



**Informational Testimony on HB 1321  
“Child Care Scholarship Program – Enrollment and Copays – Alterations”  
House Ways and Means and Appropriations Committees  
March 4, 2026**

**Maryland Family Network (MFN) appreciates the opportunity to submit information testimony on HB 1321**, which codifies exceptions to the Child Care Scholarship (CCS) waitlist, creates categories of prioritization for families who are on the CCS waitlist, and establishes a tiered co-pay structure for the CCS program.

Maryland Family Network (MFN) has worked since 1945 to improve the availability and quality of child care and other vital supports for children and their families. We have been active in state and federal debates on child care policy and are strongly committed to ensuring that children and their caregivers have access to the resources and opportunities they need to thrive.

**The Child Care Scholarship program is a critical support for Maryland families.** The CCS program provides financial assistance to low-income working parents so they can afford high-quality child care. In Maryland, the annual cost of child care exceeds the cost of college tuition at our state universities and represents one of the largest household expenses for families.<sup>1</sup> Finding affordable, accessible, quality child care is a significant barrier for working families, and the CCS program is a vital resource that enables parents to remain in the workforce, build economic security, and ensure their young children are connected to early learning opportunities.

**Maryland Family Network strongly believes that all families should have access to affordable child care, a goal that has been set back by the current enrollment cap and waitlist.** The CCS program is a cornerstone of child care provision in Maryland, and it should be easily accessible to eligible families, fully funded, and expanded to increase access when possible. We recognize the difficult budget situation the state is facing, and that the CCS relies on a substantial investment of general fund dollars. Nevertheless, the current waitlist for CCS and capping enrollment at 40,000 children negatively impacts families, child care providers, and communities across the state. We appreciate that a part of the intent of HB 1321 is to increase revenue for the CCS program, which could increase the enrollment cap. Moreover, we appreciate the Committee’s efforts to ensure a progressive copayment structure that waives or limits copays for families with the lowest incomes. We would urge clarifying language that ensures co-pays do not exceed 7% of a family’s household income at the highest end of the eligibility scale, and that these thresholds are per family and not per child. We welcome the opportunity to be a part of any discussions on affordable and equitable CCS co-payment scales and implementation.

**While prioritization of the CCS waitlist is a necessary reality, MFN cautions against placing anything in statute that would be burdensome to retract when the state’s fiscal outlook is improved.** MFN recognizes that as long as there is a waitlist for the CCS program, there must be a system for allocating open spots when demand far exceeds supply. Very low-income families

receiving public benefits like Temporary Cash Assistance, families experiencing homelessness, and other populations federally required to receive CCS that are already prioritized in COMAR are natural exemptions to the CCS waitlist. However, we caution against creating a policy posture in statute that orders too many other categories of families over each other, creating a complicated web of eligibility that would deter families from applying, and potentially advantage some higher income families above lower income families. At the same time, we caution against prioritizations that would disrupt workforce stability: parents can't keep their employment if they have one child in care and one child without.

**For any waitlist prioritization or exemption added to statute, we strongly urge adding sunset language to the legislation.** Trying to determine which families should receive prioritization on the CCS waitlist is an impossible task: it's equivalent to asking families which bill they'd prefer to forgo paying when they cannot afford to pay for child care and their other household expenses. There are no right answers, and this system will cause harm. Sunset language will ensure the CCS enrollment cap and corresponding waitlist has a mechanism for re-evaluation to determine impact. While we can work to mitigate the harm, the only real solution is to continue to work to identify funding and resources to meet the full demand for child care in our state, so that all families have access to quality, affordable care for their children. We are eager to continue to be a part of these conversations and be a partner in the important work to build a Maryland where every child can thrive.

MFN appreciates the opportunity to submit informational testimony on HB 1321, and we are committed to working with the Administration and General Assembly to support the CCS program and ensure all families have access to high-quality child care.

**Submitted by:** Beth Morrow, Director of Public Policy

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<sup>1</sup> Maryland Trends in Child Care. 2025. <https://marylandfamilynetwork.org/resource/mfns-trends-in-child-care-report-2025/>