

SENATE BILL 920

F5, O4

(2lr3114)

ENROLLED BILL

— Education, Health, and Environmental Affairs/Ways and Means —

Introduced by ~~Senator King~~ Senators King, Ellis, Hester, and Washington

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Early Childhood Development – Child Care Scholarship Program – Alterations**
3 ***and Study***

4 FOR the purpose of requiring the State Department of Education to establish a certain
5 process for granting presumptive eligibility for a subsidy under the Child Care
6 Scholarship Program; requiring the Department to award a certain subsidy to an
7 individual who submits certain proof; prohibiting the Department or the Comptroller
8 from seeking reimbursement or repayment of a certain subsidy from certain
9 individuals under certain circumstances subject to a certain exception; prohibiting
10 the Department from requiring an individual to take certain actions to be eligible for
11 a certain subsidy; requiring the ~~Department~~ Comptroller to pay a certain child care
12 provider within a certain amount of time; ~~requiring the Department to establish and~~
13 ~~publish on its website a certain form, process, and instructions on or before a certain~~
14 ~~date; requiring the Department to consult with certain experts to establish a certain~~
15 ~~form and begin using a certain form in a certain process on or before a certain date;~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 requiring the Department to study certain issues related to the Program in
 2 consultation with certain stakeholders and experts; requiring the Department to
 3 report to the Governor and the General Assembly on the results of a certain study on
 4 or before a certain date; and generally relating to the Child Care Scholarship
 5 Program.

6 BY repealing and reenacting, with amendments,
 7 Article – Education
 8 Section 9.5–113
 9 Annotated Code of Maryland
 10 (2018 Replacement Volume and 2021 Supplement)

11 BY repealing and reenacting, with amendments,
 12 Article – Education
 13 Section 9.5–113
 14 Annotated Code of Maryland
 15 (2018 Replacement Volume and 2021 Supplement)
 16 (As enacted by Section 1 of this Act)

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

19 **Article – Education**

20 9.5–113.

21 (a) In this section, “Program” means the Child Care Scholarship Program.

22 (b) The Department shall administer the Program in accordance with federal law.

23 ~~(c) (1) THE DEPARTMENT SHALL ESTABLISH A PROCESS THAT MEETS~~
 24 ~~THE REQUIREMENTS OF THIS SUBSECTION FOR GRANTING PRESUMPTIVE~~
 25 ~~ELIGIBILITY FOR A SUBSIDY UNDER THE PROGRAM.~~

26 ~~(2) AN INDIVIDUAL SHALL CERTIFY ATTEST THAT THE INDIVIDUAL~~
 27 ~~MEETS THE ELIGIBILITY REQUIREMENTS FOR A SUBSIDY UNDER THE PROGRAM BY~~
 28 ~~COMPLETING AND ELECTRONICALLY SUBMITTING A FORM TO THE FORM PROVIDED~~
 29 ~~BY THE DEPARTMENT, INCLUDING A STATEMENT OF THE INDIVIDUAL’S ESTIMATED~~
 30 ~~ANNUAL HOUSEHOLD INCOME.~~

31 ~~(3) AN INDIVIDUAL WHO SUBMITS A FORM UNDER PARAGRAPH (2) OF~~
 32 ~~THIS SUBSECTION SHALL RECEIVE A SUBSIDY UNDER THE PROGRAM FOR A PERIOD:~~

33 ~~(i) BEGINNING ON THE DAY ON WHICH THE INDIVIDUAL~~
 34 ~~SUBMITS THE FORM; AND~~

1 ~~(H)~~ **ENDING:**

2 1. ~~IF THE INDIVIDUAL DOES NOT FILL OUT AN~~
3 ~~APPLICATION IN ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION, 15 DAYS~~
4 ~~AFTER THE DATE ON WHICH THE INDIVIDUAL SUBMITS THE FORM UNDER~~
5 ~~PARAGRAPH (2) OF THIS SUBSECTION; OR~~

6 2. ~~IF THE DEPARTMENT DETERMINES THAT THE~~
7 ~~INDIVIDUAL DOES NOT QUALIFY FOR A SUBSIDY UNDER THE PROGRAM AFTER~~
8 ~~REVIEWING THE INDIVIDUAL'S APPLICATION SUBMITTED IN ACCORDANCE WITH~~
9 ~~PARAGRAPH (4) OF THIS SUBSECTION, THE DATE ON WHICH THE DEPARTMENT~~
10 ~~MAKES THE DETERMINATION.~~

