## **2022 GBCC Childcare bills SUPPORT.pdf** Uploaded by: Ashlie Bagwell



#### Testimony on behalf of the Greater Bethesda Chamber of Commerce

In Support of House Bill 933—Child Care Scholarship Program—Alterations (Maryland Child Care Working Families Act)

House Bill 993—Child Care Capital Support Revolving Loan Fund-Established House Bill 995—Early Childhood Development—Child Care Scholarship Program-Alterations House Bill 1100—Child Care Providers and Employees--Bonuses

#### March 4, 2022 House Ways and Means Committee

The Greater Bethesda Chamber of Commerce (GBCC) was founded in 1926. Since then, the organization has grown to more than 550 businesses located throughout the Greater Bethesda area and beyond. On behalf of these members, we appreciate the opportunity to provide written comments on Senate Bill 480—Child Care Stabilization Grant Program and Child Care Expansion Grant Program—Established.

The Greater Bethesda Chamber has identified the issue of child care access and affordability as an urgent economic imperative that needs to be addressed to help Maryland grow and prosper. We strongly believe there are economic costs to unreliable and unaffordable child care. As Maryland continues to reopen and more people go back to work, child care challenges present a growing threat to the State's economy. The rapid workplace changes brought about by the COVID-19 pandemic has had a tremendous impact and created significant new challenges in the attraction and retention of employees. Now more than ever, the availability of quality and affordable child care is an important determinate to the success of the local workforce.

We believe the bills you are hearing today, House Bill 933, House Bill 993, House Bill 995 and House Bill 1100, are a step in the right direction to helping current struggling child care providers (both center-based and family) and the children, families and caregivers they support. We must support this struggling industry as it is a crucial one for the success of Maryland's current and future workforce.

For these reasons, we strongly support House Bills 933, 993, 995 and 1100.

### **2022 JCRC HB 1100 – Child Care Providers and Emplo** Uploaded by: Ashlie Bagwell



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#### Testimony in SUPPORT of House Bill 1100 – Child Care Providers and Employees - Bonuses Ways and Means Committee March 4, 2022

The Jewish Community Relations Council of Greater Washington (JCRC) serves as the public affairs and community relations arm of the Jewish community. We represent over 100 Jewish organizations and synagogues throughout Maryland, Virginia, and the District of Columbia. The JCRC is strongly committed to cultivating a society based on freedom, justice, and pluralism. We work tirelessly throughout the entire Greater Washington area to advocate for our agencies that serve the most vulnerable residents, support our Jewish day schools, childcare centers and community centers, and campaign for important policy interests on behalf of not only the Jewish community, but for all Marylanders.

The JCRC strongly supports affordable and accessible childcare. This commitment is rooted in the Jewish mandate to champion the poor and the needy. It is also our sense of ethical responsibility to ensure that all parents and their children have the ability to maintain their economic well-being and dignity. The impact of the pandemic on our childcare system can not be underestimated. According to the Maryland Early Childhood Advisory Council, there are 855 fewer childcare providers in Maryland today than in March 2020.

To achieve higher quality childcare, the JCRC supports House Bill 1100, which creates a fund to attract workers to this job sector. HB 1100 establishes funding and the distribution of bonuses for childcare providers and employees. Specifically, the Bill requires that in FY2024, the Governor includes in the annual budget an appropriation of \$16,000,000 to the State Department of Education to carry out the Act. The Bill would create \$1000 retention bonuses and \$1000 bonuses for new hires.

Due to the pandemic, which shuttered hundreds of childcare facilities, the State now faces a severe shortage of childcare workers. Low wages continue to be one of the main recruitment challenges. To address these issues and help recruit and fund childcare workers, the JCRC asks the committee for a favorable report on HB 1100.

# HB1100-WM\_MACo\_SUP.pdf Uploaded by: Brianna January Position: FAV



#### **House Bill 1100**

Child Care Providers and Employees -- Bonuses

MACo Position: **SUPPORT**To: Ways and Means and Appropriations

Committees

Date: March 4, 2022 From: Brianna January

The Maryland Association of Counties (MACo) **SUPPORTS** HB 1100. This bill would support currently licensed child care providers in the state and would incentivize the establishment of new providers via hiring and retention bonuses. It comes at a time when the child care community and county resources are pushed to their brink.

The COVID-19 pandemic has illuminated the shortage of licensed child care providers to support the safe care of Maryland's kids and support the state's working families. The state does not currently have enough licensed providers to meet the needs of families balancing work, child care, and the ongoing pandemic. Many providers had to cease operation during the pandemic out of public health risk and financial instability associated with COVID-19. Those providers that remain in operation are struggling to stay afloat, and many are unable to secure adequate staff to provide reliable child care.

HB 1100 seeks to address these issues. The bill would provide existing child care staff with bonuses, as well as provide hiring bonuses for new staff. Particularly helpful is HB 1100's appropriation of \$2 million in state funding to provide existing child care providers with funds to offset the hiring bonuses of new hires.

While counties have creatively addressed the needs of reliable and safe child care, they welcome state resources to help stabilize the industry and expand services. Reliable and safe child care is critical for economic development, successful families and communities, and the development of children. For these reasons, MACo SUPPORTS HB 1100 and urges a FAVORABLE report.

### HB 1100\_MSCCA\_Favorable final.pdf Uploaded by: Christina Peusch



# Maryland State Child Care Association

2810 Carrollton Road Annapolis, Md. 21403 Phone: (410) 820-9196 Email: info@mscca.org www.mscca.org

The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5000 members working in the field of early childhood. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.

Testimony: HB 1100
Child Care Providers and Employees – Bonuses
Position: Favorable
Submitted to: Ways and Means Committee
March 4, 2022

Maryland State Child Care Association enthusiastically supports HB 1100. We thank the sponsors for their leadership and support of the child care industry and are grateful to the General Assembly for making child care a priority this session. This bill will provide retention bonuses to all current licensed and credentialed staff as well as staff entering the state credentialing system. HB 1100 includes funding for new hire bonuses available to all hired staff from one year of the date of enactment. Additionally, this legislation includes a \$500 new hire assistance fund payable to the child care provider/facility to cover the costs of advertising a position, licensure and certification costs, background check processing, or first month's salary.

The child care industry is facing critical workforce shortages and needs investments to recover and rebuild. Federal funds for stabilization and rescue efforts for the child care industry have been life saving for many, however, more support is needed. The majority of child care expenses are fixed and most child care businesses spend between 60-70% of revenue on staffing. They cannot operate any part of their business remotely, they cannot automate or change practices to adjust, and they must maintain adherence to strict teacher to child staffing ratios. As a top-three household expense already, raising tuition is a last resort and simply untenable for many providers.

