

SIX PROPOSALS

FOR CHILD CARE EQUITY AND A JUST RECOVERY

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CARE THAT WORKS
Families And Providers United For Child Care



COMMUNITY LABOR UNITED

To call this pandemic a “shock” doesn’t do justice to the [extended and compounding suffering](#) of communities in our state already on the frontlines of this century’s interlocking crises of political and economic inequality, institutionalized racism, and climate change. Given the disparity in impact, there is no question that low-income communities and communities of color will be left behind without an aggressive and sustained effort to include them. And let us be clear: There will be no true recovery if we do not all share in it.

The [keystone role of child care for our economic recovery](#) is widely acknowledged. But the task of putting that child care in place is a daunting one, given not only the many uncertainties we face, but also the severe [structural deficiencies](#) and [inequities](#) in our care economy that have [deep-seated causes predating the pandemic](#). We don’t just need a bailout – we are overdue for structural transformation. We need a universal child care system that can accommodate the complete needs of all children ages 0-12, their families, and the care workforce.

As injustice has shaped the care economy of today, equity must guide our efforts to build a new one. There are no shortcuts to the structural changes we need, but we should recognize that even the short-term strategies we choose in the face of the crisis of today will influence the future of child care for years to come. In that spirit, **the Care That Works coalition is advancing six proposals for the Massachusetts child care system to move the needle on equity in our reopening, recovery and beyond.**

Three of the proposals introduce equity-driven approaches to funding, decision-making, and oversight at the institutional level, where the interests of frontline families and care workers are underrepresented. The others call for increased support for home-based child care arrangements. These arrangements offer potential advantages to families and care workers navigating the pandemic landscape, including accommodating [nonstandard schedules](#), and helping families limit exposure to the virus. But they demand more attention and resources, first and foremost, to sustain the frontline families and care workers that rely on and provide them.



These proposals are intentionally selective, meant to draw attention to less-visible dimensions of our child care system that impact the welfare of the low-income communities and communities of color that are in the greatest danger of being left behind. In prioritizing the needs of the most vulnerable in our reopening, we can model the equity essential to building a universal child care system.

One: Secure full and fair funding.

Raise progressive revenue and secure meaningful employer contribution to increase child care affordability for families and dignified compensation for care workers.

For a just recovery, Massachusetts needs progressive revenue to avoid cutting spending on essential services and programs. Our child care system, which must provide a sturdy foundation for our reopening and recovery, needs much more than to avoid spending cuts. Families across the state are reeling from the news that their [child care providers are closing for good](#). There is a real fear, felt by families and care workers across all different care settings, incomes, and racial and ethnic communities, that the pandemic has dealt our broken system its final death blow. It will take a significant investment of public resources, over and beyond what was spent before, to sustain the child care industry, to secure dignified compensation for care workers, and to ensure families have equitable access to all forms of child care and [the ability to choose based on preference rather than constraint](#).

[State revenue projections are bleak](#). The CARES Act provided only [\\$45.7 million](#) for child care in our state that will be used for reopening the sector but it won't be nearly enough. There is [a chance of more federal funds, potentially as much as \\$648 million](#), but we cannot count on it and we cannot wait. This is a real crisis, and we must use all the tools at our disposal. The level of relief spending we need is impossible without substantial revenue from the wealthiest corporations and individuals paying their fair share. **Our state should act to [recoup hundreds of millions of dollars a year](#) by eliminating tax breaks and loopholes that primarily benefit the top wealth holders.** These include Massachusetts variances from the federal tax code that reduce multinational corporations' state tax burden; the [Single Sales Factor \(SSF\) tax break for mutual fund corporations](#) that has proven ineffective at its stated purpose of keeping jobs in our state; and the soon-to-be implemented deduction for charitable giving that disproportionately benefits households with over one million dollars in income.

Employers must also step up to make meaningful contributions to our care economy. [Many business leaders recognize](#) their workers are healthier and more productive without the daily stress and scramble around unreliable child care arrangements. [Employers know, and have spoken clearly](#), about the negative ramifications of our child care crisis for their business. **Through taxes or other mechanisms, our state should ensure employers contribute financially to the expansion of the child care sector.** And on their own, employers should model more equitable child care policies for their own industries. In accordance with the framework provided in the [Massachusetts Fair Workweek Bill](#), employers should adopt fair scheduling systems to ensure working

parents have more control, predictability, and stability. Employers should also provide workplace flexibility, paid sick leave and paid family medical leave, and parental leave, and ensure no company policies or practices penalize workers because of their caregiving responsibilities.