11 ~~(4) TO CONTINUE TO RECEIVE A SUBSIDY UNDER THE PROGRAM, AN~~
12 ~~INDIVIDUAL WHO SUBMITS A FORM UNDER PARAGRAPH (2) OF THIS SUBSECTION~~
13 ~~SHALL SUBMIT AN APPLICATION FOR A SUBSIDY UNDER THE PROGRAM WITHIN 15~~
14 ~~DAYS AFTER THE DATE ON WHICH THE INDIVIDUAL SUBMITS THE FORM UNDER~~
15 ~~PARAGRAPH (2) OF THIS SUBSECTION.~~

16 ~~(5) THE DEPARTMENT SHALL CONTINUE TO PROVIDE A SUBSIDY~~
17 ~~UNDER THE PROGRAM TO AN INDIVIDUAL WHO SUBMITS A FORM UNDER~~
18 ~~PARAGRAPH (2) OF THIS SUBSECTION AND WHO SUBMITS AN APPLICATION IN~~
19 ~~ACCORDANCE WITH PARAGRAPH (4) OF THIS SUBSECTION UNTIL THE DEPARTMENT~~
20 ~~MAKES A DETERMINATION REGARDING THE INDIVIDUAL'S ELIGIBILITY TO RECEIVE~~
21 ~~A SUBSIDY.~~

22 ~~(6) THE DEPARTMENT OR THE COMPTROLLER MAY NOT SEEK~~
23 ~~REIMBURSEMENT OR REPAYMENT OF A SUBSIDY PROVIDED TO AN INDIVIDUAL~~
24 ~~UNDER PARAGRAPHS (3) AND (5) OF THIS SUBSECTION IF THE DEPARTMENT~~
25 ~~DETERMINES THE INDIVIDUAL DOES NOT QUALIFY FOR A SUBSIDY UNDER THE~~
26 ~~PROGRAM UNDER PARAGRAPH (3)(H)2 OF THIS SUBSECTION, EXCEPT FOR~~
27 ~~SUSPECTED FRAUD.~~

28 ~~(D)~~ **(C)** THE DEPARTMENT SHALL AWARD A SUBSIDY UNDER THE
29 PROGRAM IN AN AMOUNT SUFFICIENT TO ENSURE THAT AN INDIVIDUAL WILL NOT
30 BE REQUIRED TO PAY A COPAY FOR CHILD CARE IF THE INDIVIDUAL PROVIDES
31 PROOF, AS DETERMINED BY THE DEPARTMENT, OF:

32 (1) PARTICIPATION IN ONE OF THE FOLLOWING PROGRAMS:

33 (i) FEDERAL SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR
34 WOMEN, INFANTS, AND CHILDREN;

1 (II) FEDERAL SUPPLEMENTAL NUTRITION ASSISTANCE
2 PROGRAM;

3 (III) FEDERAL HOUSING ACT HOUSING CHOICE VOUCHER
4 PROGRAM;

5 ~~(IV) GUARANTEED ACCESS GRANT UNDER § 18-303 OF THIS~~
6 ~~ARTICLE;~~

7 ~~(IV)~~ (IV) SUPPLEMENTAL SECURITY INCOME BENEFITS; OR

8 ~~(V)~~ (V) TEMPORARY CASH ASSISTANCE; AND

9 (2) EMPLOYMENT OR ENROLLMENT IN AN EDUCATION OR CAREER
10 TRAINING PROGRAM.

11 [(c)] ~~(E)~~ (D) An individual is eligible to continue to receive a subsidy under the
12 Program:

13 (1) For at least 90 days in a year if the individual is unemployed and
14 seeking employment; and

15 (2) If the individual meets any other eligibility criteria determined by the
16 Department.

17 ~~(E)~~ (E) THE DEPARTMENT MAY NOT REQUIRE AN INDIVIDUAL TO PURSUE
18 OR RECEIVE CHILD SUPPORT PAYMENTS OR APPLY FOR SERVICES FROM A CHILD
19 SUPPORT AGENCY TO BE ELIGIBLE FOR A SUBSIDY UNDER THE PROGRAM.

20 ~~(G)~~ (F) (1) THE DEPARTMENT SHALL ~~PAY A CHILD CARE PROVIDER~~
21 NOTIFY THE COMPTROLLER WITHIN 10 9 10 DAYS AFTER THE DATE ON WHICH THE
22 DEPARTMENT RECEIVES AN INVOICE FROM A CHILD CARE PROVIDER.