Child care workers have long been underpaid and given fewer benefits like health insurance. On average, child care workers in the US are paid \$13.51 per hour, according to the EPI analysis. This data aligns with Maryland average salary of \$27,000 per year for a child care teacher. That's nearly half of what the average US worker makes, at \$27.31 an hour. This often means that child care workers can't afford to support themselves or their families, resulting in higher rates of job turnover, decreased quality of care, and a greater risk for towns and cities to become child care deserts.

The child care industry has not recovered from the pandemic and was tenuous prior to the pandemic. According to the Bureau of Labor and Statistics, about 11% fewer people are working in child care services now than in February 2020. In Maryland, MSDE reports that over 97% of licensed child care is open, however of the businesses open, 44% of businesses are under 50% enrolled. Additionally, numerous programs have demand for services, but cannot open space/classrooms due to the critical workforce shortages plaguing small business, especially the child care industry.

Providers and advocates say recruiting and retaining workers is now one of their biggest challenges. Many small businesses are struggling to compete with fast-food chains and big chain stores that are offering upwards of \$20 an hour. MSCCA conducted a workforce survey in October 2021 and the barriers and workforce issues included finding qualified staff, compensation, pandemic related issues, and lack of benefits.

MSCCA member, small business owner, Dr. Lisa Herbst owner of Wee Lad and Lassie and A Child's Garden located in Anne Arundel County shared this personal story:

"When I received the ARPA grant, I increased pay scale by 20% to fill 14 staff positions in two center locations. We had to because people could go to Kohls or McDonalds or Sam's Club for jobs. We are competing for the few people that are

willing and able to work. I don't know how long I will be able to sustain the salaries, however, ultimately, I want to be able to pay employees what they deserve. It is critical considering the requirements of the job. This is highly skilled work. It requires being aware of growth and development, it requires being aware of social and emotional development, cognitive development and physical development...it requires having a lot of physical energy and stamina."

The critical need is for more resources to better support parental needs for child care, to bolster and expand child care businesses, and to be able to improve the wages and benefits of child care professionals. HB 1100 provides an opportunity for additional support for businesses and deserved bonuses for the essential child care workforce.

MSCCA urges a favorable report.

### HB 1100\_MFN\_FAV\_Macsherry.pdf Uploaded by: Clinton Macsherry



# Additional Testimony from Child Care Providers Concerning HB 1100 "Child Care Providers and Employees - Bonuses" Submitted to the House Ways & Means and Appropriations Committees March 4, 2022

Position: SUPPORT

In addition to our organizational testimony in support of HB 1100, Maryland Family Network presents the public comments of child care providers from all over our state who strongly support this legislation. Many of them share their own experiences and describe how this bill would help attract and retain staff. We urge a favorable report for HB 1100.

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The struggles is that we can't compete with the public school system. The bonus will help us to at least have some form of leverage and options to offer hires.

#### Rhonda Darrell Watson

I am a Center owner/Director and I care very much about children, families and the profession. The pandemic has exacerbated many things related to childcare and we need to address fixing them. We are a skeleton crew and have lost a couple of staff and most of our subs. This is causing so much stress and many teachers are worried about taking a day off. We are exhausted and stressed which is not healthy for us or the children in care. Our children are so delayed in social/emotional and speech & language, truly raised by screens during the pandemic. It takes so much longer to help them learn routines or regulate bodies causing tantrums and trauma for teachers. If we could pay more and attract more staff to our program, it would improve our ability to meet the needs of the children where they are. This is a year that all staff should get a significant raise and have more staff to support them but the wages are too low to compete with other easier jobs that pay the same or more.

Flora Gee, Prince George's County

Bonuses would help me compete with Walmart's \$18 an hour. *Amy Heger, Salisbury* 

It is hard to get someone to work because child care providers can't afford to pay high salaries.

Josephine Chan, Gaithersburg

Child care providers do a lot of preparation for children before entering school but with little





pay. Since hiring quality staff is a must, I can't pay the amount they are willing to work for with their degrees etc.

Millis Gregory, Prince George's County

Childcare is essential to our state's infrastructure and economy. All families should have access to high quality childcare to be able to work, pursue higher education, and seek medical care. Making childcare more accessible for all families requires greater investment in our childcare workers. They have also been frontline workers during the pandemic, even when many schools were virtual. We as a state own them for their essential work.

When I was pregnant with my twins, my biggest stressor was finding quality, affordable childcare. We do not live near family and I was panicked about not being able to find childcare before I had to return to work. Paying childcare workers more and increasing opportunities for childcare scholarships would make a huge difference for Maryland families.

Jenna R. Silverman, Columbia

Extra money is an incentive to stay and feel valued and appreciated.

Delores Robinson, Fort Washington

### HB1100 - 03.04.22--Child care Providers and Employ

Uploaded by: Donald Fry

#### TESTIMONY PRESENTED TO THE HOUSE WAYS AND MEANS COMMITTEE

### HOUSE BILL 1100 – CHILD CARE PROVIDERS AND EMPLOYEES - BONUSES Sponsor: Delegates Queen and Solomon

March 4, 2022

### DONALD C. FRY PRESIDENT & CEO GREATER BALTIMORE COMMITTEE

**Position: Support** 

House Bill 1100 would require the Governor to appropriate \$16 million in the fiscal year 2024 budget to create retention and hiring bonuses for child care providers and employees as a way to encourage individuals to seek and maintain employment as a child care provider and for current child care providers who earn a credential through the Maryland Child Care Credential Program (MCCCP).

The Greater Baltimore Committee (GBC) COVID-19 Business Recovery Advisory Council, comprised of regional business executives, made a number of recommendations to assist businesses recover from the pandemic, with a particular focus on small and minority-owned businesses. Recognizing both the immediate problems, as well as a systemic shortage of quality licensed child-care options, the council called for state and local governments to address the immediate shortage and to create long-term solutions pertaining to child care through targeted policy or funding initiatives.

Without affordable and dependable child care options, Maryland's workforce is challenged to perform their employment responsibilities and duties to maximum capacity and capabilities resulting in loss of production in business operations. Adequate staffing is essential to dependable child care services.

