

**SB 919\_MFN\_FAV\_Weeldreyer.pdf**

Uploaded by: Beth Morrow

Position: FAV



**Testimony Concerning SB 919**  
**“Child Care Capital Support Revolving Loan Fund - Established”**  
**Submitted to the Senate Budget & Taxation and Education,**  
**Health, and Environmental Affairs Committees**  
**March 15, 2022**

**Position: Support**

Maryland Family Network (MFN) strongly supports SB 919, which would establish a revolving loan fund designed to expand the supply of quality child care in areas and among populations where it is lacking. Although the pandemic has in many ways made their situation more acute, child care programs have long faced challenges in raising capital through conventional means. Through an initial investment of public dollars to seed the loan fund, SB 919 would provide important support for a sector that is inextricably linked to the public good. MFN urges your favorable consideration.

MFN has worked since 1945 to improve the availability and quality of child care and early childhood education as well as other supports for children and families in Maryland. We have been active in state and federal debates on child care policy and are strongly committed to ensuring that children, along with their parents, have access to high-quality, affordable programs and educational opportunities.

An authoritative report by the National Institute for Early Education Research (NIEER) affirms the link between well-designed facilities and program quality. However, NIEER notes, the “obvious barrier to facilities development is financial: revenue in child care programs is typically meager while the cost of constructing [or expanding] facilities designed specifically for young children is high” — considerably higher than standard commercial space. Child care programs serving or hoping to serve low-income communities face even greater challenges in demonstrating profitability, incurring debt, and raising capital to cover the costs of acquisition, construction, renovation, and expansion.

The no-interest loan program created by SB 919 would be targeted to providers who participate in the Child Care Scholarship Program, who are located in areas lacking supply of quality care, and who serve children in populations that often face barriers to access— children from low-income families, children under age 2, and children with special needs. Spread over the next three fiscal years, the State’s investment of \$30 million in seed money would be replenished as child care programs establish themselves and grow to serve more children and families. In terms of child care supply and access, MFN believes this investment will pay handsome dividends; we are certain that it will serve the public good.

MFN respectfully urges the Committee’s favorable consideration of SB 919.



# **SB0919 -- Child Care Capital Support Revolving Loa**

Uploaded by: Brian Levine

Position: FAV



**Senate Bill 919 -- *Child Care Capital Support Revolving Loan Fund - Established*  
Senate Budget and Taxation Committee and  
Senate Education, Health, and Environmental Affairs Committee  
March 15, 2022  
Support**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 919 -- *Child Care Capital Support Revolving Loan Fund – Established*.

Senate Bill 919 establishes the Child Care Capital Support Revolving Loan Fund, whose purpose is to provide no-interest loans for capital expenses to child care providers who participate in the Child Care Scholarship Program. The fund may be used by child care providers for capital expenses related to a child care facility, including for acquisition, expansion, renovations, and new construction.

MCCC has identified the issue of child care access and affordability as an economic imperative that needs to be addressed to help Maryland employers and employees succeed. There are significant economic costs to unreliable and unaffordable child care in Maryland.

MCCC contends that increasing affordable and quality child care was critical prior to the pandemic and is now even more important. As Maryland seeks to open up more following the Omicron variant and get more people back to work, child care challenges present a growing threat to the State's economy. The rapid workplace changes brought about by the COVID-19 pandemic have created new challenges in attracting and retaining employees. Now more than ever, the availability of quality and affordable child care is an important determinate to the success of the workforce.

**For these reasons, the Montgomery County Chamber of Commerce supports Senate Bill 919 and respectfully requests a favorable report.**

*The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.*

*Brian Levine / Vice President of Government Affairs  
Montgomery County Chamber of Commerce  
51 Monroe Street / Suite 1800  
Rockville, Maryland 20850  
301-738-0015 / [www.mcccmd.com](http://www.mcccmd.com)*

# **SB 919 CC Capital Support Revolving Loan Fund Esta**

Uploaded by: Christina Peusch

Position: FAV



**Caring For Maryland's Most  
Important Natural Resource™**

# Maryland State Child Care Association

2810 Carrollton Road  
Annapolis Md 21403

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*The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5000 members working in the field of early childhood. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.*

**Senate Bill 919  
Child Care Capital Support: Revolving Loan Fund Established  
Position: Favorable SUPPORT  
Budget and Taxation Committee  
March 15, 2022**

Maryland State Child Care Association (MSCCA) appreciates the leadership, advocacy and support of Senator King as well as the General Assembly to champion important child care legislation. MSCCA enthusiastically supports Senate Bill 919 to establish a revolving, non-lapsing, no interest loan fund specific to child care providers who participate in the Child Care Scholarship Program. SB 919 also includes publicizing the loan opportunities and administering between Department of Commerce and MSDE.

