to work, there was an even spread across most ranges, with the largest groups responding that their commute takes 11-15 or 16-20 minutes.

**Figure 8. Approximately how long is your commute?**

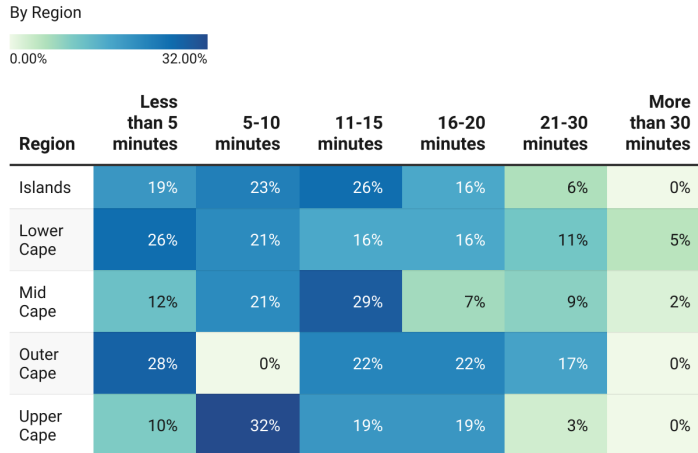


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Regionally, more than one-quarter of Lower and Outer Cape respondents have commutes to child care providers under five minutes long. However, almost one-fifth of Outer Cape respondents have to travel 21-30 minutes to a provider, showing a vast disparity within the same area. One-third of Upper Cape respondents have a shorter commute, with 32% reporting a 5-10 minute commute. Commute times among Islands residents are spread relatively evenly across 0-20 minutes.

One reason for a lengthier commute for some families may be that they live in a child care desert, or a local area with a limited supply of child care providers that is not adequate to meet the demand for care. Pre-pandemic estimations found over half of Massachusetts

**Table 5. Approximately how long is your commute between your childcare provider and your home?**



Off Cape answers excluded due to <6 respondents.  
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residents living in a child care desert, defined by researchers as areas “where there are three or more times the number of children as there are licensed ‘slots’ in a program” (Malik, et al., 2018; cited in Department of Early Education and Care, 2020, p. 11). A 2018 study done by the Institute for Child, Youth, and Family Policy at Brandeis University and the Massachusetts Child Care Research Partnership on subsidized child care deserts identified areas including Chilmark, Gosnold, Marstons Mills, Mashpee, Nantucket, Centerville, West Yarmouth, and Sagamore Beach

as such (Hardy, Joshi, Ha, & Schneider, 2018). More recent data on child care deserts (from 2020) shows a majority of the Cape and Islands with scarce child care supply, though places like Falmouth, Nantucket, and Oak Bluffs were deemed “adequately supplied” compared to the rest of the Cape (Center for American Progress, 2020). Anecdotal evidence from surveys suggests that families will take whatever arrangement they can find, which may lead to lengthier commute times (survey respondents didn’t identify location/commute to child care as the most significant influence on their decision).

*“I live in Sandwich. I could find [no child care programs] there that were available. I have to Uber my child to daycare because I do not drive. It was the only daycare I could find.” – Family Survey Respondent*

Access to transportation is another barrier to quick child care commutes, and, unfortunately, “Cape Cod suffers from a lack of transportation options with limited bus, transit, and pedestrian/bicycle facilities” (Stantec, 2019). If transportation isn’t provided by the family child care system or an EEC-licensed provider or program (some of which work with subcontractors), families may be left with a longer commute or a tougher time making it to their destination.

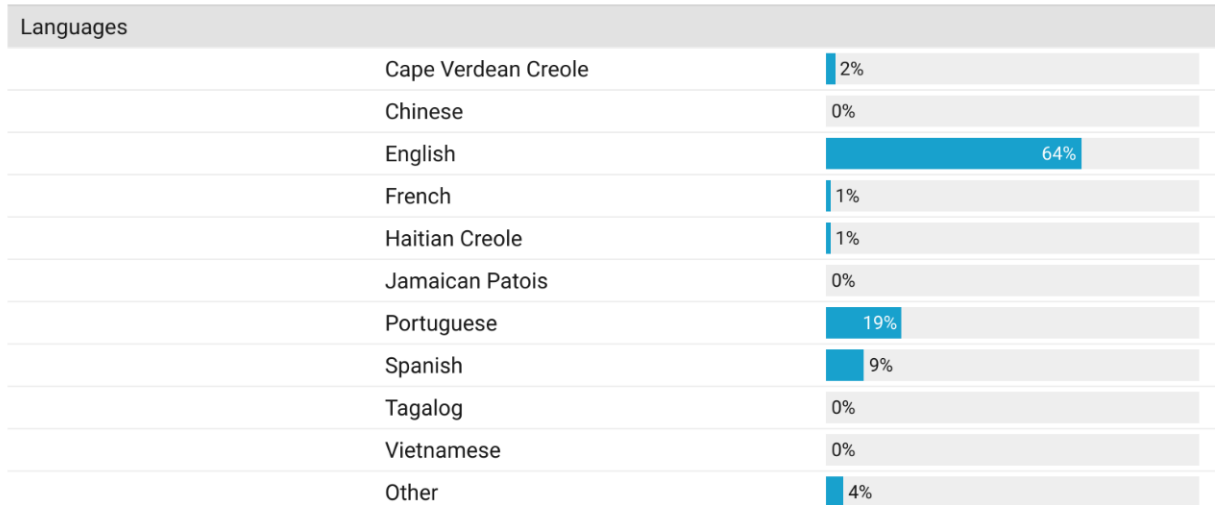
### Provider Survey Findings

Findings from the Provider Survey will be discussed as they relate to staffing and retention, salaries and benefits, availability and services offered, and other related analyses. Findings take into account any complete responses from surveys.

**Provider Staffing and Retention.** Provider respondents and their staff across the Cape and Islands are overwhelmingly female (93%), white (83%), full-time employed (71%), and English speaking (64%). Staff ages range primarily between 25 and 64 years old. Almost one-fifth (19%) of staff speak Portuguese. Approximately two-fifths (41%) of staff have obtained a high school diploma or GED as their highest education level but no postsecondary degree, while over half have an Associate’s degree or higher.

**Table 6. Provider Staff Demographics**

Subgroup	ID	Percentage
<b>Staffing Amounts</b>		
	Full Time	71%
	Part Time	29%
<b>Age of Staff</b>		
	Under 25	18%
	25 - 44	38%
	45 - 64	33%
	65 - 74	9%
	75+	2%
<b>Race of Staff</b>		
	American Indian or Alaska Native	1%
	Asian	1%
	Black or African American	6%
	Hispanic or Latinx	6%
	Native Hawaiian or Other Pacific Islander	0%
	White	83%
	Other	3%
<b>Gender Identity</b>		
	Female	93%
	Male	6%
	Transgender	0%
	Non-binary/non-conforming	1%
	Prefer not to respond	0%
<b>Education Levels</b>		
	Some High School or Less	2%
	High School Diploma/GED	41%
	Associate's Degree	20%
	Bachelor's Degree	27%
	Master's or other Graduate-Level Degree	11%



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Early education and care careers have long been underpaid and undervalued. Staff currently face the stress of a global pandemic while dealing with the impact of low wages on their families' lives. According to the Economic Policy Institute (2020), child care workers' families nationally are more than two times as likely to live in poverty as other workers' families. For a child care worker to pay for the care of their own infant in Massachusetts, they would "need to work full time for 41 weeks, from January to October." It is a stark reality that those who care for the Commonwealth's children may not be able to afford to care for their own. Low wages may be one reason why the state's child care workforce is shrinking—the third quarter of 2020 returned a workforce that was 41% smaller than before the pandemic (Jackson).

*"[C]hild care workers make very low wages and are leaving the workforce in droves because they can make more at jobs at the local hardware store or Dunkin' Donuts."* – The Boston Foundation

This large-scale exit from the workforce is evident in responses to the Provider Survey. Prior to March 2020, only 12% of respondents frequently or very frequently experienced staff turnover. This percentage has risen to 23% since March 2020. Survey respondents were evenly split when asked about their experience finding qualified employees prior to the pandemic, with 23.1% saying very difficult, 21.5% saying somewhat difficult, 23.1% saying somewhat easy, 7.7% saying very easy, and 24.6% not needing to hire at all. Since March 2020, the percentage of respondents saying it is very difficult to find qualified employees rose to 50%.