The provisions in House Bill 1100 would encourage individuals to begin and sustain employment as a child care provider. The following bonuses are outlined in the bill:

- \$1,000 retention bonus would be awarded to:
  - o Each individual who, during fiscal year 2024, holds a credential through the MCCCP and
  - Each individual who earns a credential through MCCCP, if the individual does not qualify for a new hire bonus.
- A new hire bonus of \$500 would be awarded to:
  - Each individual who, during fiscal year 2024, begins employment as a child care provider and commits to staying for at least 6 months
  - An additional \$500 bonus if the individual earns a credential through the MCCCP during the fiscal year.
- \$500 hiring assistance bonus would be awarded to:
  - o An employer for each individual hired during fiscal year 2024 by a child care provider that participates in the Child Care Scholarship Program,
  - o The funds may be used for advertising, licensure or certification costs, or paying the first month of salary of the new employee.

This bill is consistent with one of the key tenets in *Gaining a Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth. The pillar provides:

Government leadership that unites with business as a partner. Maryland leaders must set a welcoming tone that communicates positive support for business, respect for the private sector as a partner, not an adversary, and reflects a strategic plan for business growth and job creation.

#### For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 995.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 67-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

### SEIU Local 500 - HB 1100 child care bonus bill- Su

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### Hearing Testimony March 4, 2022 House Ways and Means Committee Service Employees International Union, Local 500, CtW, CLC

#### **House Bill 1100: Child Care Providers and Employees- Bonuses**

#### **SUPPORT**

Dear Chairwoman Atterbeary, Vice Chair Washington, and members of the House Ways and Means Committee,

On behalf of the 20,000 working people in our region represented by SEIU Local 500, we offer our strong support for **House Bill 1100**. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Faculty at institutions of higher education, staff at non-profits, and many other working people across the region. SEIU Local 500 would like to thank Delegates Queen and Solomon for their steadfast leadership for the child care community and our members.

Child care providers and employees have been called "the workforce that takes care of the workforce". There is no doubting the value that they bring to families across Maryland, especially during the COVID-19 pandemic. However, while providing care to the children of our future, they have simultaneously experienced financial struggle. HB 1100 would provide Child Care Providers and their employees with a modest bonus of \$1,000 that would be a positive first step in recognizing their sacrifice during this unprecedented health crisis.

Prior to the COVID-19 pandemic, the Maryland State Department of Education reported that the total number of licensed child care providers had declined by 629 between fiscal years 2016 and 2018. The Economic Policy Institute found that during this time, child care providers made less than \$14/hour on average and tended not to have benefits.

The COVID-19 pandemic accelerated this loss of providers, and between fiscal years 2020 and 2021, there were 751 fewer open licensed providers according to net total changes. The MSDE also reported that there were 609 fewer registered child care centers in 2021 than in 2020. In November 2021, 44% of programs that had reopened (97% of registered providers) were operating under 50% capacity of kids they served prior to the pandemic, according to the Maryland State Childcare Association. This industry has experienced workforce shortages due to the difficulty of finding qualified staff and competition with higher-paying jobs with benefits offered by Sam's Club, fast food restaurants, and many others. Providers and employees have not had access to a stable income due to Child Care Scholarship payment delays or non-payments and a 20% drop in enrollment between January 2020 and 2021. This financial difficulty is met with increases in the cost of food and operational expenses due to inflation, leading providers to dip into their own pockets to stay afloat.

HB 1100 promises relief for child care providers and employees, allowing providers to attract credentialed employees and counter the workforce shortage, while also promoting access to care for families using the



Child Care Scholarship program, simultaneously supporting parents in the workforce. This legislation would follow suit with the D.C. Council's recent effort to gradually increase the salaries of early childhood educators, starting with a one-time payment of \$1,000 per worker to retain quality providers and reward them for their commitment to providing quality child care during an unprecedented time. For these reasons, SEIU Local 500 supports this legislation.

# **Testimony Support HB 1100.pdf**Uploaded by: Flora Gee Position: FAV



Flora Gee, Director 7600 Hanover Parkway. Suite 100 Greenbelt, Maryland 20770 (301) 345-8830 www.greenbeltchildrenscenter.com Email: flora@greenbeltchildrenscenter.com

March 2, 2022

Testimony Concerning Support for: HB 1100 – Child Care Providers and Employees – Bonuses

We urge your support for legislation to help ensure a thriving child care system in Maryland.

Child care providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Child care providers are in crisis, and so are families, and Prince George's County is no exception. We were ordered closed by the Governor and reopened before vaccines were available, risking our heath. We knew our community needed us. However, enrollment was very low during the past two years because parents were hesitant to return children to group care. Parents are now trying to enroll and there is a staffing crisis that could result in closing classrooms or keeping families on waitlists. Additionally we had multiple closures due to Covid outbreaks and quarantines. Some parents left because they did not want to pay when they were not receiving service yet we still needed to pay or staff and have revenue for all the other operating expenses.

Greenbelt Children's Center has been licensed since 1990 and accredited by the National Association for the Education of Young Children since 1999. We have operated a public Prekindergarten classroom for 22 years, in partnership with our local school system. We have achieved and maintained the highest level, Level 5, in the Maryland EXCELS Quality Rating and Improvement System from inception. Our program has always accepted economically disadvantaged families who are eligible for the State Child Care Subsidy/Scholarship program. Currently 20% of our capacity of 60 children, have vouchers that allows access for their children to high quality preschool. When we reopened, we were not able to have all staff return. Almost everyone working here has a compromised health condition. Most returned anyway but some have never returned because they are in ongoing treatments and their immune system puts them at very high risk. We are exhausted from all the extra duties required of us during the pandemic, but we have few resources for substitutes so that our teachers can have respite and take a day off. Burnout is threatening the ones who are present and I am in fear of losing highly qualified teachers because there are none standing in line to apply.

In Prince George's County, area child care providers like me are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined. The stabilization funds offered in 2021 were an important step. There is more to be done.

We need help rebuilding our businesses and keeping our quality, relationship-based practices strong, so we can be there for working parents and for young children. The quality of child care, and the experience of the birth-to-five years, are crucial to school readiness and supporting working families.





#### Here are things that could help us:

- Access to hiring bonuses for new staff and paying for the cost required to pay for Employment Physicals, Criminal Background Checks, and the many required "pre-service" training that all has to be paid before a new staff ever receives their first paycheck!
- Retention Bonuses to keep those working in the field an incentive to stay, because they can find
  many better paying, less physically demanding and emotionally intense jobs that are open in the
  community.