The federal government has provided states with pandemic related child care relief funding as they recognize the devastating impact and unique challenges the child care industry faces as tuition dependent small businesses - primarily women owned and operated. Federal funds for stabilization and rescue efforts for the child care industry have been life saving for many, however, more support is needed at the state level to recover.

Child care has suffered devastating losses due to the pandemic. Even with the federal aid to states specific to child care, it is not enough to stem the loss of over 900 child care businesses in Maryland. The loss of child care, the critical workforce shortages, capacity issues and skyrocketing inflation has brought many providers to the breaking point. State investments are critical to recovery and this legislation provides opportunity to support essential businesses to include new construction, expansion and renovation therefore expanding access for families to child care. The bill also includes provisions for financial hardship exemption allowing additional time to repay, if necessary.

Program closures and child care shortages negatively impact the economy as industry jobs are lost and parents are forced to drop out of the workforce due to lack of adequate care options.

According to a Center for American Progress analysis, a lack of child care negatively affected communities of color before the pandemic, as parents of color were more likely than their non-Hispanic white counterparts to experience childcare-related job disruptions that could affect their families' finances. Policymakers must act to address these disparities or the crisis will only intensify. Senate Bill 919 is acting by prioritizing the loan fund be used for our most underserved communities.

Child care must recover and rebuild stronger as it is an economic and equity imperative. Without child care there is no workforce. It is necessary to invest state dollars in order to support and serve the families and children, especially our most vulnerable, youngest citizens by addressing access issues related to pandemic crisis. SB 919 is a step forward and investment in recovery.

MSCCA urges a favorable report.



**SB 919\_MFN\_FAV\_Macsherry.pdf**

Uploaded by: Clinton Macsherry

Position: FAV





**Additional Testimony from Child Care Providers in Support of  
SB 919 “Child Care Capital Support Revolving Loan Fund – Established”  
Submitted to the Senate Budget and Taxation and Education,  
Health, and Environmental Affairs Committees  
March 15, 2022**

Position: **SUPPORT**

*In addition to our organizational testimony in support of SB 919, Maryland Family Network presents the public comments of child care providers from all over our state who strongly support this legislation. Many of them share their own experiences and describe how access to a capital loan fund would help them invest in and improve their physical environment. We urge a favorable report for SB 919.*

\*\*\*\*\*

Capital funds would help with marketing, upgrading equipment and operating cost.  
**Rhonda Darrell Watson, Columbia**

We want to put up permanent dividers between our classrooms, being an open space center. The rolling bulletin boards are becoming unsafe as children have knocked them over onto other children. We need work on our playground to improve the safety of the grounds and equipment, especially sunshade to protect the children and staff from skin cancer. So many things...  
**Flora Gee, Prince George's County**

We would be able to expand with purchasing updated equipment.  
**Amy Heger, Salisbury**

Our income can't afford to renovate and improve our physical environment.  
**Josephine Chan, Gaithersburg**

With a no-interest capital loan, I would extend the present location, fix up the items needing help and make sure the correct staff is hired.  
**Millis Gregory, Prince George's County**

I can put a playground in my backyard and will be able to buy much needed materials for our young children. Also expand the rooms in our daycare.  
**Lisa Tate, Baltimore**

I am a family childcare provider. I love what I do each and every day, by shaping the minds of our children. I am looking to move my daycare in my 2-car garage in the near future.  
**Maria Rosella Franklin, Baltimore County**



[Access to a no-interest capitol loan] would provide a clean, safe environment.

*Delores Robinson, Fort Washington*

# **SB919 Written Support- Child Care Loan Fund.pdf**

Uploaded by: Demaune Millard

Position: FAV



## Testimony in Support of Senate Bill 919

### Child Care Capital Support Revolving Loan Fund - Established

**To:** Chair Guy Guzzone and Members of the Budget & Taxation Committee

**From:** Demaune A. Millard, President & CEO, Family League of Baltimore

**Date:** March 15, 2022

Family League of Baltimore (Family League) supports Senate Bill 919 as it would establish the Child Care Capital Support Revolving Loan Fund as a special, nonlapsing fund to provide no-interest loans for capital expenses related to a child care facility to child care providers who participate in the Child Care Scholarship Program; requiring interest earnings of the Fund to be credited to the Fund; requiring the State Department of Education to administer the Fund; and requiring the Department of Commerce to publicize the availability of loans from the Fund.