When asked what they believed contributed to turnover, 70.6% of respondents named salary as a reason and 35.3% cited that unemployment benefits were higher than their

actual wages. Housing availability was the second-highest factor, at 47.1%. Housing is discussed in greater detail in the case studies, located in the Appendix. When asked what ongoing challenges providers are currently facing, 44.1% of respondents identified lack of qualified staff, 29.4% staff morale, and 26.5% labor supply. These challenges present major barriers to addressing child care access and availability on Cape Cod and the Islands. Currently, 59.5% of all respondents cite staff hiring and retention as a barrier to expansion, while 71% of respondents noted that support with hiring and retention is a resource needed in order to help them expand.

### Quotes from Cape Cod and Islands Providers

*“Our largest obstacle to enrollment is staff training, recruitment, and retention.”*

*“Staffing is the biggest challenge for me right now. Not only is it hard to find staff, but once I find someone the EEC process for approving and hiring that person is daunting. I am waiting for a new employee to be approved and it has been two months.”*

*“Qualified staff have not applied for the teaching positions. When we do offer a position and we are willing to train, they still decline.”*

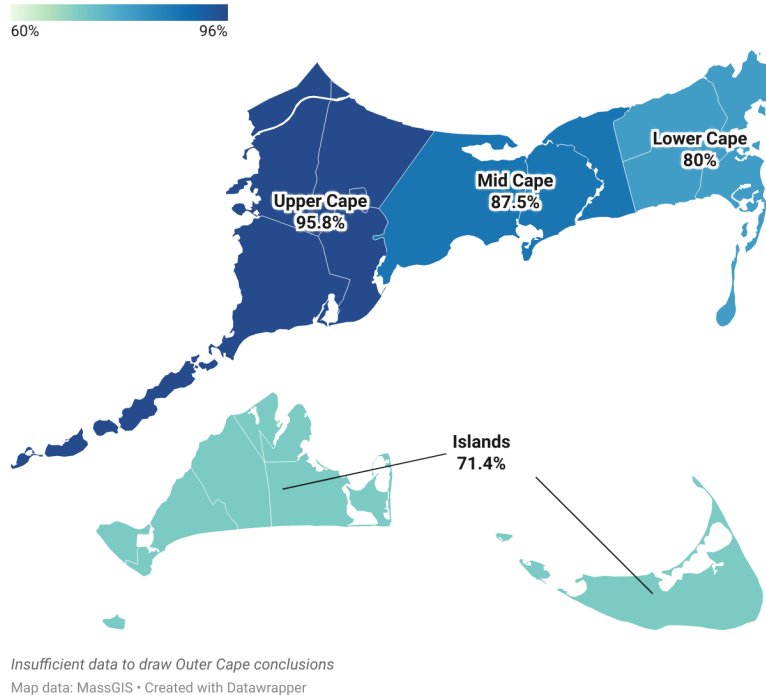
*“Since reopening after being mandated to close, we have been unable to hire new staff. Thus, we are at 50% of our license capacity.”*

*“We would like to be able to facilitate a larger enrollment, but staffing is a real issue.”*

**Provider Salaries and Benefits.** With low pay identified as a major contributing factor to the weakening early childhood education workforce, it is important to take a look at earned wages on the Cape and Islands. One-third of Provider Survey respondents identified \$31,001 - \$35,000 as the average annual salary for full-time child care providers at their center, while another third said average pay is less than \$31,000. This is lower than the median annual earnings for Massachusetts residents (\$50,058), as well as the median earnings for females across the state (\$41,731).

### Figure 9. Differential Between Average Annual Salary of Childcare Providers and Median County Earnings

By % of respondents earning less than median annual earnings in Barnstable, Dukes, or Nantucket County



Regionally, the majority of respondents earn less than the median annual earnings for Barnstable County, Dukes County, or Nantucket County (U.S. Census, 2020). As shown in Figure 10 above, 95.8% of staff on the Upper Cape, 87.5% on the Mid Cape, 80% on the Lower Cape, and 71.4% on the Islands earn less than \$43,000 per year.

For early childhood centers across the state, EEC approximates that it costs an additional \$4,600 annually to hire a lead teacher with a Bachelor's degree over an Associate's. EEC also reports that directors/owners in the field with a graduate degree earn on average \$18,000 more per year than their counterparts who did not graduate from high school (EEC, 2020).

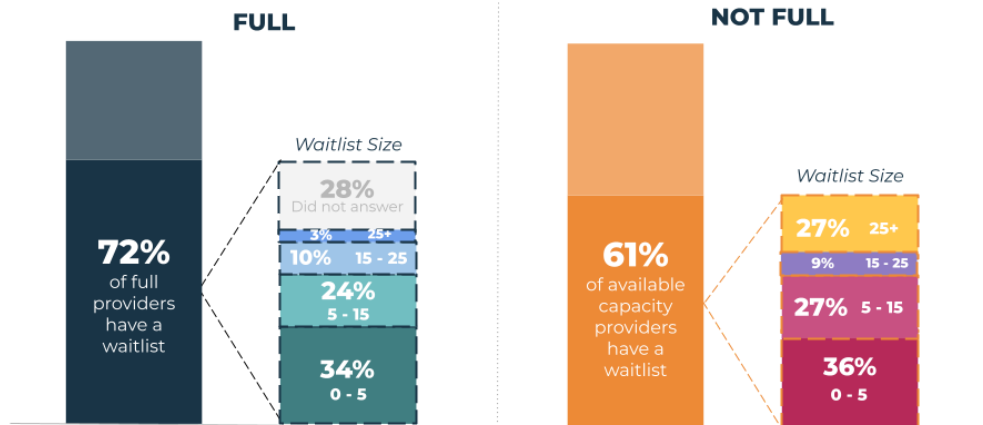
Provider Survey respondents indicated that among part-time child care providers, 48.5% make \$16 - \$20/hr, while 38.2% make less than that (\$14 - \$15/hr), and 10.3% make more than that (\$21 - \$25/hr). In addition, 57.4% of providers do not offer any benefits to full-time employees, such as medical insurance, dental insurance, or retirement benefits. An even higher percentage, 70.6%, do not offer any benefits for part-time employees. Without insurance and other benefits, early childhood workers may struggle with medical bills and have a limited ability to gain financial stability or work towards a higher degree. Hourly employees in other industries at companies like Chipotle, Trader Joe's, and Starbucks are eligible for health insurance, dental and vision coverage plans, and 401(k)

plans (Indeed, 2020). This leaves the door open for child care workers to transition outside the industry to a position with fewer qualifications, more economic security, and better long-term benefits.

### Childcare

**Availability.** Provider Survey respondents indicated that 43% of their centers are full. Out of the centers that are full, 72% have waitlists. Interestingly, of the 36 providers that are not full, 61% still have waitlists. Six of these providers with empty

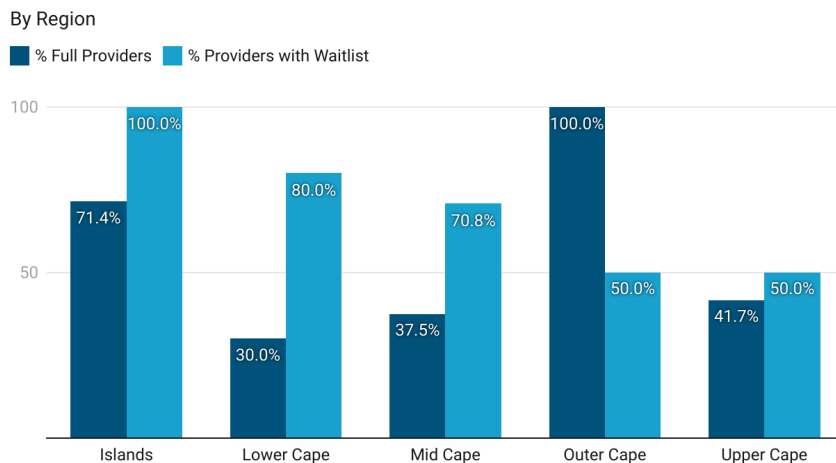
**Figure 10. Childcare Waitlists**  
Does your program currently have a waitlist?



seats have more than 25 children on their waitlist. This may signal staffing shortages, lack of funds to pay additional staff, or an inability to rebound after COVID-19. When asked what barriers respondents think are preventing families from accessing their center’s services, 60.3% identified waitlists (the most-identified barrier).

