

Chapter 206

(House Bill 89)

AN ACT concerning

State Department of Education – Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established Grants

FOR the purpose of ~~establishing the Child Care Stabilization Grant Program and the Child Care Expansion Grant Program in the State Department of Education; and generally relating to the Child Care Stabilization Grant Program and the Child Care Expansion Grant Program~~ requiring the State Department of Education to administer stabilization grants to child care providers ~~in a certain fiscal year~~ *in certain fiscal years*; providing for the priority of grant awards; and generally relating to child care stabilization grants.

~~BY adding to~~

~~Article – Education~~

~~Section 9.5 – 115 and 9.5 – 116~~

~~Annotated Code of Maryland~~

~~(2018 Replacement Volume and 2021 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

~~Article – Education~~

~~9.5 – 115.~~

~~(A) IN THIS SECTION, “PROGRAM” MEANS THE CHILD CARE STABILIZATION GRANT PROGRAM.~~

~~(B) (1) THERE IS A CHILD CARE STABILIZATION GRANT PROGRAM IN THE DEPARTMENT.~~

~~(2) THE PURPOSE OF THE PROGRAM IS TO PROVIDE FINANCIAL SUPPORT TO LICENSED CHILD CARE PROVIDERS IN THE STATE THAT ARE IN DANGER OF CLOSING IN THE NEXT 12 MONTHS DUE TO FINANCIAL HARDSHIP.~~

~~(C) (1) THE DEPARTMENT SHALL DEVELOP:~~

~~(I) ELIGIBILITY CRITERIA;~~

~~(II) APPLICATION PROCEDURES;~~

~~(III) A FORMULA FOR DETERMINING GRANT AWARD AMOUNTS;
AND~~

~~(IV) A PROCESS TO AWARD GRANTS TO ELIGIBLE CHILD CARE PROVIDERS.~~

~~(D) (1) THE DEPARTMENT SHALL AWARD GRANTS TO ELIGIBLE CHILD CARE PROVIDERS NOT MORE THAN 3 MONTHS AFTER A GRANT APPLICATION IS RECEIVED BY THE DEPARTMENT.~~

~~(2) AN ANNUAL AWARD FROM THE PROGRAM FOR EACH ELIGIBLE CHILD CARE PROVIDER SHALL BE:~~

~~(i) NOT LESS THAN \$1,000; AND~~

~~(ii) NOT MORE THAN \$35,000.~~

~~(3) IN DETERMINING AWARD AMOUNTS, THE DEPARTMENT SHALL USE PROVIDER CAPACITY AS A KEY CRITERIA.~~

~~(E) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE PROGRAM.~~

~~(F) (1) A RECIPIENT OF AN AWARD UNDER THE PROGRAM MAY NOT RECEIVE AN AWARD UNDER THE CHILD CARE EXPANSION GRANT PROGRAM UNDER § 9.5-116 OF THIS SUBTITLE IN THE SAME YEAR.~~

~~(2) A RECIPIENT OF AN AWARD UNDER THE PROGRAM MAY NOT RECEIVE AN AWARD UNDER THE PROGRAM OR UNDER THE CHILD CARE EXPANSION GRANT PROGRAM UNDER § 9.5-116 OF THIS SUBTITLE FOR MORE THAN 5 CONSECUTIVE YEARS.~~

~~(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.~~

~~9.5-116.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(2) "PROGRAM" MEANS THE CHILD CARE EXPANSION GRANT PROGRAM.~~

~~(3) "COSTS" INCLUDE:~~

- ~~(I) STAFF TRAINING;~~
- ~~(II) BACKGROUND CHECK FEES;~~
- ~~(III) CLEANING SUPPLIES;~~
- ~~(IV) EDUCATIONAL SUPPLIES; AND~~
- ~~(V) CAPITAL OR FACILITY IMPROVEMENT COSTS.~~

~~(B) (1) THERE IS A CHILD CARE EXPANSION GRANT PROGRAM IN THE DEPARTMENT.~~

~~(2) THE PURPOSE OF THE PROGRAM IS TO INCREASE ACCESS AND AVAILABILITY OF LICENSED CHILD CARE PROVIDERS IN THE STATE BY PROVIDING FINANCIAL ASSISTANCE TO NEW OR EXISTING CHILD CARE PROVIDERS.~~

~~(C) A GRANT AWARD FROM THE PROGRAM MAY BE USED FOR COSTS ASSOCIATED WITH THE EXPANSION OF AN EXISTING CHILD CARE PROGRAM OR TO ASSIST WITH THE CREATION OF A NEW CHILD CARE PROGRAM.~~

~~(D) THE DEPARTMENT SHALL DEVELOP:~~

- ~~(1) ELIGIBILITY CRITERIA;~~
- ~~(2) APPLICATION PROCEDURES;~~
- ~~(3) A FORMULA FOR DETERMINING GRANT AWARD AMOUNTS; AND~~
- ~~(4) A PROCESS TO AWARD GRANTS TO NEW OR EXISTING CHILD CARE PROVIDERS WHO MEET THE ELIGIBILITY CRITERIA FOR THE PROGRAM.~~

~~(E) (1) THE DEPARTMENT SHALL AWARD GRANTS NOT MORE THAN 3 MONTHS AFTER A GRANT APPLICATION IS RECEIVED BY THE DEPARTMENT.~~

~~(2) AN ANNUAL AWARD FROM THE PROGRAM FOR EACH ELIGIBLE CHILD CARE PROVIDER SHALL BE:~~

- ~~(I) NOT LESS THAN \$3,000; AND~~
- ~~(II) NOT MORE THAN \$50,000.~~

~~(F) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION TO THE PROGRAM.~~

~~(G) (1) A RECIPIENT OF AN AWARD UNDER THE PROGRAM MAY NOT RECEIVE AN AWARD UNDER THE CHILD CARE STABILIZATION GRANT PROGRAM UNDER § 9.5-115 OF THIS SUBTITLE IN THE SAME YEAR.~~

~~(2) A RECIPIENT OF AN AWARD UNDER THE PROGRAM MAY NOT RECEIVE AN AWARD UNDER THE PROGRAM OR UNDER THE CHILD CARE STABILIZATION GRANT PROGRAM UNDER § 9.5-115 OF THIS SUBTITLE FOR MORE THAN 5 CONSECUTIVE YEARS.~~

~~(H) THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.~~

(a) In fiscal ~~year~~ years ~~2022~~ 2022 and 2023, the State Department of Education shall administer child care stabilization grants to provide financial support to child care providers that have faced a financial hardship or suffered an operational burden during the COVID-19 pandemic.

(b) In awarding grants under this section, the State Department of Education shall give preference to child care providers based on the following criteria, in order of priority:

(1) providers that have a demonstrated financial hardship that poses significant risk of the provider's business closing within the next 12 months;

(2) providers that have not received a stabilization grant in a prior application cycle;

(3) providers that participate in the Child Care Scholarship Program;

(4) providers located in areas designated by the State Department of Education as lacking child care slots;

(5) providers that serve primarily low-income populations in areas of high poverty;

(6) providers that serve children with special needs; and

(7) providers that serve children 2 years old and under.

(c) The State Department of Education shall award ~~\$50,000,000 in~~ grants to child care providers in accordance with this section ~~and~~ in the amount of \$50,000,000 for the remainder of fiscal year 2022 and in the amount provided for this purpose in the fiscal year

2023 operating budget, as enacted by Chapter _____ of the Acts of the General Assembly of 2022 (S. B. 290).

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2022.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a ye and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, April 21, 2022.