Establishing a fund to assist child care providers with making facility changes that include acquisition, expansion, renovations and new construction would allow the centers to be in a better position to provide quality childcare. This bill is particularly important because it has a contingency on only distributing funds to providers and facilities that have accepted children that have received a childcare scholarship. In addition to providing funds to these groups, the loans will have no interest which would allow providers less stress for repayment. Baltimore City falls under the priority categories of underserved communities and childcare deserts especially after centers closed due to the pandemic. Inner city children deserve to receive the best early childhood education to help prepare them to enter into the school system and be successful. Child care providers receiving these loans would help a lot of centers expand with updating the spaces that would in turn create a better learning environment for children.

Often times, providers have the desire to make changes to their facility, but cannot due the costs and this loan fund would help alleviate that stress. In order to allow equal access to the funds, making sure that it is publicized properly would allow more people to apply and have a better chance at receiving the funds. It is possible that the centers that receive funds and make renovations will cause for a rise in enrollment which means more children will have access to early childhood education.

As the designated Local Management Board for the City of Baltimore, Family League works collaboratively to support data-informed, community-driven solutions to align resources to dismantle systemic barriers that limit the possibilities for children, families, and communities. Our policy focus is also guided by and in support of the Governor's Office of Crime Prevention Youth and Victim Services' Results for Child Well-Being. Through our strategic planning

process, we have prioritized three of these results areas, focusing on the success of Baltimore's children in school; the economic stability of families; and the safety of communities for children, youth, and families. We support SB919 in particular because of its alignment with the result areas that work to ensure "Children Are Successful in School" and "Families are Economically Stable."

*For more information contact Keontae Kells, Executive Administrator [kkells@familyleague.org](mailto:kkells@familyleague.org)*

**SB0919 - 03.15.22 -- Child Care Capital Support Re**

Uploaded by: Donald Fry

Position: FAV



**TESTIMONY PRESENTED TO THE SENATE BUDGET AND TAXATION COMMITTEE**

**SENATE BILL 919 – CHILD CARE CAPITAL SUPPORT REVOLVING LOAN FUND - ESTABLISHED**

**Sponsor: Senator King**

**March 15, 2022**

**DONALD C. FRY**

**PRESIDENT & CEO**

**GREATER BALTIMORE COMMITTEE**

**Position: Support**

The Greater Baltimore Committee (GBC) supports Senate Bill 919, which would create a Child Care Capital Support Revolving Loan Fund administered by the Maryland State Department of Education (MSDE) to provide no-interest loans for capital expenses to child care providers who participate in the Child Care Scholarship Program. Child care providers would have five years to repay the loans, unless they were given a financial hardship exemption to allow more time to repay the loan. MSDE would give priority to child care providers located in rural communities, underserved communities or child care deserts, as well as those that serve primarily low-income populations, children with special needs, or children age two and younger. The Governor would be required to include in the annual budget \$15 million for fiscal year 2023, \$10 million for fiscal 2024, and \$5 million for fiscal year 2025.

The GBC COVID-19 Business Recovery Advisory Council, comprised of regional business executives, made a number of recommendations to assist businesses recover from the pandemic, with a particular focus on small and minority-owned businesses. Recognizing both the immediate problems, as well as a systemic shortage of quality licensed child-care options, the council called for state and local governments to address the immediate shortage and to create long-term solutions pertaining to child care through targeted policy or funding initiatives.

There is an urgent need to ensure that adequate high-quality child care is available for the children of Maryland's workforce. Strengthening existing child care providers by ensuring they are able to make needed capital investment at a low cost is integral to the state's business ecosystem. Without affordable and dependable child care options, Maryland's workforce is challenged to perform their employment responsibilities and duties to maximum capacity and capabilities resulting in loss of production in business operations. The provisions in House Bill 993 would provide much-needed assistance to struggling child care providers in rural and underserved communities that are serving some of our most vulnerable children.

This bill is consistent with one of the key tenets in *Gaining a Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth. The pillar provides:

**Government leadership that unites with business as a partner.** Maryland leaders must set a welcoming tone that communicates positive support for business, respect for the private sector as a partner, not an adversary, and reflects a strategic plan for business growth and job creation.

