
TO: House Ways and Means Committee

BILL: House Bill (HB) 1321 – Child Care Scholarship Program – Enrollment and Copays – Alterations

DATE: March 4, 2026

POSITION: Information Only

The Maryland State Department of Education (MSDE) offers the following information regarding House Bill (HB) 1321 – Child Care Scholarship Program – Enrollment and Copays – Alterations. HB 1321 seeks to codify exemptions from the Child Care Scholarship (CCS) waitlist for the State’s lowest-income families, establish requirements for managing the waitlist including methods for prioritizing new scholarships and connecting families to public pre-kindergarten seats in the community, and create a new family copayment structure.

The State Board and MSDE appreciate the intent of the bill to prioritize scholarships for families with the highest need. We share this priority and support approaches that codify waitlist exemptions for Maryland’s most vulnerable families, particularly those experiencing homelessness and families currently exempt from the waitlist, including families receiving Supplemental Security Income (SSI) or Temporary Cash Assistance (TCA). MSDE also supports prioritizing families on the CCS waitlist with very-low incomes, infants, and toddlers for new scholarships.

MSDE recognizes the need to strengthen communication systems that alert families on the CCS waitlist to available publicly funded pre-kindergarten seats in their areas. These services have historically been managed by public and private pre-kindergarten providers rather than provided directly by the Department. Through its federally awarded Preschool Development Grant and recently awarded Congressional Earmark, MSDE is developing a centralized pre-kindergarten enrollment system that will enable the Department, local education agencies, and private providers to connect families to open seats more efficiently. Until that system is operational, reliance on static lists would require significant effort to maintain and may be unlikely to provide families with accurate, real-time information. The centralized approach is intended to improve equity, access, and transparency while reducing these operational burdens.

With respect to copayments, MSDE appreciates the opportunity to engage in discussions around family affordability and program sustainability. The Department continues to review copayment models that minimize abrupt “benefits cliffs” for low-income families with incomes near, but slightly above, eligibility thresholds. MSDE looks forward to working collaboratively with the sponsor to refine these provisions and ensure that the program supports families while avoiding unintended negative consequences.

For further information, please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at 443-571-5461 or Laurel.Cratsley@maryland.gov.