



To: The Honorable Chair, Delegate Anne Kaiser, and members of the Ways and Means Committee
 The Honorable Chair, Maggie McIntosh, and members of the Appropriations Committee

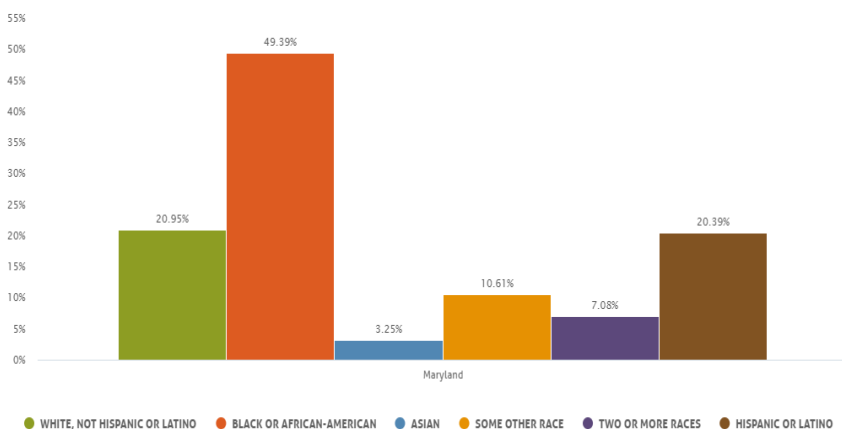
From: Melissa S. Rock, Birth to Three Strategic Initiative Director

Re.: **HB 944: Growing Family Child Care Opportunities Pilot Program- Established**

Date: February 24, 2021

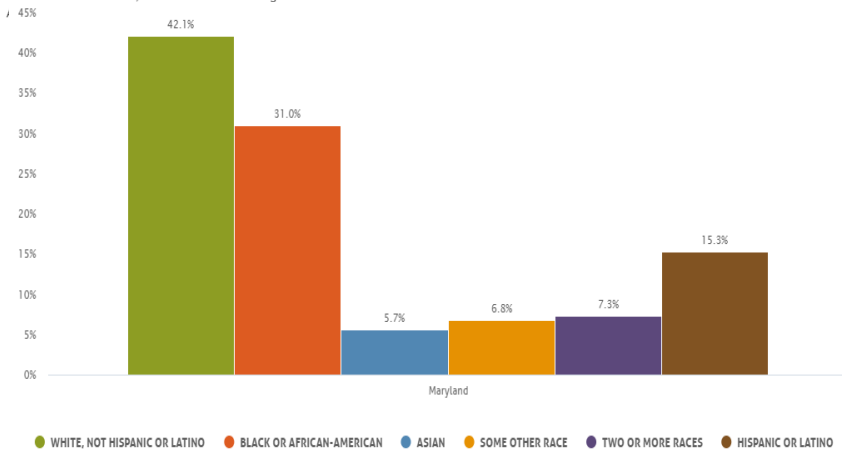
Position: **SUPPORT**

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



Child Poverty Status By Race (Percent) - 2019

Advocates for Children and Youth
 KIDS COUNT Data Center, datacenter.kidscount.org



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

to the COVID-19 pandemic. Even before the pandemic, Maryland's childcare system faced 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

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 the children attending licensed childcare programs. Therefore, we do not have the data to show what, if any, racial and or ethnic disparities there were in availability of childcare. However, we do know that Maryland has significant racial and ethnic disparities in rates of poverty among Maryland's children. (See tables on the first page of this testimony).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 Childcare Demographics report from 2020 illustrates that family based childcare providers charge less than childcare centers (see table below).⁶ Therefore, it is likely that the same BIPOC families with fewer resources than their White counterparts are more likely to be accessing family childcare.

Average Weekly Cost of Full-time Child Care

Maryland		
Programs	Family Child Care Centers	Child Care
0-23 months	\$205.62	\$308.92
2-4 years	\$174.25	\$220.07
5 years ¹	\$159.41	\$208.96
School Age Full ²	\$141.71	\$168.34
School Age B/A ³	\$ 99.05	\$116.73

Source: MFN/LOCATE: Child Care, 6/19.

¹Average cost of full time care for a 5 year old. Defined as child being in full time child care or being in kindergarten and out-of-school child care, i.e., holidays, school closures and summers. ²Average cost of full time care for a 6+ school age child (out-of-school child care, i.e., holidays, school closures and summers).

³Average cost of before and after school child care.

MFN's June survey respondents overwhelmingly indicated the need for financial support both to stay open or to re-open.⁷ That financial support for childcare providers is exactly what House Bill 944 provides. HB 944 is specifically focused on supporting family-based childcare providers who reported losing \$4,154 in revenue each month due to the COVID-19 pandemic.⁸

While there needs to be systemic changes to how Maryland's childcare system is structured, including an infusion of public funding, in the meantime HB 944 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. HB 944's

focus on family-based childcare will help ensure that at least some of the most financially vulnerable childcare programs who are likely caring for the most financially vulnerable children and families are able to stay open which in turn will help close to racial and socio-economic disparities in access to high quality childcare for Maryland's children. **We respectfully request that these committees issue a favorable report on House Bill 944.**

⁵ <https://datacenter.kidscount.org/data/tables/103-child-population-by-race?loc=22&loc=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&loc=2#detailed/2/any/false/1729/4406,3303,3304,2161,3305,3306,3307,3301,4551/17225,17226>

⁶ https://www.marylandfamilynetwork.org/sites/default/files/2020-03/2020_MFN_Demographics.pdf at p.4.

⁷ <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. 5.

⁸ Id.