[Parents cannot afford to pay what care workers deserve to earn. The social and economic injury is felt across society, but the worst consequences fall on women, and especially low-income women of color.](#) Nothing will end the child care crisis, for the pandemic era and beyond, except for finally funding child care [like the public good it is](#). And no public revenue strategy will be enough without fair share contributions from wealthy corporations, individuals, and employers.

Two: Bail out and build out family child care businesses. Sustain and grow the supply of care provided by women- and minority-owned family child care businesses that many low-income families and families of color depend on.

Family child care (FCC) providers are skilled professionals that provide licensed child care out of their homes. Before the pandemic there were about [5,300 FCC providers](#) in our state accounting [for almost 19% of the licensed sector's capacity](#). They play a crucial role in the care economy as a setting that can be more affordable and accessible for low-income families and families of color. These families may choose FCC care for many reasons: trust in the provider based on common community, racial or ethnic background, culture, or language; smaller group sizes and a residential setting particularly for infants and toddlers; mixed-age groups for different-aged siblings; proximity to home to simplify logistics for those without access to reliable transportation or in rural areas; greater flexibility around nonstandard schedules and other circumstances; and/or average costs that are lower than most center-based care.

Today, public health, economic and regulatory conditions threaten to pull the family child care sector under. Demand will evolve as parents strive to limit exposure, secure employment, and navigate changing school and work schedules. Facing uncertainty in enrollment and the new health and safety regulations that may not be fully covered by the state's reopening grants, many FCC providers are afraid they won't be able to reopen. **Our state must commit the resources to sustain family child care providers and grow the sector to surpass its former capacity.**

Family child care was in dire straits well before the pandemic. Our state lost almost 1,000 FCC providers between [2014](#) and [2019](#), and over 8,800 FCC slots for children. FCC providers accepting vouchers are [reimbursed at a lower rate than centers, in many cases still below the recommended 75th percentile of market rate](#) despite the Department of Early Education and Care's (EEC) efforts. Since FCC providers typically serve families in their own neighborhood, those in low-income neighborhoods tend to serve more families

using these vouchers. On top of that, the state's [still unchanged payment and copayment scale](#) and termination policies lead some families to struggle to keep up with payments. This results in FCC providers experiencing income disruption, which smaller businesses can be more sensitive to than larger ones serving more families. And troublingly, some FCC providers have voiced concerns about their interactions with the Department of Early Education and Care (EEC) as overly punitive, even hostile, contributing to the decision of some to leave the industry.

To survive both the pandemic *and* pre-pandemic stressors, the FCC sector needs immediate intervention:

- Sustain existing family child care providers with a guaranteed income and benefits like health insurance to withstand reduced and unpredictable enrollment and revise the parent copayment scale to be affordable and minimize disruptions based on inability to pay.
- Provide financial incentives and other support for FCC providers to accommodate nonstandard schedules, including hours outside the typical daytime window, and schedules that are part-time, irregular, or unpredictable. Learn from models for organizing nonstandard schedule care like Care That Works' [Independent Women Project](#).
- Fund and provide a full range of pandemic-related resources, materials, supplies, and services as identified by FCC providers and their union. [All Our Kin](#) and the [National Women's Law Center](#) also compile many recommendations.
- Reenlist former providers and recruit new providers to expand the capacity of the family child care sector. Partner with trusted unions and community organizations to enhance outreach and inform efforts to support professional development.
- Conduct and act upon a thorough evaluation of state regulations, policies, and practices that may be incompatible with, unreasonable for, or unduly harsh or punitive toward family child care providers.

Growing the family child care sector would be a powerful, equity-driven strategy for economic recovery. It would help more low-income families and families of color return to employment more quickly. It would be an effective way to target resources to small, local, women- and minority-owned businesses, help create and keep wealth in local communities, and uplift the child care industry overall. For our state, these outcomes would likely translate into increased tax revenue and decreased need for public assistance programs.

Three: Recognize and compensate the relatives, friends, and neighbors giving care in our communities.

Increase support for the community child care provided and used by low-income families and families of color.