By region, 100% of respondents from the Islands had a waitlist, compared to only 50% from the Upper Cape. Although only one-third of the Lower and Mid Cape programs are at capacity, a higher percentage of providers still have waitlists.

**Figure 11. Provider Capacity and Waitlist Status**



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Waitlists for infants and children under one year have been particularly challenging for families on the Cape and Islands. Only 55% of respondents' programs serve infants (babies under 1 year old) and 58% serve 1-year-olds. This is compared to 72% for age 2, 88% for age 3, 85.1% for age 4, and 76.1% for age 5. According to the Cape Cod Times, "pregnant women on the Cape are being told there is a 1 ½-year wait list for infant care" (McCormick). And, as we know from data above, many families struggle to afford child care once they find a slot. However, few respondents reported that families under their care receive a voucher/subsidy (fewer than 10%) and 17.6% answered "not applicable," meaning vouchers/subsidies are not accepted.

## RECOMMENDATIONS

Evidence from both the Family and Provider Surveys clearly shows that the early education and care system on Cape Cod and the Islands is in need of intervention and support. Families across income brackets are finding it difficult to attain affordable child care, and many families struggling financially are over-income to qualify for a voucher. Caretakers in the region have made changes at work to accommodate their children's needs, losing part or all of their income to do so. This trend has left many mothers, in particular, out of the region's workforce. Waitlists to get into programs can last for years, and infant care is especially limited. Even with these challenges, families are overwhelmingly positive about the quality of their child's care in whatever arrangement they could find.

Meanwhile, providers are facing difficulties finding qualified staff and retaining their current staff. With low wages and limited benefits, early childhood educators are leaving the workforce for more stable positions in other industries. Provider respondents noted tensions with processes put forth by the Department of Early Education and Care, including hiring protocols and delays in subsidy approvals that hinder their operations. Throughout the COVID-19 pandemic, federal and state grants have kept these businesses and their workers afloat, but they face uncertainty as these sources of funding dry up in the years to come.

Early education and care providers are responsible for many of our state's youngest learners, building their skills and knowledge to promote long-term success. A positive early education experience can impact a child from kindergarten through the workforce. Currently, too many children and families are not being served in these programs, both on Cape Cod and across Massachusetts. In order to ensure that all children have access to quality, affordable early education experiences, we recommend investment in the following high-priority areas:

- Expanding access to affordable early childhood programming, particularly for families who are financially strained yet over-income for vouchers



- Strengthening salaries and benefits for early education and care staff

The next section presents specific strategies that may be pursued to address these recommendations.

### ***Potential Areas for High-Impact Investment***

Below is a list of high-leverage investments to address the needs identified in the Family and Provider Surveys. Some of these opportunities require state-level investment, while others can be addressed locally and/or regionally.

### ***Opportunities for Regional Action***

**Provide town residents with child care scholarships.** At the local level, levy taxes for child care needs and partner with local providers or school districts to connect families to open slots, financial assistance, or centralized systems, like the examples from Chatham, Truro, or Orleans featured in the case studies (found in the Appendix).

**Offer affordable housing options for child care workers.** Private developers and public housing authorities can partner to create subsidized housing properties for early childhood workers. Enact home buying programs for workers to support them from their search through their down payment, like the Community Heroes Homebuyer Initiative in New Hampshire or the Hometown Heroes Program in Florida featured in the case studies (found in the Appendix).

**Recruit new talent from the community.** Bringing community members into roles caring for children helps both centers and households with financial stability. For example, The Care Institute works in Lowell, Lawrence, Boston, and areas of Western Massachusetts to recruit talent in partnership with organizations like MassHire or Jewish Vocational Services, train potential early childhood workers in partnership with community colleges, and place employees in areas of need. They also work with employers to help them be better at engaging and retaining their personnel. In doing so, this can help to:

**Offer professional development opportunities and continuing education** (Knight, 2018). Early childhood educators should have the same opportunities as those in the K-12 space to grow their expertise in their field. Local institutions of higher education can offer free classes in partnership with local business sponsors to support ongoing learning, and retired early educators can offer support and guidance to young professionals in the field.

**Invest in new early education programs in desert areas.** Local organizations and public offices can provide low-rent spaces and funding for programs to operate within communities of need. For example, in her campaign, Boston's Mayor Wu called for creating

partnerships among the local public schools and early education centers as a way to find space that families can access (Michelle Wu for Boston, n.d.).

**Bring employers into the mix to help recruit and retain parents in the workforce.** State and local agencies should “engage 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” (Special Legislative Early Education and Care Economic Review Commission). This can include maintaining or expanding pre-existing on-site child care services or providing financial support for community-based care. For example, Seamen’s Bank on Cape Cod “partners with local child care centers and pays 65% of tuition for its employees’ children” (Amer, 2022).

### **State and Federal Policy Opportunities**

**Continue to fund state subsidies and other programs.** Families who are eligible for subsidies should be contacted and made aware of the options for care. This can happen both through state-level staff and local organizations, like the Community Action Committee of the Cape and Islands’ Child Care Network. The Network offers free resource and referral services to help families identify and access high quality, affordable early education and out-of-school time programs (CACCI). Providing information about how to obtain subsidies can fill seats and allow family members to continue working. The state can use improved disaggregated data (a component of their strategic action plan) to track whether eligible marginalized families are accessing subsidies, and connecting with community-based cultural institutions to spread the word, can expand access both locally and across Massachusetts.

**Expand access to vouchers and subsidized programming,** taking into account the cost of living on the Cape and Islands (Center for American Progress, 2019; Special Legislative Early Education and Care Economic Review Commission). Not only is the cost of living higher in Massachusetts (127.2/100) compared to the United States, but the index on the Cape and Islands is even higher still (Barnstable County: 128.5/100; Dukes County: 174.8/100; Nantucket County: 277.7/100) (Sperling’s Best Places, n.d.). The state must recognize disparities in regional purchasing power and set wider thresholds for subsidy and voucher eligibility. In doing so, the state should also:

**Streamline subsidy application processes.** Application processes should not get in the way of a family receiving care. Both EEC and state stakeholders should “engage in review of subsidy regulations and policies and provide additional navigation support and outreach to families” (Special Legislative Early Education and Care Economic Review Commission).

**Continue to offer grant and relief programs to get providers back on their feet and increase pay and benefits for early educators.** Federal funds, like the Child Care Development Fund and the Paycheck Protection Programs, and state funds, such as the Child Care Stabilization Grant, have been integral to keeping providers afloat. The state should continue to provide grant payments and relief for programs feeling the effects of the pandemic and closures. Meanwhile, increased federal funding for the Child Care and Development Block Grant can help to infuse more resources into payrolls.

**Tackle the current waitlists** by expanding seats in programs, which requires additional staffing and resources for care. Streamlining EEC hiring protocols, so new staff can be onboarded quicker, can help expand seats. The EEC should track *who* is on the waitlist to look for any inequities in the demographics of those waiting to receive care.

State policymakers can also focus on longer term funding solutions, like the Common Start Legislation (H.4795/S.2883), which advocates for increased investment of public funding for universal, affordable early education and care. The bill is co-sponsored by local legislators, including Rep. Peake of the 4th Barnstable, Rep. Fernandes of Barnstable, Dukes, and Nantucket, and Senator Cyr of the Cape and Islands. Local organizations can work with the Common Start Coalition’s Southeast and Cape chapter to communicate the bill’s importance with lawmakers and the public and families can connect to their legislators to share their experiences with early childhood education.

