February 8, 2021

Hon. Anne Kaiser Chair, Ways and Means Committee Maryland General Assembly House Office Building, Room 131 6 Bladen St., Annapolis, MD 21401 Hon. Maggie McIntosh Chair, Appropriations Committee Maryland General Assembly House Office Building, Room 121 6 Bladen St., Annapolis, MD 21401

Chair Kaiser, Chair McIntosh, and distinguished committee members:

On behalf of the undersigned organizations, we issue our unqualified support for <u>House Bill 608</u> <u>– The Child Care Provider Support Act</u>. First, we would like to thank Delegate Solomon and the members of the Maryland General Assembly who have offered overwhelming support of preserving the child care community – the critical backbone of our State's economy.

Let us start with a key number. **16 percent**. Prior to the COVID-19 Pandemic, Maryland had 7,858 licensed child care providers (center- and family-based). The vast majority of these providers are women- and, often, minority-owned businesses. To date, more than 1,200 of these centers have either permanently shut down their businesses or have been unable to reopen their business. 16 percent of child care providers have essentially been lost due to the pandemic. The remaining businesses are operating at approximately 50 - 60 percent of their capacity while their fixed costs remain unchanged and they are spending more money on new expenses related to sanitary and personal protective equipment. They are hemorrhaging money – operating at losses, dipping into savings to make payroll, and using credit cards to cover costs. Make no mistake, these businesses are teetering on financial insolvency. We must do more to protect them.

House Bill 608 is a small, but critical source of funding for child care. The grants may be used for payroll expenses, rent or mortgage payments, utility expenses, and other operating costs. We, the undersigned, cannot underscore the importance of this legislation to the reopening of Maryland, to working families that need access to quality, affordable child care, and to small women, and minority owned businesses. Maryland has the opportunity to lead and we must.

Sincerely,

Advocates for Children and Youth
Agudath Israel of Maryland
Baltimore Jewish Council
Family League of Baltimore
Greater Washington Partnership
Latino Child Care Association of Maryland
Maryland Alliance for Racial Equity in
Education
Maryland Alliance for the Poor
Maryland Association for the Education of
Young Children
Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Family Network
Maryland State Child Care Association

Maryland State Family Child Care
Association
Montessori Schools of Maryland
Montgomery County Chamber of
Commerce
Montgomery Moving Forward
National Child Care Association
Nonprofit Montgomery
SEIU 32BJ
SEIU Local 400
SEIU Local 500
SEIU Local 500
SEIU Maryland & DC State Council
The Children's Guild Alliance
Washington Area Women's Foundation