Licensed child care is only one piece of the care economy puzzle. [Another key piece that rivals the licensed sector in size is community child care](#), which is exempt from licensing when provided by a relative or by a non-relative in the child's home. Families across all income levels rely on community child care for some or all of their care needs; even families using licensed care still depend on community child care to meet needs or fill in gaps not covered by the licensed sector. Community child care happens all around us every day, [a ubiquitous part of childrearing in our society provided by loving and competent adults](#). Their labor has value even if they are rarely paid or even think of themselves as care workers.

With the pandemic, community child care is more important than ever for parents to return to work and control their household's exposure to the virus. It's likely that even more parents than normal will be looking for child care help close to home; Strategies for Children found that [half of families unsure of returning to their former child care arrangements would feel more comfortable relying on friends and family](#). If the community is where child care is happening, **our state must develop a more effective program of compensation and support for community caregivers.**

Low-income families eligible for child care vouchers can already use them to pay community child caregivers. But caregivers must first [apply, be approved, and meet training requirements](#). And then the caregiver only receives [\\$9.76 to \\$18.89 per child per day](#), part of which comes from the [parent copayment](#). On the face of it, and based on anecdotes from advocates, there are many weaknesses in our state's approach to this voucher program. The program is extremely underutilized in Massachusetts. In a recent year, based on monthly averages, only about [one percent of children with subsidies used them for community child care](#) and under [ten percent of providers receiving subsidy reimbursement were license-exempt](#).

This strategy should start with deep engagement to clarify what state practices and resources would increase the value and impact of the voucher program for community child caregivers and the families they support. Our state can also learn from models and proposals compiled by leaders in the community child care sector such as the [National Women's Law Center](#) and [All Our Kin](#). Potential strategies include the following:

- Simplify and expedite the application process and waive any fees or travel requirements
- Assess and address how background record check practices affect family housing stability
- Increase the value of the voucher and reduce the parent copayment scale

- Let families use vouchers for community child care to supplement their licensed care arrangements
- Provide caregivers with networking, training, and materials to support the wellbeing and success of both the caregivers and the children
- Identify community child caregivers who would make good candidates for a supported pathway program to become licensed family child care providers

Bolstering community child care is a key strategy for an equitable recovery. Community child care [is an indispensable care option](#) for low-income families unable to afford licensed care, single parents ([single mothers being the largest group](#)) unable to tag team with a spouse, parents with inflexible nonstandard schedules ([more common in low-wage jobs](#)) that are not accommodated by licensed care, and families with infants and toddlers who cannot find licensed care or prefer a caregiver with a personal relationship. For many extended and multi-generational households, more common among [families of color](#), and often [a strategy for low-income families to pool resources](#), community child care can simply be a logistically sensible form of care. And as community child caregivers generally reflect the socioeconomic status of the families they care for, these increased resources would simultaneously serve as a direct cash stimulus for vulnerable residents.

For the many [grandmothers](#) who are community child caregivers, resources for providing child care are a small form of compensation for the burden of unpaid domestic labor, including unpaid child care, that has long fallen to women. The [economic consequences follow women throughout their lives](#), diminishing their labor force participation, pay raises and career advancement, immediate household economic security, long-term wealth accumulation, and eventually retirement income. Supporting community child care isn't just a pandemic-era solution, to be retired when the virus is tamed. It is an important step toward gender justice and to cultivate an equitable care economy.

Four: Protect the rights and welfare of domestic care workers. Step up monitoring and enforcement of the Domestic Workers Bill of Rights to protect nannies and au pairs from exploitation.

Nannies and au pairs, employed by parents to provide child care in the family's own home, are exempt from licensing requirements the same way community child caregivers are. As domestic workers, [nannies and au pairs have historically been vulnerable to exploitation](#) as a consequence of the isolated nature of their work and lack of legal protections. This has been especially true for immigrant and undocumented workers. [One national survey](#) found 91 percent of domestic workers who experienced employment problems were too afraid to complain for fear of losing their job. The [Massachusetts Domestic Workers Bill of Rights](#) was a landmark bill passed in 2014 that extended [essential labor protections](#) to the long-excluded population of domestic workers, including nannies and au pairs. It covers all domestic workers regardless of immigration status but does not apply to babysitters who typically work less than 16 hours per week,

or to personal care attendants.