## LIMITATIONS AND FUTURE RESEARCH

This study had several challenges, particularly related to the nature of outreach on social media. The Family Survey received an abundance of “scam” answers, which we hypothesize to be occurring from public outreach on social media sites like LinkedIn and Twitter. And although our survey software (Alchemer) included checks for speeding/slow responses, gibberish, and bad data, the cleaning process took many iterations to determine the final sample. Future surveys should include more thorough “red herring” questions that easily flag bad responses.

Similar issues arose with outreach for focus groups, which were proposed to gain insight into the perspectives of populations that the survey sample did not adequately cover. These groups were meant to include families who speak Portuguese, families with non-parent guardians, families accessing vouchers, and in-home care providers, however challenges with scam registrants prohibited focus group completion. In the future, focus group outreach should be conducted in partnership with local community organizations, like the YMCA, Boys and Girls Clubs, community centers, and cultural institutions, in order to garner more participation from individuals from the intended populations.

Future research into child care needs on the Cape and Islands should include a specific focus on marginalized populations, both in outreach and analysis. The overwhelming majority of our respondents were white and English speaking, limiting our ability to draw conclusions about the experiences of people of color and multilingual residents. Future research should also include deeper analysis of the quality of sites through on-site visits and observations, as well as through conversations with families and providers from the sites. Finally, as the Department of Early Education and Care continues to strengthen their data collection and sharing systems, researchers can incorporate more up-to-date information and longitudinal analyses into their work.

## CONCLUSION

Child care is a necessity for families across the Commonwealth. Not only does it promote long-term success for children, it stimulates the economy by allowing more parents to access paid employment. The high cost and low availability of care in certain areas, including the Cape and Islands, is detrimental to families, employers, and the economy. Low wages and the undervaluing of the early education workforce makes it difficult to recruit and retain qualified staff, widening the supply gap and lengthening waitlists.

For Family Survey respondents on the Cape and Islands, finding affordable, quality child care has been difficult. For Provider Survey respondents, finding and retaining qualified staff to support their centers has become increasingly challenging since the pandemic began. In order to turn the tides of child care on the Cape and Islands, we recommend that state and local stakeholders work to expand access to affordable early childhood programming, particularly for families who are financially strained yet over-income for vouchers, and strengthen salaries and benefits for early education and care staff. In doing so, these reforms will benefit the region, and the entire state, and reduce inequities between families in the Bay State.

## APPENDIX

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## Summary of Key Terms

<b>Caregivers</b>	A person who provides child care services.
<b>Center-based Child Care</b>	Center-based child care (or preschools) provide care in a group setting, typically in a commercial building.
<b>Centralized School-Based Programs</b>	Child care offered through partnerships with local school districts.
<b>Child Care and Development Block Grant</b>	The Child Care and Development Block Grant Act (CCDBG) is a law that authorizes the Child Care and Development Fund (CCDF) program. CCDF is administered by states, territories and tribes and outlines how federal funds will be used to provide financial assistance to low-income families to access child care.
<b>Child Care and Development Fund</b>	The CCDF is a federal and state partnership program (over \$5 billion in federal funding) authorized under the Child Care and Development Block Grant Act (CCDBG) and administered by states, territories, and tribes with funding and support from the Administration for Children and Families' Office of Child Care. States use CCDF to provide financial assistance to low-income families to access child care so they can work or attend a job training or educational program.
<b>Child Care Stabilization Grant</b>	Grants awarded by the Department of Early Education and Care to support providers' day-to-day operational and workforce costs. Grant awards are calculated using the Commonwealth Cares for Children (C3) formula to distribute up to 12 monthly payments. These are funded by the federal American Rescue Plan.
<b>Childcare Desert</b>	A child care desert is any census tract with more than 50 children under age 5 that contains either no child care providers or so few options that there are more than three times as many children as licensed child care slots.
<b>Cognitive Interviews</b>	Cognitive interviewing is a popular method for evaluating survey questions. It offers a detailed depiction of meanings and processes used by respondents to answer questions—which ultimately impact the survey data. As such, the method offers insight that can enhance understanding of

question validity and response error.

**Common Start Coalition**

The Common Start Coalition is a statewide partnership of organizations, providers, parents, early educators and advocates working together to make high-quality early education and child care affordable and accessible to all Massachusetts families.

**Commonwealth Cares for Children Formula**

A formula that helps determine the amount of publicly-funded Child Care Stabilization Grants to providers.

**Convenience Sampling**

A method of obtaining a sample for a survey that involves the sample being drawn from that part of the population that is close to hand.

**Cost of Living**

The cost of living is the amount of money needed to cover basic expenses such as housing, food, taxes, and healthcare in a certain place and time period.

**Department of Early Education and Care**

The Department of Early Education and Care (EEC) is part of the Executive Office of Education. An eleven member Board of Early Education and Care sets policies and regulations related to early education and care programs and services in the Commonwealth of Massachusetts. EEC licenses approximately 9,000 child care programs, residential facilities, and foster care/adoption placements and provides technical assistance to licensed providers.

**Developmental Assessments**

Developmental assessments are formal questionnaires or checklists based on research that ask questions about a child's development, including language, movement, thinking, behavior, and emotions. Developmental screening can be done by a doctor or nurse, but also by other professionals in healthcare, early childhood education, community, or school settings.

**Dual Language Program**

A dual language program is a model designed to promote bilingualism and biliteracy, cross-cultural competency, and high levels of academic achievement for both native English speakers and ELs from a single language background. These programs are additive bilingual programs because all students develop and maintain their home language while adding a second language to their repertoire.

### **Early Head Start**

Infants, toddlers, and pregnant women are served through Early Head Start programs. Early Head Start programs are available to the family until the child turns 3 years old and is ready to transition into Head Start or another pre-K program. Services to pregnant mothers and families, including prenatal support and follow-up, are also provided by Early Head Start. Many Early Head Start programs are provided in a child's own home through weekly home visits that support the child's development and family's own goals. Other Early Head Start programs are located in centers which provide part day or full day programming for children.

### **Economic Injury Disaster Loan**

The Economic Injury Disaster Loan Program (EIDL) is offered by the Small Business Administration and can provide up to \$2 million of financial assistance (actual loan amounts are based on amount of economic injury) to small businesses or private, non-profit organizations that suffer substantial economic injury as a result of a declared disaster, regardless of whether the applicant sustained physical damage.

### **Family Child Care Programs**

Family child care programs are private child care businesses that operate inside the provider's home typically serving a smaller number of children.

### **Federal Poverty Line**

The federal poverty level (FPL), or the "poverty line", is an economic measure used to decide whether the income level of an individual or family qualifies them for certain federal benefits and programs.

### **Flexible Spending Accounts**

An arrangement through an employer that lets employees pay for many out-of-pocket medical expenses with tax-free dollars. Allowed expenses include insurance copayments and deductibles, qualified prescription drugs, insulin, and medical devices.

### **Head Start**

Head Start programs are available at no cost to qualifying low-income families from birth to five. Most of these programs are based in centers.

### **Home-Based Care**

Home-based child care programs are private child care businesses that operate inside the provider's home typically serving a smaller number of children. Can be interchangeable with Family Child Care Programs.

**Montessori Programs**

A child-centered, hands-on method developed in the early 1900s involving child-led activities and classrooms with varied ages.

**Paycheck Protection Program**

Congress created the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act which was signed into law on March 27, 2020. The PPP provided small business loans backed by the U.S. Small Business Administration (SBA). Loan proceeds are meant to pay employee wages, although a certain portion of the funds may be used for other eligible business expenses. If the funds are used as intended, the entire loan can be forgiven by the federal government. The program ended on May 31, 2021.

**Philanthropic Grants**

Grants of money given by foundations to individuals, groups, or organizations to work for different causes.

**Purchasing Power**

Purchasing power is the value of a currency expressed in terms of the number of goods or services that one unit of money can buy.

**Quality Care**

All states have regulations or licensing standards that child care providers must meet in order to legally operate in the state. These regulations provide a baseline standard and are primarily focused on protecting children from harm rather than on advancing child development and early learning. Additionally, interactions that take place between teachers and children are key to high-quality programs.