Please help us to stay open and be here for our community that needs us very much! We must continue to take steps to stabilize the child care sector and the well-being of people who work in child care, and we must also rebuild child care better than before.

Thank you for your leadership for our community. Together we can help child care programs to stay open successfully and offer more choices for families when we make sure that all the pieces and parts of policy ideas come together.

Sincerely, Flora L Gee, M.Ed. Director





## MD Catholic Conference\_FAV\_HB 1100.pdf Uploaded by: Garrett O'Day



#### ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

#### March 4, 2022

#### HB 1100 Child Care Providers and Employees - Bonuses

### **House Appropriations Committee House Ways & Means Committee**

#### **SUPPORT**

The Maryland Catholic Conference offers this testimony in SUPPORT of House Bill 1100. The Conference represents the public policy interests of the three (arch)dioceses serving Maryland, the Archdioceses of Baltimore and Washington and the Diocese of Wilmington, which together encompass over one million Marylanders.

House Bill 1100 would establish fund to provide retention bonuses for credentialed child care provider employees. The bill also establishes a fund to provide for new hire bonuses. The bonus funds shall be administered through the Maryland State Department of Education, with the Department also establishing award procedures.

Maryland's child care providers, one of the most essential service providers for Maryland families, have also one of the most beleaguered sectors during the ongoing coronavirus pandemic. These grants would provide much needed support to this essential sector of Marylander's economy by enabling the retention of a certificated workforce. Hundreds of providers have been forced to close their doors in Maryland since early 2020, leading to less options for child care access for working families. A significant part of their struggle has been the retention and hiring of qualified child care employees.

Child Care is an essential component to supporting strong, economically secure families. Additionally, the Church supports this bill as a part of its priority interest in alleviating poverty in our state, as enabling working parents' continued access to child care services is an imperative part of combating poverty. Often, a barrier to sustainable and full-time employment is the availability and affordability of reliable child care services. The State should thus do all it can to support access to child care services for working parents.

The Conference appreciates your consideration, for these reasons, respectfully requests a favorable report on House Bill 1100.

# **PGCRC-HB1100.pdf**Uploaded by: Jennifer Iverson Position: FAV

#### Testimony Concerning Support for: HB 1100: Child Care Providers and Employees – Bonuses

Submitted to the House Committee on Ways and Means Jennifer Iverson, Executive Director Prince George's Child Resource Center, Inc. 9475 Lottsford Road, Suite 202, Largo, MD 20774 (301) 772-8420, ext. 1005 jiverson@pgcrc.org

We urge your support for legislation that will benefit working families, and the struggling child care providers that serve them.

Prince George's Child Resource Center envisions vibrant, healthy communities where individuals and families care, support, and advocate for each other and invest in creating opportunities for children to develop strong, successful life paths. The Resource Center has been working tirelessly since 1990 to support both child care providers in their efforts to strive for quality in their child care programs, and parents as they seek child care where their children can thrive.

Over the years, and with even greater intensity in the last two years, we have seen the evidence mount: access to child care is crucial, the child care workforce is crucial, and the quality of child care matters. We also know that quality does not just happen. Quality takes effort, commitment, and investment. We support and thank the community of providers who demonstrate this commitment. We thank them for the important work they do every day.

Bonuses to recruit and maintain a qualified workforce is an excellent strategy to address compensation. Maryland's celebrated high standards have forced a business model for child care that requires public investment such as this. According to Prince George's County's Child Care Demographics 2022, published my Maryland Family Network, many child care providers in Prince George's County are not making a living wage:

#### **Annual Wage Rate Information**

Public School Teacher Salary (Prince George's County) <sup>1</sup>	\$66,481
Public School Teacher Salary Average (MD) <sup>1</sup>	\$63,849
Nonpublic School Teacher Average (Maryland)	\$60,500
Family Child Care Provider (Maryland)	\$41,177
Child Care Center Director (Maryland)	\$40,539
Center Senior Staff/Teacher (Maryland)	\$25,537
Center Aide (Maryland)	\$17,889

Yet families cannot afford to pay more. The chart below, also from Maryland Family Network's Child Care Demographics 2022, represents sample expenses for a family of four, with an infant and a three year old, making the median Prince George's County income of \$89,994.

Expense		Cost	% of Income
Child Care Infant¹ Preschooler²	\$12,587 \$11,987	\$24,574	27.46%
Food <sup>3</sup>		\$11,396	12.73%
Housing⁴		\$26,436	29.54%
Taxes <sup>5</sup>		\$17,614	19.68%
Total		\$80,020	89.41%

The answer must be public investment so that the child care workforce has reason to work in this rewarding field, and so that families are not asked to pay any more.

Thank you for your leadership for our community. Together we can help child care programs have a strong, qualified workforce. This can happen when we make sure that all the pieces and parts of policy ideas come together. Again, I urge your support for HB 1100.

Jennya Truson

### WDC Testimony HB1100-2022\_FINAL.pdf Uploaded by: JoAnne Koravos

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

### House Bill 1100 - Childcare Providers and Employee Bonuses Ways and Means – March 4, 2022 SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2022 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

WDC urges passage of HB1100 - Childcare Providers and Employee Bonuses. This bill will establish a fund to award bonuses to employees of child care providers that participate in the Maryland's Child Care Scholarship Program (CSS). The CSS provides financial assistance with child care costs to eligible working families in Maryland. This bill requires the Governor's Fiscal Year 2024 budget to include \$16,000,000 for this bonus fund that will be administered by the State Department of Education on a first-come basis, \$10,000,000 of which shall be used to award a \$1,000 retention bonus to each employee who holds or earns a credential through the Maryland Child Care Credential Program during fiscal year 2024. The fund will allocation \$4,000,000 to be used to award a \$500 new hire bonus to each individual who begins employment during fiscal year 2024 as a child care provider or with a child care provider, and to award a \$500 additional bonus to each new hire who also earns a credential through the Maryland Child Care Credential Program, provided the individual commits to remaining employed for at least 6 months. The fund will allocate \$2,000,000 to be used to award a \$500 hiring assistance bonus for each individual hired during fiscal year 2024 by a child care provider that participates in the CSS.

The childcare industry is in crisis. There has been a drop of 36 percent in the childcare workforce since the start of the pandemic. Childcare work is some of the lowest paid work in the country. A national survey found that low wages were the main recruitment challenge for the child care industry. This bill will encourage greater recruitment and retention of trained childcare workers. The availability of affordable, predictable, quality childcare is a significant factor in a woman's ability to remain in the workforce and provide for her family - especially for low-and moderate-income families.