**For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 919.**

*The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 67-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.*

**GREATER BALTIMORE COMMITTEE**

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • [www.gbc.org](http://www.gbc.org)

**PGCRC SB 0919.pdf**

Uploaded by: Jennifer Iverson

Position: FAV



March 14, 2022

**Testimony Concerning Support for:  
SB 0919 : Child Care Capital Support Revolving Loan Fund – Established**

**Submitted to the Senate Education, Health and Environmental Affairs Committee  
Jennifer Iverson, Executive Director  
Prince George’s Child Resource Center, Inc.  
9475 Lottsford Road, Suite 202, Largo, MD 20774  
(301) 772-8420, ext. 1005  
jiverson@pgcrc.org**

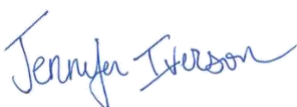
**We urge your support for legislation that will benefit working families, and the struggling child care providers that serve them.**

Prince George’s Child Resource Center envisions vibrant, healthy communities where individuals and families care, support, and advocate for each other and invest in creating opportunities for children to develop strong, successful life paths. The Resource Center has been working tirelessly since 1990 to support both child care providers in their efforts to strive for quality in their child care programs, and parents as they seek child care where their children can thrive.

Child care providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Child care providers are in crisis, and so are families, and Prince George’s County is no exception. In Prince George’s County, area child care providers are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined. The stabilization funds offered in 2021 were an important step. There is more to be done. The quality of child care, and the experience of the birth-to-five years, are crucial to school readiness and supporting working families.

**SB 0919 revolving loan fund will help child care providers that serve families on scholarship to make needed changes to their physical space. This will have direct, positive impact on underserved communities, as well as providers serving children with special needs. The terms – five years to repay, with no interest charged – may provide access to funds that would otherwise be unavailable.**

Thank you for your leadership for our community. Together we can help child care programs to stay open successfully and offer more choices for families, when we make sure that all the pieces and parts of policy ideas come together. Again, I urge your support for SB 0919.

A handwritten signature in blue ink that reads "Jennifer Iverson". The signature is written in a cursive, flowing style.

# **WDC Testimony SB0919-2022\_FINAL.pdf**

Uploaded by: JoAnne Koravos

Position: FAV



MONTGOMERY COUNTY, MARYLAND  
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827

[www.womensdemocraticclub.org](http://www.womensdemocraticclub.org)

**Senate Bill 0919 – Child Care Capital Support Revolving Loan Fund - Established  
Budget and Taxation & Education, Health, and Environmental Affairs– March 15, 2022  
SUPPORT**

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club (WDC)** for the 2022 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

**WDC urges passage of SB0919 – Child Care Capital Support Revolving Loan Fund - Established.** This bill will establish a Child Care Capital Support non-lapsing revolving loan fund to be administered by the State Department of Education. The purpose of this fund is to provide no-interest loans for capital expenses to child care providers, including center-based and family child care providers, who participate in the Maryland's Child Care Scholarship Program (CSS). The CSS provides financial assistance with child care costs to eligible working families in Maryland. Eligible capital costs include acquisition, expansion, renovations and new construction. Priority shall be given to child care providers that are located in rural communities, underserved communities, child care "deserts," or serve primarily low-income families residing in high-poverty areas, children with special needs, or children age two or younger. Recipients have five years to repay the loans, but additional time may be granted for demonstrated financial hardship. For Fiscal Year (FY) 2023, the Governor's budget shall include an appropriation of \$15,000,000, for FY 2024 an appropriation for \$10,000,000 and for FY 2025 an appropriation for \$5,000,000.

The childcare industry is in crisis. Many childcare businesses are small businesses that operate with tight financial margins. According to the Maryland Early Childhood Advisory Council, there are 855 fewer child care providers in Maryland than in March 2020. The availability of affordable, predictable, quality childcare is a significant factor in a woman's ability to remain in the workforce and provide for her family, especially for low-and moderate-income families. This legislation will provide much needed low-cost financial assistance to childcare providers so that they can expand and/or renovate their facilities, as well as help new providers finance the development of additional facilities that serve families that qualify for Maryland's Child Care Scholarship Program.

**We ask for your support for SB0919 and strongly urge a favorable Committee report.** To maintain our competitive edge as a State, we need to keep women in our workforce.

