



MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

**Senate Bill SB0362 Budget Reconciliation and Financing Act of 2024 and FY25 Budget
Budget and Taxation Committee – February 29, 2024
FAVORABLE WITH AMENDMENT**

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2024 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC seeks an amendment to the governor's proposed budget for the Maryland State Department of Education (MSDE), specifically related to efforts to increase the family copays and cap enrollment for the Child Care Scholarship (CCS) Program, putting financial burdens on eligible families who need the scholarship to maintain employment. The current budget calls for a \$5 Million decrease in the FY25 Operating Budget Allowance for the Department of Early Childhood (DEC) and a simultaneous addition of a new sliding scale copayment of up to 7% of gross income for families whose income—currently less than 85% of State Median Income (SMI)—qualifies them for the Child Care Scholarship (CCS) program. The Governor frames the addition of a copay as essential to program “sustainability.”

Rather than assuring program sustainability, we believe that the additional expense of a copay threatens the affordability of childcare for struggling families, the continued employment of working parents and the admirable gains in program participation in prior years. Hence, as the committee considers the BRFA of FY24 and the state budget for FY25, we encourage the committee to both increase the FY25 Operating Budget Allowance for DEC to provide adequate resources for CCS and eliminate the proposed “family share” copays and enrollment freeze for CCS program participants.

We understand that legislators face budgeting challenges in the wake of American Rescue Plan Act funding expiration while working to ensure the fiscal health of the state. However, cutting funding for childcare, limiting access to the program via an enrollment freeze and adding a family copayment will not improve the state's financial future. We believe that a robust economy relies on our ability to grow the state's economy and workforce. The ability of parents of young children to continue to work and pay taxes depends on their ability to access quality, affordable care for their children, as outlined in the Office of the Comptroller's [recent report on State of Maryland's Economy](#).



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Maryland's legislators know that quality Early Care and Education (ECE) increases kindergarten readiness, buttresses families' economic independence, supports the ability of parents to gain and maintain employment, and enables workforce stability. Thanks to legislators' commitments to ECE infrastructure and significant need in the wake of the pandemic, participation in the CCS program has grown. In a January briefing to the Early Childhood Subcommittee, MSDE cited a nearly 75% increase in the CCS program, with more than 40,000 children served by the program, from FY22 to January of 2024, and 20,000 families were able to work as a consequence. Interim State Superintendent Carey Wright also estimated that, despite the extraordinary growth in CCS participation, peak participation numbers represented only 15-25% of those eligible.

This is not the time to cut funding for the CCS program, limit access through enrollment caps, or to burden low-income families with additional expenses that they are not anticipating in their stretched family budgets. Maryland's economy depends on accessible childcare support, and for these reasons **we respectfully ask for the Committee to consider amendments to SB0362 eliminating the copay and enrollment freeze while retaining sufficient state resources for the CCS program.**

Tazeen Ahmad
WDC President

Kate Stein
WDC Children &
Youth Subcommittee

Melissa Bender
Co-Chair, WDC Advocacy