As the pandemic continues and families seek out child care arrangements with more limited exposure, we may see increasing numbers of families employing nannies and au pairs, some of them perhaps for the first time. A recent [Strategies for Children survey of families](#) supports this possibility, finding a very low proportion of families had been previously employing a nanny (1%), while a fair proportion of the families hesitant to return to their former arrangements said they would feel more comfortable with nanny care during the pandemic (29%). A major concern raised by advocates for domestic workers is that, in an environment shaped by stress, strain, and uncertainty, there is a potential for nannies and au pairs to be pressured by their employer families to accept employment conditions that are unjust or even illegal.

Because nannies and au pairs are not regulated by the Department of Early Education and Care, they are often left out of conversations about our state's child care system. But as a part of the care economy, the conditions of employment for nannies and au pairs can have an impact on the broader industry; if we ignore and tolerate subminimum wages and mistreatment for domestic workers, we contribute to still too-prevalent attitudes that devalue care labor and help hold our society back from making the full public investment in child care we need. Whatever the solution to our child care crisis, during and beyond the pandemic, there is no room for the exploitation of some for the benefit of others.

As we continue to reopen in the midst of a pandemic, **our state must increase its vigilance in monitoring and enforcing employer compliance with the Domestic Workers Bill of Rights to protect the rights and welfare of domestic care workers.** This could be accompanied by aggressive outreach and communications strategies, including the distribution of materials and toolkits, to ensure families are fully informed of their obligations as employers of domestic workers and receive guidance on high-road employment practices. **The state should also consider providing pandemic-related grants to worker centers and advocacy groups that work directly with domestic workers.** These organizations are often the first line of support for domestic workers with challenges, questions, or facing mistreatment on the job, and play an important role in assisting domestic workers who want to file complaints with the Attorney General's Office.

Five: Let frontline experience take the lead.

Amplify the voices of the most vulnerable families and care workers to ensure their experiences guide child care fiscal and policy decisions.

Care That Works coalition partners directly represent the families and care workers most poorly served within the current child care system, driven by the principle that those most impacted must take the lead in advancing solutions. This principle is not only a moral one, but also one essential for real transformative change. Without a complete understanding of our conditions and circumstances, our efforts to change them invariably fall short. Centering the voices of the most-impacted families and care workers

can help ensure equity lives at the heart of our child care recovery strategy and not as an afterthought.

The Baker administration has not always demonstrated transparency or supported diverse representation. Last year, key information affecting families and care workers was kept behind closed doors: the allocation of [\\$58 million over two years in additional discretionary funding](#) through the Child Care Development Block Grant. Indeed, Governor Baker's administration was [one of the last in the country to say how the new state funding would be used](#), despite multiple requests for information and action from [advocates](#) and [elected officials](#). In today's pandemic era, voices from the frontline – those most exposed and least supported – have been excluded from Baker's [Reopening Advisory Board](#) and [industry subgroups](#) in favor of a deep bench of major corporate executives. Baker's reopening timeline is pulling more parents back to work before the child care sector is ready to accommodate them; meanwhile, providers who serve subsidized families are feeling pressure to reopen before they may feel ready because the state will stop covering the subsidy payments for closed providers when the sector reopens.

The Board and Advisory Council of our state's Department of Early Education and Care (EEC) only have a few voices directly representing family child care providers, community child caregivers, and families reliant on child care subsidies. Industry leaders and advocates representing the child care sector in state-level decision-making spaces do not always reflect the diversity of the care workforce, wherein, nationally, [women of color are overrepresented in positions with lower compensation and less voice and power](#). During the pandemic, the EEC has engaged directly with child care providers and advocates at many points, including regular conference calls, remote town halls, and live-streamed meetings. It has demonstrated [responsiveness to the concerns of child care business owners](#) about the [financial strain of the new health and safety regulations \(though potentially weakening protections for care workers and children\)](#). However, as the EEC has unrolled plans and processes for reopening, there have been delays in the creation and release of important reopening materials in Spanish and other languages spoken by many FCC providers and the families they care for. SEIU Local 509, which represents FCC providers who accept subsidized families, has heard from many providers overwhelmed by the EEC's reopening process and timeline, particularly while deciphering documents and forms not written in their primary language.

Our state must enact governance reforms to ensure the most-impacted families and care workers and their unions from across the mixed-delivery system are represented in spaces with the power to shape our care economy for the recovery and beyond. Information and support should be provided in a timely fashion to support the meaningful participation of all affected populations and communities, including stipends for child care and transportation costs, simultaneous interpretation at meetings, and physical materials translated into relevant languages.