23 (2) THE COMPTROLLER SHALL PAY A CHILD CARE PROVIDER WITHIN
24 6 5 DAYS AFTER THE DATE ON WHICH THE COMPTROLLER RECEIVES A NOTICE
25 UNDER PARAGRAPH (1) OF THIS SUBSECTION.

26 [(d)] ~~(H)~~ (G) The Department shall adopt regulations to implement the provisions of
27 this section.

28 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, on or before August 1, 2022,~~
29 ~~the State Department of Education shall:~~

~~(1) establish and publish on its website the electronic form and a process and instructions for submitting the form required under § 9.5-113(e)(2) of the Education Article, as enacted by Section 1 of this Act; and~~

~~(2) ensure that the form and information published under item (1) of this section are available to individuals for whom English is not their primary spoken language.~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That, on or before July 1, 2023, the State Department of Education shall:~~

~~(1) consult with national experts to establish a simplified form for an individual to apply for a Child Care Scholarship under the Child Care Scholarship Program that enables the Department to:~~

~~(i) determine a family's eligibility for a subsidy under the Program;~~

~~(ii) determine an appropriate copay for the family; and~~

~~(iii) comply with all necessary federal data reporting requirements for the Program; and~~

~~(2) begin using the simplified application form established under item (1) of this section in the application process for a subsidy under the Program.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~**Article - Education**~~

~~**9.5-113.**~~

~~(a) In this section, "Program" means the Child Care Scholarship Program.~~

~~(b) The Department shall administer the Program in accordance with federal law.~~

~~(c) **(1) THE DEPARTMENT SHALL ESTABLISH A PROCESS THAT MEETS THE REQUIREMENTS OF THIS SUBSECTION FOR GRANTING PRESUMPTIVE ELIGIBILITY FOR A SUBSIDY UNDER THE PROGRAM.**~~

~~**(2) AN INDIVIDUAL SHALL ATTEST THAT THE INDIVIDUAL MEETS THE ELIGIBILITY REQUIREMENTS FOR A SUBSIDY UNDER THE PROGRAM BY COMPLETING AND ELECTRONICALLY SUBMITTING A FORM PROVIDED BY THE DEPARTMENT, INCLUDING A STATEMENT OF THE INDIVIDUAL'S ESTIMATED ANNUAL HOUSEHOLD INCOME.**~~

1 (3) THE DEPARTMENT SHALL PROVIDE A SUBSIDY UNDER THE
2 PROGRAM TO AN INDIVIDUAL WHO SUBMITS A FORM UNDER PARAGRAPH (2) OF THIS
3 SUBSECTION FOR A PERIOD:

4 (I) BEGINNING ON THE DAY ON WHICH THE INDIVIDUAL
5 SUBMITS THE FORM; AND

6 (II) ENDING:

7 1. IF THE INDIVIDUAL DOES NOT FILL OUT AN
8 APPLICATION WITHIN 15 DAYS IN ACCORDANCE WITH PARAGRAPH (4) OF THIS
9 SUBSECTION, 60 DAYS AFTER THE DATE ON WHICH THE INDIVIDUAL SUBMITS THE
10 FORM UNDER PARAGRAPH (2) OF THIS SUBSECTION; OR

11 2. IF THE DEPARTMENT DETERMINES THAT THE
12 INDIVIDUAL DOES NOT QUALIFY FOR A SUBSIDY UNDER THE PROGRAM AFTER
13 REVIEWING THE INDIVIDUAL'S APPLICATION SUBMITTED IN ACCORDANCE WITH
14 PARAGRAPH (4) OF THIS SUBSECTION, THE LATER OF:

15 A. 60 DAYS AFTER THE DATE ON WHICH THE INDIVIDUAL
16 SUBMITS THE FORM UNDER PARAGRAPH (2) OF THIS SUBSECTION; OR

17 B. THE DATE ON WHICH THE DEPARTMENT MAKES THE
18 DETERMINATION.

19 (4) TO CONTINUE TO RECEIVE A SUBSIDY UNDER THE PROGRAM, AN
20 INDIVIDUAL WHO SUBMITS A FORM UNDER PARAGRAPH (2) OF THIS SUBSECTION
21 SHALL SUBMIT AN APPLICATION FOR A SUBSIDY UNDER THE PROGRAM WITHIN 15
22 DAYS AFTER THE DATE ON WHICH THE INDIVIDUAL SUBMITS THE FORM UNDER
23 PARAGRAPH (2) OF THIS SUBSECTION.