We ask for your support for HB1100 and strongly urge a favorable Committee report. To maintain our competitive edge as a State, we need to keep women in our workforce.

Respectfully,

Leslie Milano President

## **3-4-2022 - HB 1100 - Child Care Providers and Empl** Uploaded by: Justin Hayes



#### TESTIMONY OF COMPTROLLER PETER FRANCHOT

Support - House Bill 1100 - Child Care Providers and Employees - Bonuses

Ways and Means Committee

March 4, 2022

Chair Atterbeary, Vice Chair Washington and members of the Committee, it is my pleasure to provide testimony in <u>support</u> of **House Bill 1100 - Child Care Providers** and Employees – Bonuses. I would like to thank Delegates Queen and Solomon for sponsoring this important legislation, and the Committee for providing the opportunity for my testimony to be heard.

Child care is an essential service that many families rely on each week. Throughout the COVID-19 pandemic, child care providers have been unsung heroes, allowing caregivers to continue working and the economy to endure. For some time, providers have struggled to meet the demand for their services due to increasing expenses and worker shortages. House Bill 1100 would provide a significant investment in the industry by creating a \$16M fund to provide \$1,000 bonuses to existing credentialed child care workers, and a \$500 bonus for certain new hires. The COVID-19 pandemic exacerbated existing staffing shortages within this industry, and many parents and providers are still struggling to get back to work. For the sake of our economy and specifically that of our working parents, Maryland needs to create direct incentives to ensure these employers are able to hire and retain top talent.

House Bill 1100 ensures child care providers have the resources they need to continue their invaluable contribution to Maryland's economy. For the reasons stated above, and the future of our children, I respectfully request a **favorable report** for House Bill 1100. Thank you for your time and consideration.

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### **HB 1100\_MFN\_FAV\_Weeldreyer.pdf**Uploaded by: Laura Weeldreyer



# Testimony Concerning HB 1100 "Child Care Providers and Employees - Bonuses" Submitted to the House Ways & Means and Appropriations Committees March 4, 2022

Position: Support

Maryland Family Network (MFN) strongly supports HB 1100, which would provide hiring and retention bonuses for child care workers as well as grants to child care employers to help offset the costs associated with the hiring process. These public dollars, time-limited though they are, will provide desperately needed support for a struggling child care sector that is inarguably essential to the public good.

MFN has worked since 1945 to improve the availability and quality of child care and early childhood education as well as other supports for children and families in Maryland. We have been active in state and federal debates on child care policy and are strongly committed to ensuring that children, along with their parents, have access to high-quality, affordable programs and educational opportunities.

Child care providers have been called "the workforce behind the workforce." Their mostly small businesses—which play a preeminent role in enabling parents to earn and children to learn—are struggling for their survival. Some have already closed permanently. Others remain open but face the double-barreled crisis of not only drastically reduced enrollment, but higher expenses associated with health protocols, intensive sanitation, and—crucially—staffing shortages. Maryland providers may have managed to keep their doors open thus far, but for too many, their current level of operation is unsustainable.

The slow-motion collapse of child care will pose enormous barriers to resurrecting the economy and getting citizens back to work. Several states have launched efforts to sustain child care providers during this period. We commend Maryland's similar efforts up to this point. But they have been insufficient to meet the ongoing challenge we face.

The quality and sustainability of a child care program is directly and overwhelmingly determined by its staff. As Maryland's economy attempts to rebound from the worst effects of the pandemic, child care programs need to compete successfully in attracting and retaining qualified employees. The incentives created by this legislation will be essential to this effort. For these reasons, MFN urges your favorable consideration of HB 1100.





## testimony-child-care-bill-package-March-2022 .pdf Uploaded by: Laurice Brame

#### **Testimony Concerning Support for:**

HB 933 Child Care Scholarship Program – Alterations (Maryland Child Care Working Families Act)
HB 993 Child Care Capital Support Revolving Loan Fund – Established
HB 995 Early Childhood Development – Child Care Scholarship Program – Alterations
HB 1100 – Child Care Providers and Employees – Bonuses

**Submitted to the House Committee on Ways and Means** 

#### **Laurice Brame**

Antioch Child Care Center 13205 Old Marlboro Pike Upper Marlboro, MD 20772 lbrame@antiochccc.com

We urge your support for legislation to help ensure a thriving childcare system in Maryland.

Childcare providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Childcare providers are in crisis, and so are families, and Prince George's County is no exception. I am no exception. In the last two years, we have experienced (low enrollment and families that can't afford to pay the tuition because their hours on their job have been decrease.)

#### Insert some things about you/your program, for instance:

- We are a licensed childcare center
- We are currently active in Maryland Excels
- We accept scholarship/subsidy families who pay with scholarship/subsidy
- Your licensed capacity is 77 and we have 56 enrolled now. We have a lot of part time parents.
- Our staff has been cut in half. We lost our second location due to the pandemic.

In Prince George's County, area childcare providers like me are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined. The stabilization funds offered in 2021 were an important step. There is more to be done.

We need help rebuilding our businesses and keeping our quality, relationship-based practices strong, so we can be there for working parents and for young children. The quality of child care, and the experience of the birth-to-five years, are crucial to school readiness and supporting working families.

#### Insert your own ideas about what a difference it would make to have...

- Access to hiring bonuses for new staff would have with the on-boarding process and give the newly hire individual an opportunity to get started without a lot of out-of-pocket cost which they might not have.
- Access to a revolving loan fund to make changes to your program's physical spaces, with 5 years to repay would benefit our program in ways that would impact the children growth and safety.
- Families with access to presumptive eligibility for childcare scholarship can enroll their children without fear of having to lose a new job while waiting on approval. This bill will also help

- childcare programs by receiving payment for providing care during the approval time of the voucher even if the parent doesn't get approved.
- Payment from MSDE 10 days after you invoice them is a necessity to budget and plan.
- Families relieved from the burden of compliance with child support should have in some cases, but not all. Only when they are experiences challenges that will prevent them from starting a new job.
- Families relieved from co pays when they experience challenges, with payment from MSDE instead is a very good idea. I believe this is a great idea. Parent may really be in a financial hardship.
- Stronger family eligibility policies and practices so that more families have choices and access to the childcare programs that meet their needs. I agree totally.

We must continue to take steps to stabilize the childcare sector and the well-being of people who work in childcare, and we must also rebuild child care better than before.

Thank you for your leadership for our community. Together we can help childcare programs to stay open successfully and offer more choices for families when we make sure that all the pieces and parts of policy ideas come together.