Respectfully,

Leslie Milano  
President

# **SB 919- Favorable.pdf**

Uploaded by: Kristi Simon

Position: FAV



# Central Maryland Chamber

*The Center of Intelligent Business*

Legislative Position: Favorable  
Senate Bill 919  
Child Care Capital Support Revolving Loan Fund  
Senate Education, Health and Environmental Affairs Committee

Dear Chairman Pinsky and Members of the Committee,

The Central Maryland Chamber of Commerce (CMC) was formed in 2017, a merger of two existing chambers- The Baltimore Washington Corridor Chamber (originally founded in 1948) and the West Anne Arundel County Chamber (originally founded in 1962). The CMC is a regional organization representing approximately 350 businesses in the Central Maryland corridor and exists to be the primary business resource and advocate as the area experiences exponential growth.

The Central Maryland Chamber is writing in support of SB 919.

SB 919 would establish the Child Care Support Revolving Loan Fund as a special, non-lapsing fund to provide no-interest loans for capital expenses related to a childcare facility to childcare providers who participate in the Child Care Scholarship Program requiring interest earnings of the Fund to be credited to the Fund; requiring the State Department of Education to administer the Fund; and requiring the Department of Commerce to publicize the availability of loans from the fund.

Childcare is one of the biggest issues we're hearing from Chamber member businesses right now. It affects our employees and employers, with employees needing to get to work to support themselves and businesses needing staff to keep their doors open and grow. After the pandemic exacerbated the childcare gap, we understand there are no simple solutions to this problem. We're also hearing this loud and clear from our partners at Ft. Meade as their childcare system can only handle approximately 40% of the demand of their servicemembers.

Many children from low-income families receive childcare credits/ scholarships for qualifying childcare centers. The process is complicated at times for qualified children to be approved and for the scholarship payments to begin. This bill will help childcare centers, and individuals looking to open a center, to use funds for acquisition, expansion, renovations, and new construction. The no interest loans to the providers who participate in the scholarship program will allow them to build or expand their operations, take in more children, fill the overwhelming demand, and pay back the loans in a reasonable amount of time without interest. This is a win all around and a great start for a solution to the childcare crisis we are currently experiencing.

While businesses are struggling to recover from impacts of the pandemic and entrepreneurs have been hesitant to make major investments due to market volatility, a program like this can make a huge difference to Maryland's business community and help people return to the workforce, fill job vacancies and better themselves.

The Central Maryland Chamber urges you to support SB919.

**SB 919\_MFN\_FAV\_Weeldreyer.pdf**

Uploaded by: Laura Weeldreyer

Position: FAV



**Testimony Concerning SB 919**  
**“Child Care Capital Support Revolving Loan Fund - Established”**  
**Submitted to the Senate Budget & Taxation and Education,**  
**Health, and Environmental Affairs Committees**  
**March 15, 2022**

**Position: Support**

Maryland Family Network (MFN) strongly supports SB 919, which would establish a revolving loan fund designed to expand the supply of quality child care in areas and among populations where it is lacking. Although the pandemic has in many ways made their situation more acute, child care programs have long faced challenges in raising capital through conventional means. Through an initial investment of public dollars to seed the loan fund, SB 919 would provide important support for a sector that is inextricably linked to the public good. MFN urges your favorable consideration.

MFN has worked since 1945 to improve the availability and quality of child care and early childhood education as well as other supports for children and families in Maryland. We have been active in state and federal debates on child care policy and are strongly committed to ensuring that children, along with their parents, have access to high-quality, affordable programs and educational opportunities.

An authoritative report by the National Institute for Early Education Research (NIEER) affirms the link between well-designed facilities and program quality. However, NIEER notes, the “obvious barrier to facilities development is financial: revenue in child care programs is typically meager while the cost of constructing [or expanding] facilities designed specifically for young children is high” — considerably higher than standard commercial space. Child care programs serving or hoping to serve low-income communities face even greater challenges in demonstrating profitability, incurring debt, and raising capital to cover the costs of acquisition, construction, renovation, and expansion.

The no-interest loan program created by SB 919 would be targeted to providers who participate in the Child Care Scholarship Program, who are located in areas lacking supply of quality care, and who serve children in populations that often face barriers to access— children from low-income families, children under age 2, and children with special needs. Spread over the next three fiscal years, the State’s investment of \$30 million in seed money would be replenished as child care programs establish themselves and grow to serve more children and families. In terms of child care supply and access, MFN believes this investment will pay handsome dividends; we are certain that it will serve the public good.

MFN respectfully urges the Committee’s favorable consideration of SB 919.



