



## **Testimony Concerning HB 1014 - Small Business**

### **COVID-19 Relief Act of 2021**

#### **Submitted to House Ways and Means Committee**

**February 25, 2021**

### **Position: Support**

The Maryland State Family Child Care Association (MSFCCA) is a non-profit association advocating on behalf of approximately 4700+ registered family child care providers and 140 large family child care homes in Maryland. These small businesses are a vital part of the child care delivery system in Maryland and a significant portion of the child care programs that opened to Essential Personnel during the COVID-19 Pandemic. As a workforce, our members normally care for approximately 50% of all children in Maryland under the age of two and typically work alone in mixed-age group settings in our home.

As the association representing registered family child care in Maryland, we have watched our members struggle to make ends meet during the pandemic, which drives us to continue advocating for all programs and legislation that will support this very important industry. All family child care programs were directed to close at the beginning of the Pandemic. When given direction by the Maryland State Department of Education (MSDE), many reopened to serve essential workers. This was good news for families, however the reduced enrollments and stringent safety protocols were the new normal, and many providers are still struggling daily to pay themselves and/or staff as well as their rent/mortgage, utilities, food and all other necessary business expenses. The ongoing purchase of Personal Protective Equipment (PPE) and other COVID related supplies also adds to the program's operating expenses. The daily threat of a positive diagnosis will mean closing again, a deep cleaning and a lengthy quarantine with no tuition until re-opening.

COVID has widely impacted child care enrollment across the state. Parents who are unemployed or working from home no longer need or can afford child care and these small programs have

had to absorb that loss and try to stay afloat with less income and increased costs. Some programs are caring for school-age children and are overseeing their Virtual Learning while school buildings in some Counties remain closed. This has helped some programs, but for those with children enrolled in the Maryland Scholarship Program it has proven to be a dilemma, since they are caring for children all-day but only paid for before-and-after care due to a lack of Scholarship funding.

There are some family child care programs that remained closed in the beginning of the pandemic due to the fear of transmission and have now chosen to close permanently. Still others closed with the intent of reopening when it became safe. Whatever the decision for each program, there is no doubt that most have taken a financial hit that has been devastating to their business, and it will likely take years for the child care community to recover.

HB 1014 is a positive step that could help reestablish new or strengthen existing quality child care programs, especially in areas of high-poverty or child care deserts. This bill would provide working capital to these small businesses to help them recover. Family child care is traditionally made up of women and minorities who in many cases are single family households. HB 1014 would help these providers be better equipped to financially support their families and strengthen the Maryland Economy.

Maryland is recognized as a national leader in early care and education policy and giving HB 1014 a favorable vote will begin the process of saving an industry that is vitally important to our future, our families and our economy. MSFCCA appreciates the opportunity to weigh in on this legislation. Feel free to contact Rebecca Hancock, the MSFCCA Vice President of Public Policy at 240-299-0222 (cell) or 301-934-4445 (Home) to answer any questions concerning this testimony.