**Quality Rating Improvement System (QRIS)**

QRIS is a method to assess, improve, and communicate the level of quality in Family Child Care and Group & School Age Child Care programs. The Massachusetts QRIS Standards outline indicators of quality in 5 primary categories. There are 4 levels in QRIS that outline indicators of quality within each category.

**Red Herring Questions**

A red herring question is a quality control measure in a survey by which you place oddball questions within a series of regular questions to easily identify those who fully read and engaged in the survey and those who are not.

**Reggio Emilia Programs**

The Reggio Emilia approach is an educational philosophy and pedagogy focused on preschool and primary education. This approach is a student-centered and constructivist self-guided curriculum that uses self-directed, experiential learning in relationship-driven environments

**“Shecession”**

An economic downturn where job and income losses are affecting women more than men. The term was coined by C Nicole Mason, president and chief executive of the Institute for Women’s Policy Research (IWPR)

**Small Business Administration Debt Relief**

The SBA offers debt relief to existing SBA loan borrowers whose businesses have been impacted by COVID-19. This includes 7(a), 504, and microloans and disaster home and business loans.

**Subsidized Housing**

Subsidized housing is government sponsored economic assistance aimed towards alleviating housing costs and expenses for impoverished people with low to moderate incomes.

**Subsidized Child Care Provider**

Subsidized child care programs provide financial assistance to families to cover the costs of licensed in-home or center-based child care. To meet the income requirement, household income must be at or below 50% of the state median income.

**Supply Gap**

A supply gap is when the supply of a good or service is less than the demand.

**The Missing Middle**

On Cape Cod, families whose incomes surpass the eligibility for child care subsidies, but who struggle to afford other day-to-day costs like housing.

**Universal Pre-K**

“Universal pre-k,” also known as “preschool for all,” is a policy framework that gives all families with preschool-aged children the opportunity to voluntarily enroll their child in a publicly-funded pre-kindergarten care and education program in a state or community.

**Voucher Programs**

A voucher is a subsidy that a parent can take with them to any licensed provider. Some providers have subsidies attached to slots in their particular programs, called “contract slots.” To be eligible for either a voucher or a contract slot, a family must apply to the centralized waitlist.



**Waitlist**

Typically, when a child care program is at its maximum capacity, families are placed on a list in chronological order of application to get the next spot once it becomes available.

**Waldorf Programs**

A system of private schools that originated in Europe in the early 1900s based on a philosophy that prioritizes the arts and the imagination.

**Mixed Delivery System**

Formal early education and care programs are provided through a mixed delivery system that includes non-profit and for-profit programs, Head Start and Early Head Start, family child care providers, and programs operated by public schools. These programs provide full-day and part-day care for children ages 0-5 as well as out-of-school time care for children ages 5-13.

**Out-of-School Time Programs**

Out of School Time (OST) is a supervised program that young people regularly attend when school is not in session.



## Case Studies



# Cape Cod & Islands Early Education and Child Care Case Studies

June 2022

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## Overview

Based on a review of Cape Cod & Islands survey data, the Rennie Center identified a set of core issues related to child care in the region. Topics ranged from retention of child care workers to expanding voucher access for families. The Rennie Center conducted research into strategies that communities across the nation have used to address similar challenges. This document provides an overview of promising practices related to each core issue. It is designed to support the Commission in understanding how other communities have adapted evidence-based practices to their specific context.

# Affordable Housing for Child Care Workers and Early Educators

## INTRODUCTION

Across the U.S., rents have risen sharply over the past two years. On Cape Cod, homeownership and renting are especially expensive because [housing costs are rising while earnings remain lower than the statewide median](#). The same is true on the Islands, including Martha's Vineyard and Nantucket, where [housing prices have soared in recent years](#). The National Education Association puts the need for affordable housing simply: "[where affordable housing is in short supply, so are educators](#)." The following are examples of programs across the U.S. that are working to retain high-quality teachers, early educators, and child care workers by making housing more accessible and affordable.

## CASA DEL MAESTRO (SANTA CLARA UNIFIED SCHOOL DISTRICT)

Twenty years ago, Santa Clara Unified School District in California faced a steady loss of teachers. This was partially driven by the high cost of living in the community. To address the problem, the school district partnered with private developers to create [Casa del Maestro](#), a below-market rent, 40-apartment complex on surplus school property that district teachers are able to live in for up to seven years. This subsidized housing concept has proven to be a valuable recruitment and retention tool. The attrition rate among teachers receiving the housing benefit is significantly lower than the rate among similar teachers not receiving the benefit. Since its inception, the program has expanded to 70 apartments and the complex has maintained full occupancy since its opening. [Several districts in California](#) have considered similar workforce housing programs for educators, but face challenges including neighborhood opposition, inexperience managing large construction projects, and limited resources.

## COMMUNITY HEROES HOMEBUYER INITIATIVE

In 2021, the State of New Hampshire developed a program for frontline workers (educators, members of the armed forces, healthcare workers, first responders, and elder and daycare workers) who had worked in person throughout the COVID-19 lockdowns. The initiative, called the [Community Heroes Homebuyer Initiative](#), provides a \$3,000 closing-cost credit for first-time homebuyers who finance through one of the state's Plus loan programs, [state-supported mortgage programs that subsidize down payments and offer discounted mortgage insurance rates for first-time homebuyers](#).

## HOMETOWN HEROES PROGRAM

In June, 2022, the State of Florida launched the \$100-million dollar [Hometown Heroes Program](#), designed to support frontline workers in purchasing their first home. Frontline workers (civil servants, healthcare professionals, active and veteran members of the military, educators, and child care employees) who connect with a participating loan officer, have a minimum credit score of 640, provide proof of work in one of the eligible occupations, and meet the income threshold for the county of residence are eligible for the program. The Hometown Heroes program supports frontline workers by providing up to 5% of their first mortgage loan amount in down payment and closing cost assistance in the form of a 0% non-amortizing 30-year deferred second mortgage, lower-than-market rates on their first mortgage (FHA, VA, RD, Fannie Mae or Freddie Mac), and reduced upfront fees. These benefits enable early educators and child care workers to afford homeownership more easily.

## CONCLUSION

Housing is a valuable benefit and a form of financial support. It affects whether qualified educators can remain in the community where they work, and whether these professionals choose to continue in the field of early education and care. Both rental assistance and affordable homeownership have the potential to drive recruitment and retention.

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## Increasing Salary and Benefits to Retain Child Care Workers and Early Educators

The Center for the Study of Child Care Employment (CSCCE) analyzed the median wages of Massachusetts child care-focused jobs and showed that the [median hourly wage for child care workers is \\$14.11](#), \$10 less than the hourly rate for all U.S. occupations. The report also found that, “early educators with a bachelor’s degree are paid 35.2 percent less than their colleagues in the K-8 system,” and that the poverty rate for early childhood educators in Massachusetts is 15.3%, compared to 2.3% for K-8 teachers. The pay gap child care workers and preschool teachers face, combined with the increased workload and health risk due to the COVID-19 pandemic, “[fuels workforce shortages and stifles retention of high-quality early educators](#).” Increasing salaries and expanding professional development and career advancement opportunities are necessary to address “[this long-term systemic problem](#).”

## INCREASING WAGES AND SALARIES

Increasing compensation is an [impactful way to increase recruitment and retention](#) in the early childhood workforce. Therefore, some states have begun using American Rescue Plan Act (ARPA) child care funds to supplement early educators' incomes. For example, Maine is providing [stipends to child care organizations](#) to be spent on wages, benefits, and bonuses for staff. Connecticut policymakers have leveraged ARPA funds to establish a [grant program that incentivizes providers to invest in staff compensation](#). In this program, providers who choose not to spend their grant funding on compensation receive just 75% of the available grant funding. However, providers who dedicate at least 25% of their grant money to staff compensation are given 100% of the available grant allocation. Thus, ARPA funds present states and municipalities with an opportunity to increase compensation for those working in early education and care.