Additionally, **our state must commit to the timely collection and distribution of comprehensive information on relevant conditions, challenges, and opportunities.** This must include the [regular collection of robust data on child care sector activities and outcomes](#) that can be disaggregated by racial and ethnic population and subpopulation, household composition, income, and other variables of relevance. Our understanding of inequities in our state's care economy is hampered by the lack of quality state and local data and our dependence on national datasets that may or may not reflect our state's populations and circumstances.

Six: Protect public benefit and accountability.

Protect our care economy from wealth extraction and profiteering by maintaining accountability to the public.

Child care is fundamental to human flourishing, with wide-ranging benefits that spill over far beyond those in the immediate caregiving relationship. Once collective resources are committed to funding child care, if we are to capture the full value to society, we will need to protect democratic control and accountability.

Our state should not consider any new public contracts or public-private partnerships until developing sound mechanisms to protect democratic control and accountability to those using child care and those laboring to provide it. Public contracts and public-private partnerships may not always present problems, even given how the incentives of for-profit entities can be too easily [misaligned with the public interest](#). The greater danger is that these arrangements have become a favored tool of profiteers with [a mission to shrink government](#) and peel pieces away from our public infrastructure to run for private gain. We must be especially vigilant because crises like the COVID-19 pandemic are seen as prime opportunities to advance this mission. In the wrong hands, [privatization through contracts and partnerships can increase inequality](#) through regressive user fees, lower worker wages and benefits, and increased socioeconomic and racial segregation. It should raise alarms that these problems are already apparent in our child care system, with its unaffordable costs, low wages for workers, and [rates of racial segregation that exceed public K-12 schools](#).

An example of the need for greater accountability can be found in the state's outsourcing of certain child care administrative functions. [Forty private entities, known as Family Child Care Systems](#), hold public contracts to administer the child care subsidy program and to provide other services and support to family child care providers. Family child care providers can attest to the extreme variation in the integrity and performance of these Systems. The attitude and behavior of some low-road Systems toward their affiliated family child care providers is especially important to monitor because, given the main function of Systems in administering the subsidy system, many affiliated providers are likely to be based in low-income communities and communities of color.

Our state should establish equity-driven standards for private entities receiving public contracts or partnership agreements. Such standards might include, for example:

- A demonstrated commitment to advancing equity objectives and other public priorities, such as business ownership by underrepresented populations, and prioritizing underserved populations
- A record clear of worker or subcontractor mistreatment and exploitation
- An ownership structure and financial practices that build local community wealth rather than extract it
- A governance structure with family and worker control or representation

Finally, in this time of crisis, our state should direct public relief efforts in accordance with the principles of democratic control and accountability and the equity-driven standards outlined here.

85 years ago, discrimination against Black women drove [the exclusion of domestic workers from the protections of the National Labor Relations Act](#). 74 years ago, the federal government shuttered its [first and last ever universal child care program](#) as soon as men started returning from the war, sending the women who had been working back home to resume providing unpaid child care. 48 years ago, a bipartisan universal child care bill passed the House and Senate but was vetoed by President Nixon due to pressure from [anti-feminist backlash and fears of further racial integration following efforts to desegregate public schools](#). And 24 years ago, work requirements were attached to welfare programs, cinching the poverty trap even tighter for low-income mothers, based on [objections rooted in racist caricatures of entitlement abuse by Black women](#).

Policy decisions made over the course of the last century have consigned families and care workers to the mercy of indifferent markets and unchecked discrimination and exploitation by gender, race, and class. Today, in orchestrating the reopening of our economy, some powerful interests would like nothing more than to return to the world before. This could happen; there are still many ways for this chapter to unfold. That is why now is the time for us to act with moral conviction, put those most impacted at the forefront of our efforts, and invest in an equitable child care recovery to launch us all together into the next century of history.

Care That Works, convened by Community Labor United, includes community-based groups and organized labor unions united to fight for an equitable, public child care system centered on the needs of the multi-racial working class and the multi-modal, predominantly female child care workforce.

Partners include: BEST Hospitality Training, Building Pathways, Brookview House, Community Labor United, Matahari Women Workers' Center, New England United for Justice, Policy Group on Tradeswomen's Issues, SEIU Local 509, and UAW Local 1596.

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