



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 individual but (d)2 says those funds can be used by a provider 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](mailto:ary.amerikaner@maryland.gov), for any additional information.

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

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