



SB 362 - Budget Reconciliation and Financing Act of 2024
Budget and Taxation Committee
February 29, 2024
SUPPORT WITH AMENDMENTS

Chair Guzzone, Vice-Chair Rosapepe and members of the committee, thank you for the opportunity to submit testimony in support with amendments for Senate Bill 362. Parts of this bill will implement a waitlist for the Child Care Scholarship (CCS) program which will reduce the amount of low income families who can use the scholarship. We urge the committee to reject waitlists for CCS and protect this program for low-income families with young children.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

CASH is the non-profit administer for Baltimore City's guaranteed income program- Baltimore Young Family Success Fund. This program provides \$1,000 a month for 24 months to 200 young parents in Baltimore City. Most of our families have 1 or 2 children and most have children under 5 years old. We have heard from our families that childcare is the most impactful financial burden for them after housing. Our participants are struggling with staying connected to the workforce, advancing their education to expand employment opportunities, and simply working enough hours to cover the bills. Finding affordable childcare is essential for our families to be meaningfully employed.

According to United Way, the average cost of childcare for one child in Maryland is \$15,403 a year¹. The average income for families in our program is just over \$15,000 with many making less. Paying the average cost for childcare for one child would consume many of our family's entire income. It does not leave space for housing cost, food, medical emergencies, or other essential cost.

Programs like CCS help low-income families have access to quality childcare that benefits the parents and the children. Quality childcare ensures that young children are reaching developmental milestones that will affect the rest of their childhood.

The CCS is a program that protects and supports Maryland families now, while at the same time, investing in low-income children's access to safe, affordable, and valuable childcare.

Thus, we strongly urge the committee to strike page 8 line 25 through page 9 line 23 to protect access to the Child Care Scholarship program.

¹ <https://unitedwaynca.org/blog/childcare-cost-burden-for-low-income-households-in-the-us/>