24 (5) THE DEPARTMENT OR THE COMPTROLLER MAY NOT SEEK
25 REIMBURSEMENT OR REPAYMENT OF A SUBSIDY PROVIDED TO AN INDIVIDUAL
26 UNDER PARAGRAPH (3) OF THIS SUBSECTION IF THE DEPARTMENT DETERMINES
27 THE INDIVIDUAL DOES NOT QUALIFY FOR A SUBSIDY UNDER THE PROGRAM UNDER
28 PARAGRAPH (3)(II)2 OF THIS SUBSECTION, EXCEPT FOR SUSPECTED FRAUD.

29 (6) (I) IN THIS PARAGRAPH, "FUND" MEANS THE CHILD CARE
30 SCHOLARSHIP PROGRAM PRESUMPTIVE ELIGIBILITY FUND.

31 (II) THERE IS A CHILD CARE SCHOLARSHIP PROGRAM
32 PRESUMPTIVE ELIGIBILITY FUND.

33 (III) THE DEPARTMENT SHALL ADMINISTER THE FUND.

1 (IV) 1. THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS
2 NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

3 2. THE STATE TREASURER SHALL HOLD THE FUND
4 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

5 (V) THE FUND CONSISTS OF:

6 1. MONEY APPROPRIATED IN THE STATE BUDGET TO
7 THE FUND;

8 2. REIMBURSEMENTS MADE IN ACCORDANCE WITH
9 SUBPARAGRAPH (VIII) OF THIS PARAGRAPH; AND

10 3. ANY OTHER MONEY FROM ANY OTHER SOURCE
11 ACCEPTED FOR THE BENEFIT OF THE FUND.

12 (VI) THE FUND MAY BE USED ONLY TO AWARD A SUBSIDY UNDER
13 THE PROGRAM IN AN AMOUNT SUFFICIENT TO PROVIDE CHILD CARE FOR AN
14 INDIVIDUAL WHO IS GRANTED PRESUMPTIVE ELIGIBILITY UNTIL:

15 1. THE INDIVIDUAL EITHER FAILS TO COMPLETE THE
16 FULL APPLICATION WITHIN 15 DAYS OR IS FOUND INELIGIBLE FOR A SUBSIDY UNDER
17 THE PROGRAM AND THE TIME PERIOD DESCRIBED UNDER PARAGRAPH (3) OF THIS
18 SUBSECTION LAPSES; OR

19 2. THE INDIVIDUAL IS FOUND ELIGIBLE TO PARTICIPATE
20 IN THE PROGRAM.

21 (VII) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR
22 THEREAFTER, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN
23 APPROPRIATION TO THE FUND AT LEAST EQUAL TO THE AMOUNT RECOMMENDED BY
24 THE DEPARTMENT IN THE STUDY CONDUCTED IN ACCORDANCE WITH SECTION 3 OF
25 CHAPTER (S.B. 920/H.B. 995) OF THE ACTS OF THE GENERAL ASSEMBLY OF
26 2022 THAT IS NECESSARY TO PROVIDE PAYMENT OF THE SUBSIDY AMOUNT FOR
27 WHICH AN INDIVIDUAL WHO IS PRESUMPTIVELY ELIGIBLE QUALIFIES.

28 (VIII) IF AN INDIVIDUAL IS FOUND ELIGIBLE TO PARTICIPATE IN
29 THE PROGRAM, FEDERAL AND MATCHING STATE FUNDS AVAILABLE UNDER THE
30 FEDERAL CHILD CARE DEVELOPMENT FUND SHALL BE USED TO REIMBURSE THE
31 FUND FOR ANY EXPENDITURES MADE IN ACCORDANCE WITH SUBPARAGRAPH (VI) OF
32 THIS PARAGRAPH.

