



To: The Honorable Chair, Senator Paul G. Pinsky, and members of the Education, Health, and Environmental Affairs Committee and
The Honorable Chair, Senator Guy Guzzone, and members of the Budget and Taxation Committee

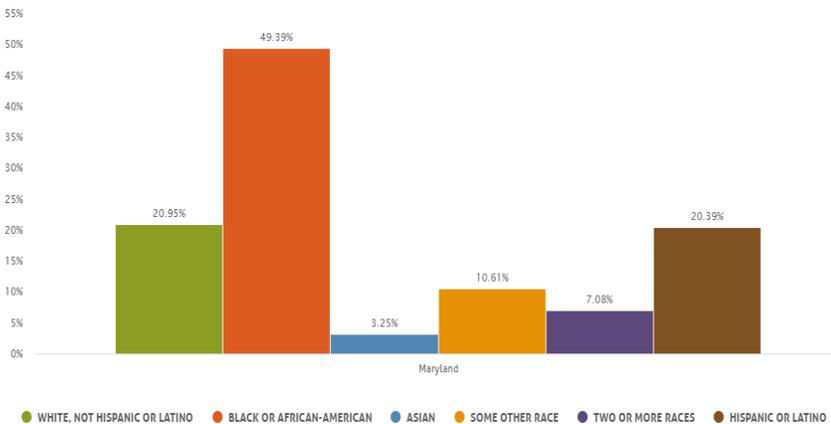
From: Melissa S. Rock, Birth to Three Strategic Initiative Director

Re.: **SB 890: Early Childhood Education - Child Care Provider Support Grant Program (The Child Care Provider Support Act)**

Date: February 25, 2021

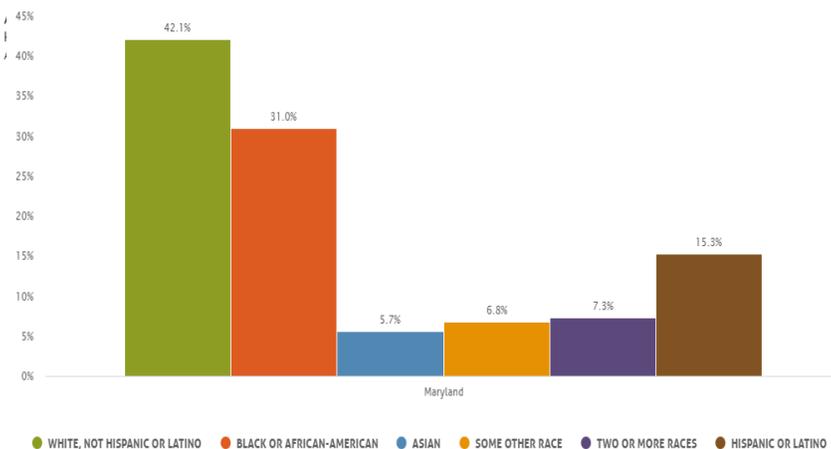
Position: **SUPPORT**

Maryland's childcare field is one of the industries that has suffered significant financial losses due



to the COVID-19 pandemic. Even before the pandemic, Maryland's childcare system faces significant systemic sustainability issues. Despite families spending significant portions of their income on childcare (especially for the youngest babies), childcare providers are largely low wage workers who do not even receive benefits. Most childcare providers, especially family-based or in-home providers have very thin margins between their income and their expenses. In Maryland, as of June 30, 2019, there were 6,917 licensed childcare providers (5,360 home-based childcare providers and 1,557 center-based providers).¹ As of May 8th, 2020, only 55% (or 3,778) of those childcare providers were caring for children.² Maryland Family Network (MFN) surveyed Maryland's licensed childcare providers in May 2020, and received responses from 41.6% of Maryland's providers (both family based and center based childcare providers).³ Their survey indicated that "67% of childcare providers lost revenue due to COVID-19."⁴

Child Poverty Status By Race (Percent) - 2019



Child Population By Race/Ethnicity (Percent) - 2019

Advocates for Children and Youth
KIDS COUNT Data Center, datacenter.kidscount.org
A project of the Annie E. Casey Foundation

¹ https://www.marylandfamilynetwork.org/sites/default/files/2020-03/2020_MFN_Demographics.pdf at p. 5.

² <https://www.marylandfamilynetwork.org/sites/default/files/2020-09/2020%20MFN%20Caring%20During%20Covid%20%28bg%29%201.3%20Pages%5B1%5D.pdf> at p. 3.

³ Id.

⁴ Id. at p. 5.



The Maryland State Department of Education (MSDE) does not share any disaggregated data showing the race/ethnicity of childcare providers or young child attending licensed childcare programs. Therefore, we do not have the data to show what, if any, racial and or ethnic disparities there were in childcare supply. However, we do know that Maryland has significant racial and ethnic disparities in rates of poverty among Maryland's children.⁵ If there were no disparities by race or ethnicity, the two graphs above would look the same, but as you see Black and Latinx children are significantly over-represented among Maryland's children experiencing poverty. There is every reason to believe that many of the same systemic factors causing those racial disparities in rates of child poverty would also lead to Black and Latinx childcare providers facing the greatest economic challenges covering their expenses and staying open throughout the COVID-19 pandemic.

MFN's survey respondents overwhelmingly indicated the need for financial support both to stay open or to re-open.⁶ That financial support for childcare providers is exactly what Senate Bill 890 provides. Licensed childcare providers that were in operation before March 2020, accept childcare vouchers, and can demonstrate financial losses throughout the time of the COVID-19 are eligible to apply for grants to close some of their financial gaps and help them re-open or stay open. While there needs to be systemic changes to how Maryland's childcare system is structured, including an infusion of public funding, in the meantime SB 890 is a critical bill to help ensure Maryland's childcare supply isn't further depleted putting more families with young children at risk of not having access to high quality childcare. **We respectfully request that these committees issue a favorable report on Senate Bill 890.**

⁵ <https://datacenter.kidscount.org/data/tables/103-child-population-by-race?loc=22&loct=2#detailed/2/22/false/1729/68,69,67,12,70,66,71,72/423,424> & <https://datacenter.kidscount.org/data/tables/8538-child-poverty-status-by-race?loc=22&loct=2#detailed/2/any/false/1729/4406,3303,3304,2161,3305,3306,3307,3301,4551/17225,17226>

⁶ Id.