



Massachusetts' FY23 Budget: What It Means for Early Education and Care

In its Fiscal Year 2023 (FY23) Budget, the Massachusetts Legislature made a transformative investment in early education and care. Within the nearly \$60 billion budget, the Legislature allocated close to \$1.2 billion for early education and care and also set aside additional funds for future use. The FY23 Budget illustrates a growing state commitment to early education and care as a public good and economic driver.

THE MASSACHUSETTS FY23 BUDGET IS A LONG-OVERDUE PUBLIC INVESTMENT THAT WILL HELP MORE FAMILIES ACCESS AFFORDABLE, HIGH-QUALITY EARLY EDUCATION AND CARE. IT ALSO ENABLES NEIGHBORHOOD VILLAGES TO PROVIDE ENHANCED SUPPORTIVE PROGRAMMING TO FAMILIES, EARLY EDUCATORS, AND PROVIDERS.

In particular, Neighborhood Villages applauds the Massachusetts Legislature for appropriating:

- **More than \$12 million to the Department of Early Education and Care (EEC) for innovation and family navigation support [line item 3000-1000].** This funding will:
 - Direct at least \$5 million to EEC, to enhance their family outreach and navigation supports.
 - Support management of new state policies, programs, and initiatives, including undertaking a more systematic review of the subsidy system and reporting data on the number of children on waiting lists for state child care subsidies.
- **\$250 million for provider stabilization grants [line item 3000-1045].** This funding will:
 - Extend the Commonwealth Cares for Children (C3) Stabilization Grant program that provides direct-to-program funding to help cover operating costs. The C3 Stabilization Grant program will prioritize programs who serve higher percentages of state-subsidized children and/or [vulnerable communities](#).
- **\$60 million rate reserve for increased educator salaries [line item 3000-1042].** This funding will:
 - Provide \$20 million to increase the reimbursement rate by an appropriate percentage for all eligible providers.
 - Provide \$40 million to increase the reimbursement rate through a daily quality add-on rate by the same percentage for all eligible providers.

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- **\$3.5 million for Early Childhood Mental Health Consultation Services [line item 3000-6075].** This funding will:
 - Support continuation and expansion of programming to address mental health service needs in early education and care, with preference for programs serving high percentages of high-needs students.
- **\$10 million for Higher Education Opportunities [line item 3000-7066]** for early childhood educators. This funding will:
 - Support the Career Pathways program, which enables MA community colleges to offer tuition-free early education and care coursework.
 - Support the continuation of Neighborhood Villages' [Professional Pathways program](#), a free professional development resource operated statewide by Neighborhood Villages, in partnership with the MA Dept. of EEC.(1)
- **\$1 million for Neighborhood Villages [line item 3000-7055],** to support its provision of essential services to providers, educators, and families. Through its work, [Neighborhood Villages](#) demonstrates best practices for building infrastructure that enables the early education and care system to deliver both high-quality early education *and* integrated wraparound health and wellness programming that meets the full-scope needs of children and families.

Other significant FY23 Budget provisions for early education and care include:

- \$16.5 million for Head Start (line item 3000-5000)
- \$25 million reserve, including \$10 million for grants to early education and care providers for costs associated with personal childcare (line item 3000-1046)
- Policy establishing that provider reimbursement for children with state subsidies shall be based on enrollment, rather than attendance (line items 3000-4060 and 3000-3060)
- \$175 million (from the General Fund) to establish the High-Quality Early Education & Care Affordability Fund (Outside Section 180)

(1) An additional resource offered as part of Neighborhood Villages' workforce development portfolio is Business Training for early education and care administrators. Learn more [here](#).



FOR MORE INFORMATION CONTACT:

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