1 **(IX) 1. THE STATE TREASURER SHALL INVEST THE MONEY**
2 **OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

3 **2. ANY INTEREST EARNINGS OF THE FUND SHALL BE**
4 **CREDITED TO THE GENERAL FUND OF THE STATE.**

5 **[(c)] (D)** The Department shall award a subsidy under the Program in an amount
6 sufficient to ensure that an individual will not be required to pay a copay for child care if
7 the individual provides proof, as determined by the Department, of:

8 **(1) Participation in one of the following programs:**

9 **(i) Federal Special Supplemental Food Program for Women, Infants,**
10 **and Children;**

11 **(ii) Federal Supplemental Nutrition Assistance Program;**

12 **(iii) Federal Housing Act Housing Choice Voucher Program;**

13 **(iv) Supplemental Security Income benefits; or**

14 **(v) Temporary cash assistance; and**

15 **(2) Employment or enrollment in an education or career training program.**

16 **[(d)] (E)** An individual is eligible to continue to receive a subsidy under the
17 Program:

18 **(1) For at least 90 days in a year if the individual is unemployed and**
19 **seeking employment; and**

20 **(2) If the individual meets any other eligibility criteria determined by the**
21 **Department.**

22 **[(e)] (F)** The Department may not require an individual to pursue or receive child
23 support payments or apply for services from a child support agency to be eligible for a
24 subsidy under the Program.

25 **[(f)] (G)** **(1) The Department shall notify the Comptroller within 10 days after**
26 **the date on which the Department receives an invoice from a child care provider.**

27 **(2) The Comptroller shall pay a child care provider within 5 days after the**
28 **date on which the Comptroller receives a notice under paragraph (1) of this subsection.**

29 **[(g)] (H)** The Department shall adopt regulations to implement the provisions of
30 this section.

1 SECTION 3. AND BE IT FURTHER ENACTED, That:

2 (a) In this section, "Program" means the Child Care Scholarship Program
3 established under § 9.5–113 of the Education Article.

4 (b) (1) (i) The State Department of Education shall study and make
5 recommendations on establishing a process to expand access to subsidies under the Child
6 Care Scholarship Program established under § 9.5–113 of the Education Article.

7 (ii) In conducting the study under subparagraph (i) of this
8 paragraph, the Department shall consult with stakeholders and nationally recognized
9 experts, including lead agencies in other states responsible for administering the federal
10 Child Care Development Fund.

11 (2) The study conducted under paragraph (1) of this subsection shall
12 include an investigation into a method to grant presumptive eligibility to an initial applicant
13 for a subsidy under the Program, including a determination on:

14 (i) a method for determining the level of support the individual
15 should receive from the Program;

16 (ii) the appropriate length of time between the date of submission of
17 an initial request for enrollment in the Program and submission of a complete application
18 with all required documentation; and

19 (iii) the minimal length of time that an individual who is granted
20 presumptive eligibility should receive a subsidy under the Program if the individual is later
21 determined to be ineligible for the Program.

22 (3) The study conducted under paragraph (1) of this subsection shall
23 include an analysis of the effects of changes to the Program, as enacted by Section 1 of this
24 Act, including an analysis of:

25 (i) the annual effect on Program participation of allowing
26 individuals who have not pursued child support payments to participate in the Program;

27 (ii) whether the support programs listed under § 9.5–113(c) of the
28 Education Article, as enacted by Section 1 of this Act, are the appropriate programs to use
29 in order to ensure that vulnerable families are not required to pay for child care; and

30 (iii) any additional support programs that should be used in addition
31 to or instead of those listed under § 9.5–113(c) of the Education Article, as enacted by Section
32 1 of this Act.

1 (4) The study conducted under paragraph (1) of this subsection shall
2 include an investigation into the creation of a simplified form to be used by an individual
3 applying to the Program.

4 (5) The study conducted under paragraph (1) of this subsection shall
5 include an investigation into methods of aiding applicants to the Program in completing the
6 application process, including the possibility of enlisting the voluntary participation of child
7 care provider employees.

8 (c) The Department shall study and make recommendations on the practical steps
9 needed to carry out the processes recommended under subsection (b) of this section,
10 including:

11 (1) the extent to which money provided by the federal government and State
12 matching funds for the Program can be used to accomplish the goals listed under subsection
13 (b) of this section and the extent to which the State must provide separate funding;

14 (2) the need to alter or renegotiate any contracts used in the operation of the
15 Program, and the earliest date on which those contracts could be altered or renegotiated;

16 (3) any statutory changes necessary to achieve the goals listed under
17 subsection (b) of this section; and

18 (4) any additional State funding needed to continue to offer robust support
19 through the Program for all individuals eligible under federal law.

20 (d) On or before December 1, 2022, the State Department of Education shall report
21 on the results of its study to the Governor and, in accordance with § 2-1257 of the State
22 Government Article, the General Assembly.

23 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
24 effect July 1, 2023.

25 SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That, except as provided in
26 Section 4 of this Act, this Act shall take effect July 1, 2022.