

Welfare Advocates

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House Bill 495 Early Childhood Development – Child Care Scholarship Program - Funding

House Ways and Means Committee February 15, 2023

Support

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate about and advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates supports HB 495, which requires the state to establish funding for the Child Care Scholarship Program (CCSP) that is sufficient to provide a subsidy to all eligible families, and codifies recent gains in the program such as increasing income eligibility for families and ensuring the subsidies reach a substantial portion of the market share.

The CCSP is an important safety-net for low-income households, allowing families to access affordable, quality child care. Across Maryland, child care ranks as the first, second, or third highest household expense in all jurisdictions in the state.¹ In order to enter and remain in the workforce, parents need assurance that their children are being cared for in safe, nurturing environments. Additionally, we know that high-quality, developmentally appropriate child care helps prepare low-income children for school and helps close the achievement gap.

HB 495 ensures more families will be able to access the program, and be able to locate child care centers that accept the CCSP. Since May of 2022, Scholarship rates were increased to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others. These improvements should be made permanent, and not subject to the expiration of the American Rescue Plan Act (ARPA). Moreover, HB 495 provides future safeguards in the program by prohibiting MSDE from unilaterally imposing enrollment freezes in the program, which harm low-income families and often relegate their children into patchwork, substandard child care.

Welfare Advocates believes that all Marylanders should have easy access to the public benefits they are eligible for, and codifying these important expansions in the CCSP is a critical step to improve the economic security of Marylanders struggling in or near poverty.

WA appreciates your consideration, and respectfully urges a favorable report on HB 495.

Submitted by Lisa Klingenmaier, Chair of Welfare Advocates

¹ Maryland Family Network. 2022. Child Care Demographics. <u>https://www.marylandfamilynetwork.org/sites/default/files/2022-02/Maryland%202022.pdf</u>