Even before the pandemic, however, New York City began the process of moving toward pay parity between preschool teachers and elementary educators. In 2019, [the city's Pre-K for All program struck a deal with the union](#) that represents hundreds of the city's preschool teachers, District Council 1707 Local 205. Under this deal, the city agreed to steadily increase preschool teacher salaries to achieve parity with K-12 teacher salaries in the New York City Schools. Though 1,500 New York City preschool teachers work in community-run programs, and are not union members, [the city ultimately agreed to increase salaries for all certified preschool teachers](#) regardless of union status. These salary increases will cost the city approximately \$84 million by 2023, and are funded via New York City's annual budget.

## INCREASING BENEFITS

In addition to wages and salaries, better benefits can support the retention of child care workers and early educators. For example, states have tried subsidizing the cost of health insurance, ensuring early childhood educators have access to [child care subsidies](#) for their own children, and offering education assistance to incentivize recruitment and retention.

In 2021, Washington State created a program for the employees of child care providers to get [health insurance coverage with \\$0 monthly premiums](#). The eligibility for this program includes proof of employment in a licensed child care facility, meeting a household income requirement, and enrolling in a Cascade Care Silver health plan through Washington Healthplanfinder.

With \$10 million from the federal Coronavirus Aid, Relief, and Economic Security Act (CARES), Connecticut's Office of Early Childhood (OEC) launched the short-term child care subsidy program in 2020. The [CTCARES for Frontline Workers](#) program supported essential workers, including child care workers, in paying for care for their own children.

The State of Arkansas has used its ARPA funds to increase funding for the [Teacher Education and Compensation Helps \(T.E.A.C.H.\)](#) Early Childhood Scholarship Program. The T.E.A.C.H. program, administered by the Arkansas Early Childhood Association, supports child care provider faculty and staff in pursuing higher education by way of financial support (for tuition and books), counseling, and paid release time from work. It is projected that by increasing T.E.A.C.H. funding, [“more than 300 Arkansas educators \[will\] achieve certificates or degrees annually through 2024.”](#)

## CONCLUSION

As The Washington Post noted, [“child care programs are contending with massive and unprecedented staffing shortages, leading to fewer spots and long waiting lists.”](#) Because hiring and retaining early education and care staff has become increasingly difficult, financial incentives and alternative benefits are also increasingly important.

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## Expanding Eligibility for Subsidized Child Care

Child care is expensive. In Massachusetts, families with one child aged 0-4 years spend an average of [\\$15,000-\\$21,000 on child care annually](#). While some low-income families benefit from subsidized child care via the state subsidy system, many families are waitlisted for this program or are denied subsidies because they have [incomes just over the qualifying threshold](#). These families struggle to pay for care in the private market and generally have few (if any) affordable options. This section highlights some of the ways in which municipalities and states have successfully expanded access to affordable child care.

### MUNICIPAL CHILD CARE VOUCHERS

Some Massachusetts municipalities offer local vouchers and scholarship programs that families who do not qualify for the state subsidy system can benefit from. Chatham, MA is one of these communities. Their child care voucher program [“offers temporary, short-term assistance with child care costs for qualifying families.”](#) with priority for those with the greatest levels of need and/or extenuating circumstances. The towns of [Wellfleet](#) and [Eastham](#) offer preschool vouchers that reduce out-of-pocket costs for families with children aged three and four. Furthermore, residents in Dennis, Brewster, Eastham, Wellfleet, Truro and Provincetown, as well as some communities on Martha’s Vineyard, have access to [local subsidy programs](#) funded via the federal Community Development Block Grant. Like at the state level, funds are income-limited. However, these limits are more generous than those imposed by the state subsidy system.

## FREE PUBLIC PRESCHOOL

One way to broadly expand access to affordable child care is through school-based preschool programs. On Cape Cod, the [Truro Public Schools](#) offer two free preschool classrooms for town residents and children of town employees. Although slots are limited, children with individualized education plans (IEPs) ages 3 and up are guaranteed placement. All other students are placed at the discretion of the principal, who works to accommodate the needs of all students and families. In Provincetown, [residents voted in 2018 to fund free child care](#) via their property taxes. Thus, Provincetown families can access no-cost infant and toddler care at the town's Wee Care Center and preschool for students ages 3 and up at the Provincetown IB School.

Beyond the region, the Department of Elementary and Secondary Education's (DESE) [Preschool Expansion Grant](#) funds free preschool classrooms for 4 year olds in Boston, Holyoke, Lawrence, Lowell, and Springfield. Additionally, [Salem Public Schools](#) are using federal COVID-relief money, their Elementary and Secondary School Emergency Relief (ESSER) funds, to significantly expand preschool programming throughout the city. In the 2021/22 school year, Salem served 167 4-year-olds whose names were selected in the city-wide preschool lottery.

Though free preschool advances equitable access to high quality early learning opportunities and eases the child care cost burden, most programs have limited enrollment slots, offer care only during school hours, and tend to exclude infants and toddlers under three. Therefore, families need additional, affordable, child care options.

## STATE-LEVEL INNOVATION

In 2021, New Mexico announced a comprehensive plan to expand child care affordability. They began with eliminating child care copayments for families making up to 200% of the federal poverty line, meaning that families participating in the state subsidy system pay nothing out of pocket for care. In May 2022, however, the state [radically expanded this program](#) by increasing the income limit to 400% of the federal poverty line (\$111,000 annually). Although the state is primarily relying on temporary ARPA dollars to fund this initiative, they have also created an [Early Childhood Education and Care Fund](#), which draws on oil and gas taxes, to ensure program longevity. Given [New Mexico's median income of \\$51,243](#), this investment ensures that both low- and middle-income families now have access to free early education and care.

## CONCLUSION

Child care affordability is an economic justice issue. Lack of access to care prevents families from working and/or maintaining the work schedules they desire and deprives students of high-quality early learning opportunities. While Massachusetts’ state subsidy program serves many low-income families, income limits block access to consistent and affordable care for many others. Fortunately, there are multiple potential solutions to this issue, which include leveraging resources at the local, state, and federal levels.

### Deep Dive: Wellfleet Municipal Preschool Vouchers

Deep dive information was provided by Suzanne Thomas of the Town of Wellfleet and Cindy Horgan of Cape Cod Children’s Place.

<b>Program</b>	Wellfleet Municipal Preschool Vouchers
<b>Location</b>	Wellfleet, MA
<b>Date</b>	2015 - Present
<b>Actors</b>	The Town of Wellfleet administers the vouchers and includes funding in their annual budget. This budget is finalized and approved by Wellfleet’s residents in their Annual Town Meeting. However, the driving force behind this program was two selectboard members who pushed the initiative forward in 2015.
<b>Funding Amount</b>	\$200,000 per year
<b>Funding Source</b>	In 2015, the town of Wellfleet voted in their Annual Town Meeting to allocate \$200,000 toward preschool vouchers for 3 and 4 year olds. Since then, the program has been continuously supported by the town’s General Operating Fund and is included in the Social and Human Services budget.
<b>Action Aim</b>	The goal of Wellfleet’s Preschool Voucher program is to prepare all three and four year olds for kindergarten success by making a high-quality preschool education affordable and accessible.
<b>Action Structure</b>	Each year, the <a href="#">Town of Wellfleet allocates \$200,000 to preschool vouchers</a> . This money is split evenly amongst the town’s three and four year olds (\$100,000 is allocated to children of each age). To access the vouchers, families must complete an <a href="#">application</a> establishing their child’s age and proving residency in Wellfleet. All Wellfleet families with a three or four year old child either currently enrolled in, or accepted into a preschool program are eligible to participate. However, in an effort to ensure students receive a high-quality learning experience, Wellfleet exclusively issues vouchers to licensed providers who follow state-approved



	<p>curriculum.</p> <p>While the funding is split evenly amongst participating children, regardless of income, families can receive a maximum of \$7,000 per child. Typically, between 13-17 children per age group participate in the program, meaning that families receive between \$5,800 and \$7,000 per child.</p> <p>Every quarter, local preschools bill the town directly for each student participating in the voucher program. Still, because these preschool vouchers do not cover the full cost of early education and care, families are responsible for either paying the difference out of pocket or applying to outside scholarships and funding opportunities offered by their provider.</p>
<p><b>Impact</b></p>	<p>This program makes it possible for families to afford preschool in an area with a high cost of care. Furthermore, local child care providers expressed appreciation for Wellfleet’s voucher funding and administration structure. Because the program is administered through the town, not the school system, this program both makes preschool more accessible for families and ensures that existing providers can enroll enough students to sustain their operations.</p>

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## Expanding Participation in State Child Care Subsidies

In Southeast Massachusetts, including the Cape and Islands, the [median cost of infant and toddler care is \\$45 and \\$61 daily](#), depending on the age of the child and the type of care provided. Though these costs are prohibitive for many families, those [earning at or below 50% of the state median income \(SMI\) are eligible for subsidized child care](#), for which the state covers most of the cost. Unfortunately, due to limited funding, long waitlists, administrative burdens, and a limited supply of child care slots, [only 8.7% of eligible families](#) actually receive these subsidies. This section reviews some of the policy mechanisms and innovations that can increase access to care for income-eligible families (those who qualify for child care subsidies based on their income).