### HB1100\_MoCo\_Frey\_SUPPORT.pdf Uploaded by: Leslie Frey

ROCKVILLE: 240-777-6550 ANNAPOLIS: 240-777-8270

HB 1100 DATE: March 4, 2022

**SPONSOR: Delegates Queen and Solomon** 

**ASSIGNED TO: Ways & Means and Appropriations** 

CONTACT PERSON: Leslie Frey (leslie.frey@montgomerycountymd.gov)

**POSITION: SUPPORT** 

#### Child Care Providers and Employees – Bonuses

House Bill 1100 mandates a \$16M appropriation to the Maryland State Department of Education (MSDE) in the Fiscal Year 2024 budget to be used for child care provider and employee bonuses. Under the bill, MSDE would use \$10M of the appropriation to award a \$1,000 retention bonus to each individual who, in FY24, holds a credential through the Maryland Child Care Credential Program and for each individual who earns such a credential in FY24 who does not also qualify for new hire bonus under the bill. The bill directs MSDE to use \$4M of the appropriation to award a \$500 new hire bonus to each individual who, during FY24, begins employment in the State as a child care provider, or with a child care provider, and commits to remaining employed as a provider or by a provider for at least six months, and an additional new hire bonus to each individual who receives the aforementioned new hire bonus and who earns a credential through the Maryland Child Care Credential Program. As drafted, the bill also directs MSDE to use \$2M of the appropriation to award a \$500 hiring assistance bonus to each individual hired during FY24 by a child care provider that participates in the Child Care Scholarship Program. The bills require proof of eligibility to be provided to MSDE for each of the bonuses.

If enacted, House Bill 1100 would aid child care workers and providers at a critical time when recovery from the economic impacts of COVID-19 has not fully been realized for many providers who are still struggling to keep their doors open. When surveyed by the County in the fall of 2021, nearly one third of providers who responded said that they were unlikely to be able to continue operating in 6 months if conditions remained the same as they were at the time. The bonuses available under House Bill 1100 would directly assist providers with attracting and retaining staff and easing the overall burden of the costs of remaining open.

Since the onset of the pandemic, Montgomery County has allocated over \$21M to supporting child care programs in an effort to maintain an adequate supply of child care providers while parents balanced work, virtual learning for school-aged children, and other uncertainties during the pandemic. Despite these efforts, child care workers and providers across the state remain in need of the financial support offered by House Bill 1100; Montgomery County respectfully urges the committees to issue a favorable report.

### Meena Gaafar testimony-child-care-bill-package-Mar Uploaded by: Meena Gaafar

Position: FAV

#### **Testimony Concerning Support for:**

HB 933 Child Care Scholarship Program – Alterations (Maryland Child Care Working Families Act)
HB 993 Child Care Capital Support Revolving Loan Fund – Established
HB 995 Early Childhood Development – Child Care Scholarship Program – Alterations
HB 1100 – Child Care Providers and Employees – Bonuses

Submitted to the House Committee on Ways and Means Labor, Meena Gaafar Meena Gaafar Family Child Care 6619 Magnolia Terrace, Lanham, MD 20706 301-552-2377 Sparklinkids6619@yahoo.com

We urge your support for legislation to help ensure a thriving child care system in Maryland.

Child care providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Child care providers are in crisis, and so are families, and Prince George's County is no exception. I am no exception. In the last two years, we have experienced drop in enrollment, which means drop in income, increase cost of PPEs, food, and all other cost of operating our business.

Insert some things about you/your program, for instance:

- I am a licensed child care provider for the last thirty years
- I am on MDEXCELS
- I accept children on scholarship
- My licensed capacity is 8. I currently have 4 full-time and 4 part-time children
- I cannot hire staff because I have fluctuating enrollment

In Prince George's County, area child care providers like me are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined. The stabilization funds offered in 2021 were an important step. There is more to be done.

We need help rebuilding our businesses and keeping our quality, relationship-based practices strong, so we can be there for working parents and for young children. The quality of child care, and the experience of the birth-to-five years, are crucial to school readiness and supporting working families.

Support from HB933, HB993, HB995 and HB1100 will help with:

- Access to hiring bonuses for new staff (that's HB 1100)
- Access to a revolving loan fund to make changes to my program's physical spaces, with 5 years to repay (that's HB 993)
- Families with access to presumptive eligibility for child care scholarship (that's HB 995)
- Payment from MSDE 10 days after you invoice them (that's HB 995)
- Families relieved from the burden of compliance with child support enforcement (that's HB 995)
- Families relieved from co pays when they experience challenges, with payment from MSDE instead (that's HB 995)

• Stronger family eligibility policies and practices so that more families have choices and access to the child care programs that meet their needs (that's HB 933)

We must continue to take steps to stabilize the child care sector and the well-being of people who work in child care, and we must also rebuild child care better than before.

Thank you for your leadership for our community. Together we can help child care programs to stay open successfully and offer more choices for families, when we make sure that all the pieces and parts of policy ideas come together.

**HB 1100.pdf**Uploaded by: Rebecca Hancock
Position: FAV



# Testimony Concerning HB 1100 - Child Care Providers and Employees - Bonuses Submitted to House Ways and Means March 4, 2022

**Position: Support** 

The Maryland State Family Child Care Association (MSFCCA) is a non-profit organization advocating on behalf of 4,440 registered family child care providers plus an additional 145 registered large family child care homes. According to the Maryland State Department of Education (MSDE), in 2019, there were 6057 family child care programs open and operating in the state of Maryland. As of January 2022, that number decreased to 4,440, a loss of 1,617 programs. This translates to a loss of 12,936 child care slots for Maryland working families. This decline in registered family child care programs compounds the already existing problem for families that are looking for quality child care, especially those with infants and toddlers. These closed programs can be attributed to many things, such as long hours and low wages that are not compensatory. In addition to these, are excessive regulations and the fear and increased responsibilities due to the Pandemic.

People entering the workforce do not see child care (family child care specifically) as profitable or as a long term career. Before the COVID-19 Pandemic there was already a crisis in this important career field, attracting and retaining qualified people. The hours are long and wages low, only exacerbated by the Pandemic crisis. We are thankful that HB 1100 would provide incentives for a two-year period to assist in the hiring and retention of

qualified candidates in the child care field. MSFCCA would like to see a permanent policy in place to maintain long-term workforce development.

