

Hearing Testimony March 27, 2025  
Senate Education, Energy, and the Environment Committee  
Service Employees International Union, Local 500

HB477

State Department of Education - Family Child Care Homes and Child Care Centers - Regulatory Analysis

SEIU Local 500 represents over 20,000 working people in Maryland, Washington D.C., and Virginia, including Family Child Care Providers. SEIU Local 500 supports HB477, and we thank the sponsors for their unwavering leadership and support of the child care community, advocating for the welfare of children and families.

Affordable, high-quality child care is a foundational element of both our economy and the success of Maryland's future. Yet, most families continue to struggle to find or afford child care that meets their needs. HB862 recognizes this reality and aims to find meaningful solutions that will support the workforce, bolster Maryland's businesses, and enhance our educational outcomes. Child care is central to the success of the Blueprint for Maryland's Future, particularly the mixed delivery goals, which cannot be achieved without accessible child care.

The evidence is clear: child care impacts businesses and the economy in profound ways. Employers across Maryland require a dependable workforce, and affordable child care plays a key role in supporting that workforce. Businesses lose both profit and productivity when employees cannot access affordable, reliable child care. Maryland must work to remove barriers that are preventing new child care businesses from opening and existing child care businesses from being driven out of business.

As amended in the House, HB477 requires the Maryland Department of Education to conduct a thorough analysis of the State's regulatory requirements for child care facilities. In conducting this analysis, the Department must specifically look at current regulations that have created barriers for private providers across Maryland. Safety remains paramount, so the Department must determine whether the regulation results in or contributes to a safer environment for children, the quality of early childhood education, or a significant impact on the ability of a provider to open and operate a child care facility. Additionally, the Department must look at best practices from other states and regions.

The *State of the Economy* report from the Comptroller of Maryland, released on December 31, 2024, underscores the urgency of addressing the lack of child care availability in Maryland. According to the

report, Maryland's labor force participation remains 3.8% below pre-pandemic levels, and our state has lost over 1,200 child care businesses—representing a 15.5% decline. Over 12,000 licensed child care slots have also been lost, or a 5.5% decrease in capacity. This is not just a child care crisis; it is a workforce and economic crisis. When parents cannot access affordable, consistent child care, they miss work, leading to lower household incomes and job loss.

Investing in affordable child care is an investment in early education, which helps children succeed in school and life. Yet, as noted in the Comptroller's report, child care in Maryland continues to decline, threatening our progress on the Blueprint for Maryland's Future. HB477 seeks to address these challenges by requiring MSDE to examine critical issues, such as identifying barriers to a fiscally sustainable child care system, measuring the effectiveness of current regulations and addressing the need for adequate and sustainable resources for the child care infrastructure. This effort will provide valuable insights into how we can improve both the affordability and quality of child care in Maryland, ensuring that working parents can fully participate in the labor force.

We believe that the requirements of the bill and the resulting recommendations will help remove regulatory barriers that have led to the child care crisis our state is currently in. We would suggest one amendment (ATTACHED) that requires the Department to work in consultation with the Office of Child Care Advisory Council, state and local Early Childhood Advisory Councils, private child care providers, and non-profits and unions who represent child care providers. We believe that this addition would ensure that appropriate stakeholders are involved in the process and that the resulting analysis will be even more efficacious.

The Comptroller's report stresses the need for policymakers and the public to understand the shifts and changes within Maryland's child care industry in order to solve the challenges faced by working parents. This bill is a step forward in realizing the goal of a more effective child care system in our state.

Therefore we request a favorable report on HB477.

Amendment to HB477

On page 5, after line 19 insert, **“(5) IN CARRYING OUT THE STUDY, THE DEPARTMENT SHALL CONSULT WITH STAKEHOLDERS, INCLUDING BUT NOT LIMITED TO: (i) THE OFFICE OF CHILD CARE ADVISORY COUNCIL; (ii) STATE AND LOCAL EARLY CHILDHOOD ADVISORY COUNCILS; (iii) PRIVATE CHILD CARE PROVIDERS; AND (iv) NONPROFITS AND UNIONS WHO REPRESENT CHILD CARE PROVIDERS.**