### EARLY EDUCATION AND CHILD CARE SUPPLY

In Massachusetts, just [56.1% of child care providers](#) participate in the subsidy system. On Cape Cod and the Islands, many communities are considered [“child care subsidy deserts.”](#)

meaning that there are almost no local providers participating in the subsidy system. Therefore, although a family may qualify for subsidies, it is unlikely that the state will find them a subsidized slot.

This is, in part, because Massachusetts' subsidy system reimburses providers at a rate far lower than the market-rate cost of care. [On the Cape and the Islands, providers are reimbursed at an average rate of just 33-38%](#) for subsidized infants and toddlers. Thus, "private pay" clients, those who pay full price, deliver significantly more revenue than do subsidized families. Child care providers, who often operate with low profit margins, are disincentivized from participating in the subsidy system.

While higher reimbursement rates would likely increase subsidy participation amongst providers, under the block-grant funding structure for subsidized care, paying providers more per child would also limit the number of families that can receive subsidies. Furthermore, [there is a dearth of licensed child care providers in Massachusetts](#), regardless of whether they participate in the subsidy system. Therefore, one way to increase child care access for income-eligible families is to increase funding at the state and federal levels and explicitly invest in increasing the child care supply.

## EARLY EDUCATION AND CHILD CARE FUNDING

In response to COVID-19, Massachusetts implemented the [Commonwealth Cares for Children \(C3\) Stabilization Grants](#), supplemental funding that supports child care providers with pandemic recovery. These grants are funded by ARPA and allow providers to engage in many supportive activities including increasing worker pay, providing professional development, and maintaining facilities. If sustained through a permanent funding source, C3 grants could help offset costs for providers and make it financially feasible for more child care providers to enter the subsidy system.

One example of a sustained investment in the early education and care supply is in New York State. In May, 2022, Governor Hochul announced a [\\$7 billion investment in child care quality and accessibility](#). Using a combination of ARPA funds, the existing child care block grant (CCDBG), and additional funds passed through the state legislature, New York is offering start up grants to new providers opening in high-needs areas and increasing subsidy reimbursement rates to the 80th percentile. Furthermore, the state is expanding subsidy eligibility to families earning incomes at or below 300% of the federal poverty line.

## CONCLUSION

Expanding access to early education and care means both addressing the supply crisis and increasing funding for subsidized care. Given the wide disparity between private pay rates and current subsidy reimbursement rates, incentivizing subsidy participation amongst

providers (i.e. higher reimbursement rates and stabilization grants) and catalyzing new providers to enter the market, are two effective ways to make early education and care more accessible to low- and middle-income families.

### **Deep Dive: Commonwealth Cares for Children (C3) Stabilization Grants**

Deep dive information provided by Cindy Horgan of the Cape Cod Children’s Place and the Massachusetts Department of Early Education and Care.

<b>Program</b>	Commonwealth Cares for Children (C3) Stabilization Grants
<b>Location</b>	Massachusetts (statewide)
<b>Date</b>	<a href="#">August 3, 2021 - June 2022</a>
<b>Actors</b>	Massachusetts Department of Early Education and Care (EEC)
<b>Funding Amount</b>	<a href="#">\$380 million</a>
<b>Funding Source</b>	American Rescue Plan Act (ARPA)
<b>Action Aim</b>	This program seeks to stabilize the child care provider landscape and make up for the funding gap between the price families pay for early and child care and the actual price of providing these services. By distributing funds directly to providers, C3 Stabilization Grants help cover <a href="#">operating costs</a> including staff wages, professional development, minor facilities upgrades, and routine bills such as rent and utilities.
<b>Action Structure</b>	<p>To receive C3 funding, licensed child care providers must complete an application with EEC reporting their center capacity, demographics, staffing, and the ways in which they intend to spend the grant funds. Though <a href="#">85% of all licensed child care providers</a> in the state have received C3 Stabilization Grant funding, each provider’s monthly allocation is determined via a unique funding formula.</p> <p>The <a href="#">C3 funding formula</a> is guided by three determining factors:</p> <ul style="list-style-type: none"> <li>• <b>Capacity:</b> Providers are funded at a per-pupil rate calculated from their licensed center capacity. By funding centers on the basis of licensed capacity, rather than daily enrollment, C3 stabilizes funding in a time of ever-fluctuating enrollment.</li> <li>• <b>Quality:</b> Centers receive additional funding for each licensed early childhood teacher working with students. Because licensed teachers typically have higher salaries than their non-licensed peers, this aspect of the formula enables centers to both retain and recruit highly-qualified staff by</li> </ul>

	<p>offering wages commensurate with their education and experience.</p> <ul style="list-style-type: none"> <li>• <b>Equity:</b> The equity adjustment is the final piece of the C3 funding formula. To qualify for the adjustment, providers must serve children in <a href="#">socially vulnerable communities</a>, as defined by the Centers for Disease Control (CDC), and/or reserve at least one-third of their slots for families participating in the state child care subsidy system.</li> </ul> <p>In addition to the original C3 program, the Commonwealth distributed \$14 million in C3 Workforce Bonus Funding to specifically address staff retention and recruitment needs. Providers who were already enrolled in the C3 grant program were able to apply for additional funding targeted narrowly toward staff wages, bonuses, professional development opportunities, and staffing extended hours. These bonuses were determined using a modified version of the aforementioned C3 funding formula.</p> <p>Although these grants are non-competitive, meaning that all licensed providers can receive funding, recipients must recertify their applications on a monthly basis. Through this requirement, EEC monitors for changes that may affect funding eligibility levels and collects data on grant-funded expenditures.</p>
<p><b>Impact on Cape and Islands</b></p>	<p>According to EEC data, 85% of providers in the Southeast and Cape licensing region received C3 Stabilization Grants. Though the exact amount of funding per provider varied (as determined by the funding formula), some large centers including Little Stars Learning Center and Building Blocks Child Care Center received over \$120,000 in C3 Stabilization Grant funding. The YMCA of Cape Cod, received a total of \$895,595.02, which was distributed across 9 centers. Their largest location, the Lyndon P. Lorusso Early Education Center in West Barnstable, received \$191,360.01, while their smallest center, at Stevens Street in Harwich, received \$23,940.00.</p> <p>Cape Cod Children’s Place, in Eastham, received a total of \$104,800, which they invested back into their workforce. According to the center’s director, Cindy Horgan, Cape Cod Children’s Place raised wages for all staff and is dispersing bonuses on a regular basis. In doing so, they have been able to create a competitive compensation structure that better supports their workers.</p>
<p><b>Broad Impact</b></p>	<p>The C3 program has helped stabilize the early education and care supply in the aftermath of pandemic-related closures. Today, <a href="#">85% of eligible providers across Massachusetts</a> (center-based, Family Child</p>

	<p>Care, and out-of-school-time providers) are participating in the C3 program.</p> <p>In the first year of the COVID-19 pandemic, prior to C3 implementation, <a href="#">1,359 Massachusetts child care providers closed</a>. Though a number of factors influenced this child care market destabilization, <a href="#">pandemic-related staff shortages and lack of adequate funding</a> were prominent causes. However, since C3's implementation, just <a href="#">2% of the providers that have closed were grant participants</a>. This indicates that C3 funding significantly reduces the likelihood that child care providers will go out of business.</p> <p>Now, child care advocates are calling for an extension of the C3 program. Given the “<a href="#">almost instantaneous impact</a>” of these grants, some worry that terminating funding will abruptly destabilize the early education and care sector once again. The Commonwealth's Secretary of Education, James Peyser, predicts that without C3 funding, <a href="#">15% of providers will shut down</a>. <a href="#">Governor Charlie Baker proposed \$450 million</a> of C3 funding in his FY'23 state budget proposal. However, the final funding level is still being negotiated in the state legislature.</p>
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## Supporting Parents to Return to the Labor Force

In 2019 and 2020, nearly two thirds of Massachusetts parents missed approximately 14 days of work annually due to child care challenges. According to the [Massachusetts Taxpayer Foundation](#), this resulted in a loss of \$457 million in wages. One-tenth of parents were forced to move from full- to part-time jobs, resulting in another wage loss of \$1.2 billion. Another 35,000 parents exited the workforce altogether. However, parents were not the only demographic harmed – employers lost \$563 million in the process of rehiring and retraining employees.