Children are Maryland's future and MSFCCA believes that HB 1100 would go a long way towards creating a stronger workforce in the child care field for the next two years, so we respectfully ask for your support and favorable vote on HB 1100. For comments or questions please contact Rebecca Hancock, MSFCCA Vice President of Public Policy at (301) 934-4445 or kaysplayhousechildcare@gmail.com.

# Oral Testimony for HB 1100.pdf Uploaded by: Rebecca Hancock Position: FAV



#### **Maryland State Family Child Care Association**

HB 1100 Early Child Care

Providers and Employees - Bonuses

Submitted to House Ways and Means

March 4, 2022

**Position: SUPPORT** 

Good Afternoon, my name is Rebecca Hancock, I am the Vice-President of Public Policy for the Maryland State Family Child Care Association (MSFCCA). We represent approximately 4,440 family child care and 145 providers of large family child care homes in the state of Maryland. I would like to thank Delegate Atterbeary and the Committee for the opportunity to speak in support of HB 1100.

There has been a dramatic decline in family child care programs across Maryland. As of January 2022, there has been a loss of 12,936 child care slots. Unfortunately, people entering the workforce do not see child care (family child care specifically) as profitable or as a long-term career goal. Before the COVID-19 Pandemic there was already a significant crisis in attracting and retaining qualified people in the child care industry. The hours are long and the wages low, and this is only exacerbated by the Pandemic. We are thankful that HB 1100 would provide incentive bonuses for a two-year period to assist in the hiring and retention of qualified candidates in the child care career field. We would like to see a permanent policy in place to help maintain long-term workforce development. Children are Maryland's future and we believe that HB 1100 would go a long way towards creating a stronger workforce in the child care field for the next two years. We respectfully ask for a favorable vote on HB 1100.

## **HB1100Testimony.pdf**Uploaded by: Ruth Carolina Reyes Position: FAV



March 2, 2022

**Testimony Concerning Support for:** 

HB 1100 - Child Care Providers and Employees - Bonuses

**Submitted to the House Committee on Ways and Means** 

**Ruth Carolina Reyes** 

Arco Iris Bilingual Children's Center

14502 Greenview Drive, suite102

301-483-8800 Center

301-538-1978 Cellular

arcoirisbcc@gmail.com

We urge your support for legislation to help ensure a thriving child care system in Maryland.

As a Director and owner of Arco Iris Bilingual Children's Center, I support HB1100. The childcare community is more than thankful to know that the Senators and delegates from our dear Maryalnd have put so much interest in our advocacy efforts and testimonies from the everyday struggles we encounter particularly during this Pandemic. Since the pandemic started, I have faced a period like no other. I have fought through what feels like endless struggles as I try to remain viable. To comply with mandates from our governor, I shut down my center on March 13, 2020. For five months we remained closed as

numbers spiked. By the time I was able to reopen in August of 2020, I had lost 60% of my teachers and our enrollment was down by 75%. This past year 2021, I had to relocate my business and start again.

I attempted to recruit staff to be part of my program, but most of it was in vain. Staffing shortages were a big problem for many child care centers, including my own, before the pandemic, but the pandemic only worsened and deepened this problem.

HB1100 will provide a great opportunity to help us cover hiring expenses and hiring bonuses to attract people to our field.

Many of us, mostly women, devote many hours of our lives to care for and prepare children to enter kindergarten ready to thrive. Unfortunately, this beautiful career is not respected as it should be. Our society divides early childhood education in two. It seems that the "real" education starts in Kindergarten, but the truth is that we can start as early as birth.

As a childcare director and a passionate advocate for my field I believe strongly in the concept of purpose and partnership. Public school system, private childcare centers, family childcare providers, families, and government must unify to make early childhood education a priority for America's children.

That is why, I am in favor of this Bill which brings much economic recognition to our teachers in this amazing field.

Sincerely,

R. Carolina Reyes

### **PGCRC-sample-testimony-child-care-bill-package-Mar** Uploaded by: Samantha Nelson

Position: FAV

#### **Testimony Concerning Support for:**

HB 933 Child Care Scholarship Program – Alterations (Maryland Child Care Working Families Act)
HB 993 Child Care Capital Support Revolving Loan Fund – Established
HB 995 Early Childhood Development – Child Care Scholarship Program – Alterations
HB 1100 – Child Care Providers and Employees – Bonuses

**Submitted to the House Committee on Ways and Means** 

Samantha Nelson
Samantha's Family Child Care
7408 Walker Mill Road
Capitol Heights, MD 20743
301.333.0622
Samantha FCC@yahoo.com

We urge your support for legislation to help ensure a thriving child care system in Maryland.

Child care providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Child care providers are in crisis, and so are families, and Prince George's County is no exception. I am no exception. In the last two years, I have experienced families having no child care, due to the delay in recertification. A few families had to complete the application out serval times, due to the application being over 30 days, and the parent was unable to get a response back re: the status of their application.

I am a registered provider in P.G. County for over 13 years. I participate in the Maryland Excels on level 3 and is working on my Accreditation to further my Maryland Excels level. Once upon a time, I had 90 percent or greater, were scholarships families. Currently, I'm down to three families. I am licensed for eight children, and I'm currently down to 4 children and one will be leaving in in a few weeks due to their age.

In Prince George's County, area child care providers like me are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined. The stabilization funds offered in 2021 were an important step. There is more to be done.

We need help rebuilding our businesses and keeping our quality, relationship-based practices strong, so we can be there for working parents and for young children. The quality of child care, and the experience of the birth-to-five years, are crucial to school readiness and supporting working families.

It would be greatly apricated if we/child care providers could receive bonuses for ourselves and our substitutes.

We must continue to take steps to stabilize the child care sector and the well-being of people who work in child care, and we must also rebuild child care better than before.

Thank you for your leadership for our community. Together we can help child care programs to stay open successfully and offer more choices for families, when we make sure that all the pieces and parts of policy ideas come together.

# HB 1100\_MDAEYC\_fav.pdf Uploaded by: Stephanie Schaefer Position: FAV



Maryland Association for the Education of Young Children

# Testimony in Support of HB 1100 "Child Care Providers and Employees - Bonuses" Submitted to the House Ways and Means and Appropriations Committees March 4, 2022

#### Support

The Maryland Association for the Education of Young Children (MDAEYC) supports HB 1100, which would provide bonuses for child care workers and grants to help child care employers cover the costs they incur during the hiring process.

MDAEYC is a professional association of 1,900 early childhood educators, allied professionals, and families. We value educational equity, and strive to ensure all children from birth to age 8 have access to high quality early childhood education.