### WHY IS IT DIFFICULT FOR PARENTS TO RETURN TO THE LABOR FORCE?

**Direct Cost:** Outsourcing child care is expensive, especially on Cape Cod and the Islands, where [care can cost a family with two children up to 42-46% of their income](#) (based on the regional average). In 2021, [the United States ranked 36th out of 38 Organisation for Economic Co-operation and Development \(OECD\) countries](#) in spending on early childhood development. Thus, because the U.S. government does not sufficiently fund early education and care, individual families spend more to care for their children.

**Self-Preference Cost:** Combined with the significant cost burden, parents may prefer to have direct oversight over their child’s key developmental years and distrust child care centers to fulfill their personal parenting philosophies. Even if there are childcare options that meet parents' desired programming types, parents may still personally prefer to spend time with their children. This, in tandem with direct cost, may be weighed heavily against the decision to return to work.

**Loss of Human Capital:** Parents of young children may remain out of the workforce for several years. Such long-term absences from the workforce can lead to missing out on new skills, tools, and best practices perceived as necessary to industry participation. This challenges parents' ability to re-enter the workforce and can result in demotions, occupational changes, and lower wages. Therefore, some parents may choose not to return to work due to decreased pay and limited flexibility in work arrangements.

**Motherhood Wage Penalty:** When young mothers exit the workforce, they face [steeper challenges than do their male counterparts](#). Furthermore, employers may harness bias against hiring young women out of fear that they will leave due to maternity leave. Conversely, there is [evidence of a fatherhood wage bonus](#), where men of young children are paid higher for the same work compared to childless men or other women. This is because they are perceived as reliable workers who are less likely to quit due to their responsibility to provide for their families. These disparities have worsened during the COVID-19 pandemic, and the resulting “she-cession”, where [fathers were less likely than mothers to be laid off](#). Therefore, in fields with higher concentrations of women, labor force participation initiatives can be especially impactful.

**Pandemic:** COVID-19 added a new dimension to the challenge of incentivizing parents to return to work. The pandemic forced child care centers to shut down, which, in some families, prompted at least one parent – [usually the woman](#) – to quit their job to care for their child or children. Furthermore, pre-existing challenges, including the high cost of care, continue to keep parents out of the workforce.

## SOLUTIONS

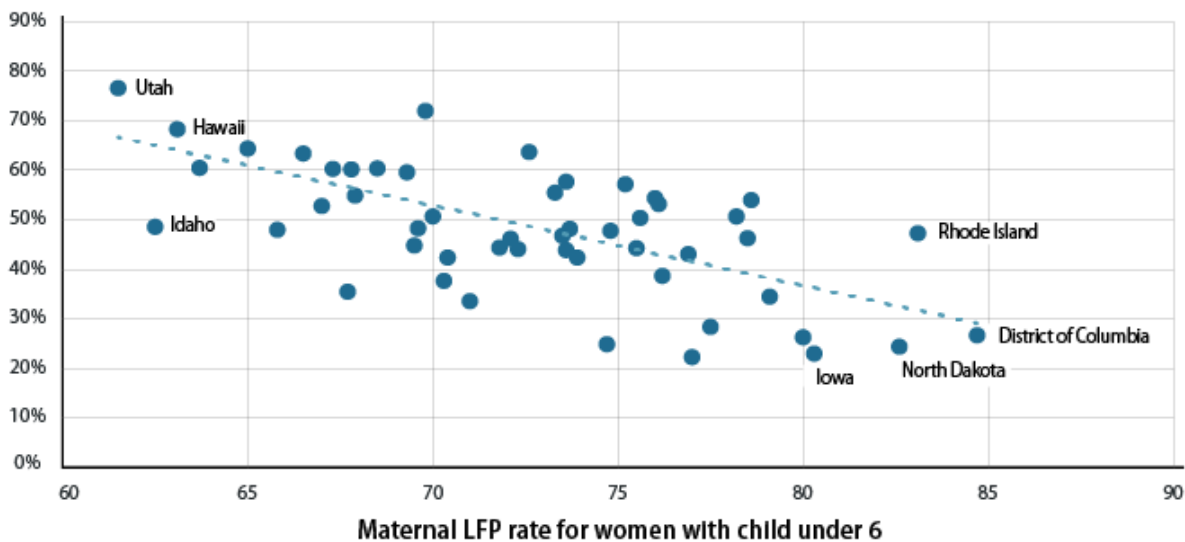
**Increase Childcare Subsidies:** In 1999, Rhode Island reformed its subsidized child care program by expanding income and age eligibility while increasing the reimbursement rates. [Witte and Queralt](#) (2003) analyzed how these changes would impact changes to workforce reentry. These reforms nearly tripled the chances of heads of households working more than part time. In addition, they found that after the policy changes, single mothers were half as likely to be in a position where they were both not working and needed cash assistance. [Lemke, Witte, Queralt, and Witt’s](#) (2000) analysis of a Massachusetts welfare



reform found that increased funding for subsidies and full day kindergarten raise the likelihood that welfare recipients are able to work.

**Reduce Child Care Deserts:** One way to drive down costs and increase child care access is to increase the number of child care seats open in a given community. However, Researchers from the Center for the Study of Child Care Employment (CSCCE) at the University of California, Berkeley found that [Massachusetts struggled to retain early education and care workers during the pandemic](#). As of 2019, the Massachusetts Taxpayer Foundation estimated that [a third of children in the state “would not be able to access a child care seat if they wanted to.”](#)

**FIGURE 5**  
**States with fewer child care deserts have higher maternal labor force participation (MLFP)**  
 Share of population living in child care deserts, by MLFP rate



Source: Author analysis of state administrative data and estimates from the U.S. Census Bureau, "American Community Survey, 2017 ACS 1-Year Estimates, Table S2301: Employment Estimates," available at [https://factfinder.census.gov/faces/tableservices/jsf/pages/-productview.xhtml?pid=ACS\\_17\\_1YR\\_S2301&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/-productview.xhtml?pid=ACS_17_1YR_S2301&prodType=table) (last accessed October 2018). See Appendix for a full list of data sources.



The [Center for American Progress](#) collected data from 22 states, making up two thirds of the U.S. population, and found that in areas lacking adequate child care providers, maternal participation in the workforce is an average of 3 percentage points lower. Crucially, paternal workforce participation rates are unaffected. States with one percentage point higher maternal participation in the labor force had a 1.6 percentage point lower share of those experiencing lack of child care. The difference became starker when the sample was restricted to those who earned below the 20th percentile of income. Thus, by investing in





the supply of child care providers, states and localities can expand maternal workforce participation.

## CONCLUSION

Understanding the nature of the obstacles that stymie parents' return to the workforce is key to crafting effective solutions. The policies highlighted above led to positive effects on mothers, particularly those receiving government benefits. Increasing the reach of child care subsidies and the number of providers on the Cape and Islands are two of many ways to encourage parents, particularly mothers, to return to work.