Child care providers generally do not earn an equitable compensation relative to the skills and training required for them to perform their jobs. This already poorly compensated workforce has suffered tremendously during the COVID pandemic, which led to program closures and child care providers leaving their jobs for less risky, similarly low-paying work. As a result, child care programs across our State are experiencing staff shortages, and many cannot even open all their classrooms due to lack of staff.

HB 1100 would provide modest hiring and retention bonuses for child care workers, a valuable initial step to help remedy the staffing crisis that child care is facing. We urge your support of this legislation.

If you have any questions, please contact: Stephanie Schaefer, Program Coordinator, at stephanie.schaefer@mdaeyc.org or 240-441-3280.

### **HB 1100 - SWA - Child Care Providers and Employees** Uploaded by: Ary Amerikaner

Position: FWA



#### **Mohammed Choudhury**

State Superintendent of Schools

**BILL:** House Bill 1100 **DATE:** March 4, 2022

SUBJECT: Child Care Providers and COMMITTEE: Ways and Means and

Employees – Bonuses Appropriations

**POSITION:** Support with Amendments

**CONTACT:** Ary Amerikaner

410-767-0090

ary.amerikaner@maryland.gov

The Maryland State Department of Education (MSDE) supports with amendments **House Bill (HB) 1100** – **Child Care Providers and Employees** – **Bonuses**, which would establish funding for retention and new hire bonuses, as well as bonuses for participation in the Child Care Scholarship and Maryland Child Care Credentialing Programs.

The financial support in this legislation will assist child care educators, administrators, and providers through the challenging times presented by the continuing pandemic.

While Maryland is ahead of many states in providing workforce compensation support through the Maryland Child Care Credentialing Program, bonuses through higher quality levels of Maryland EXCELS, and salary parity through the Prekindergarten Expansion Grants Program, hiring and retaining staff remains difficult for child care programs.

Other states have implemented programs that have proven successful at providing financial incentives for child care staff while reducing turnover. Beginning in 2019, Virginia launched the Teacher Recognition Program which initially provided \$1,500 in financial support to child care teachers provided that they worked 30 hours a week with children and they remained at their child care site for an 8-month period of time<sup>1</sup>. This resulted in turnover rates among child care teachers being cut in half through the first year of implementation<sup>2</sup>.

Since then, Virginia has expanded and grown the incentive to reach up to \$2,000 provided that the teachers meet the requirements of the program. More than two in five child care teachers indicated that this incentive encouraged them to remain in their position for a longer period of time.

 $\frac{1}{2} https://vecf.org/wp-content/uploads/2021/12/a95a62df-b56a-48a3-82fc-69923556cd6a.pdf$ 

<sup>2</sup> 

House Bill 1100 - Child Care Providers and Employees – Bonuses House Ways and Means and Appropriations Committees March 4, 2022

The Maryland Family Network reports that the turnover rate in 2020 of child care staff in child care centers in Maryland exceeded 20 percent<sup>3</sup>. However, it is likely that figure is even higher. Maryland also continues to see a steady decline in the number of family child care providers. A program that provides a long-term, systemic financial incentive for child care teachers would aid in reducing turnover amongst child care staff.

The quality of a child care program and the experiences of children are directly related to the quality and stability of its staff. High turnover rates mean it is extremely hard to maintain continuity, which is important in the development of young children. Children from low-income families, children with disabilities, and multilingual children are especially vulnerable when there is continued staffing disruptions and turnover in programs. HB 1100 will provide additional financial support to address recruitment and retention challenges faced by today's child care system, and for those reasons MSDE supports the proposal.

It is critical, however, that the committee and General Assembly go further than providing these one time bonuses and confront the many structural challenges that have faced child care providers long before the COVID-19 pandemic.

To that end, MSDE strongly suggests that the committee consider additional language establishing a grant program that would:

- 1. Launch one or more Shared Services Alliances, and
- 2. Encourage and incentivize child care providers to participate in them in order to receive bonuses through this program.

Shared Services Alliances would bolster the fiscal operations and capacity of providers across the State. For more background on Shared Services Alliances, the U.S. Chamber of Commerce Foundation has a list of case studies and practical applications <sup>4</sup>.

Further, in order to build on important lessons learned about what works in the Virginia program, the MSDe suggests:

- 3. The inclusion of language that the recipient of funds work at least 30 hours a week with children;
- 4. Making this a long term program instead of a one time payment; and
- 5. Increasing the bonus amount and making payments in two parts (one in January and one in May).

Finally, for clarity, the MSDE suggests:

6. A clarifying amendment to the language in subsection (d); in (d)1 the funds are provided to an <u>individual</u> but (d)2 says those funds can be used by a <u>provider</u> for various employment purposes.

We respectfully request that you consider this information as you deliberate House Bill 1100. Please contact Ary Amerikaner, at 410-767-0090, or ary.amerikaner@maryland.gov, for any additional information.

<sup>&</sup>lt;sup>3</sup> https://www.marylandfamilynetwork.org/sites/default/files/2020-07/Trends%202020%20FINAL%20%281%29.pdf

<sup>&</sup>lt;sup>4</sup> https://www.uschamberfoundation.org/case-study-shared-services-alliances

### **HB 1100 Child Care Providers and Employees-Bonuses** Uploaded by: Barbara Wilkins

Position: INFO



LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor DAVID R. BRINKLEY Secretary

MARC L. NICOLE Deputy Secretary

#### **HOUSE BILL 1100 Child Care Providers and Employees – Bonuses (Queen)**

STATEMENT OF INFORMATION

**DATE:** March 4, 2022

**COMMITTEE:** House Ways & Means and House Appropriations

**SUMMARY OF BILL:** HB 1100 mandates an appropriation in the amount of \$16 million in FY 2024 to the Department of Education for the provision of hiring and retention bonuses for child care providers and employees as follows: \$10 million to provide a \$1,000 retention bonus to credentialed individuals (providers or employees) who participate in the Child Care Scholarship Program; \$4 million for a \$500 new hire bonus to those individuals who commit to remain working at least six months and receives a credential; and \$2 million for a \$500 hiring assistance bonus to child care providers for the cost of advertising, background checks or first month salaries. The bill sunsets Dec 31, 2024.

**EXPLANATION:** The Department of Budget and Management's focus is on the \$16 million mandated appropriation provision, which impacts the FY 2024 budget.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

For additional information, contact Barbara Wilkins at (410) 260-6371 or barbara.wilkins1@maryland.gov