**SB919\_MoCo\_Frey\_SUPPORT.pdf**

Uploaded by: Leslie Frey

Position: FAV





# Montgomery County

## Office of Intergovernmental Relations

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**ROCKVILLE: 240-777-6550**

**ANNAPOLIS: 240-777-8270**

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**SB 919**

**DATE: March 15, 2022**

**SPONSOR: Senator King**

**ASSIGNED TO: Budget & Taxation and Education, Health & Environmental Affairs**

**CONTACT PERSON: Leslie Frey (leslie.frey@montgomerycountymd.gov)**

**POSITION: SUPPORT**

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### **Child Care Capital Support Revolving Loan Fund – Established**

Senate Bill 919 creates a Child Care Capital Support Revolving Loan Fund in the Maryland State Department of Education (MSDE) to provide no-interest loans for capital expenses to child care providers who participate in the Child Care Scholarship Program. The Fund is be funded with \$30M in non-specified funds, spread over Fiscal Years 2024-2026. The loans can be used for purposes such as acquisition, expansion, renovations, and new construction of child care facilities. The bill prioritizes loan allocation to providers that: are located in rural communities, underserved communities, or areas designated by MSDE as child care deserts or as lacking child care slots; serve primarily low-income populations in areas of high poverty; serve children with special needs; or serve children aged two or younger.

If enacted, Senate Bill 919 would aid child care providers at a critical time when recovery from the economic impacts of COVID-19 has not fully been realized for many providers who are still struggling to keep their doors open. When surveyed by Montgomery County in the fall of 2021, nearly one third of providers who responded said that they were unlikely to be able to continue operating in 6 months if conditions remained the same as they were at the time. Fifty-seven percent of survey respondents indicated capital costs were the largest burden on their finances; the loans provided by Senate Bill 919 would directly assist providers with costs such as these.

Since the onset of the pandemic, Montgomery County has allocated over \$21M to supporting child care programs in an effort to maintain an adequate supply of child care providers while parents balanced work, virtual learning for school-aged children, and other uncertainties during the pandemic. Despite these efforts, child care providers across the state remain in need of the financial support offered by Senate Bill 919. Montgomery County respectfully urges the committees to issue a favorable report.

# **SB 919\_MDCC\_Child Care Capital Support Revolving L**

Uploaded by: Maddy Voytek

Position: FAV



**LEGISLATIVE POSITION:**

**Favorable**

**Senate Bill 919**

**Child Care Capital Support Revolving Loan Fund - Established**

**Senate Budget & Taxation Committee**

**Tuesday, March 15, 2022**

Dear Chairman Guzzone and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

**SB 919** would establish the Child Care Capital Support Revolving Loan Fund within the Maryland State Department of Education for the purposes of providing no-interest loans to childcare providers who participate in the Child Care Scholarship Program.

The Maryland Chamber of Commerce and its members are tremendously supportive of measures such as **SB 919** aiming to address the State's current childcare shortage. The childcare crisis, exacerbated by the COVID-19 pandemic, is having an exceedingly negative impact on workers' ability to return to the labor market. The shortage of childcare is without a doubt a factor preventing Maryland employers from returning to full operations, further contributing to the State's anemic recovery.

To fully tackle the childcare issue, solutions must be proposed addressing both the supply and affordability side of the equation. **SB 919** will increase childcare availability by providing capital funds to childcare providers seeking to renovate, expand, acquire, or open a new facility. Access to capital funds is a central barrier to those seeking to open childcare businesses, ***SB 919 will help overcome that challenge.***

Increasing the supply of childcare services throughout the state is critical to getting Marylanders back to work and boosting economic recovery. Further, the additional supply should ease demand for childcare services therefore tempering rising childcare costs. For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable Report** on **Senate Bill 919**.

# **FAV BJC SB919 Child Care Capital Support Revolvin**

Uploaded by: Sarah Miicke

Position: FAV

## OFFICERS

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President

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Beth Israel Congregation

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Beth Tfiloh Congregation

B'nai B'rith, Chesapeake Bay Region

B'nai Israel Congregation

B'nai Jacob Shaarei Zion Congregation

Bolton Street Synagogue

Chevra Ahavas Chesed, Inc.

Chevrei Tzedek Congregation

Chizuk Amuno Congregation

Congregation Beit Tikvah

Congregation Beth Shalom of

Carroll County

Congregation Tiferes Yisroel

Federation of Jewish Women's

Organizations of Maryland

Hadassah

Har Sinai - Oheb Shalom Congregation

J Street

Jewish Federation of Howard County

Jewish Labor Committee

Jewish War Veterans

Jewish War Veterans, Ladies Auxiliary

Jewish Women International

Jews For Judaism

Moses Montefiore Anshe Emanuh

Hebrew Congregation

National Council of Jewish Women

Ner Tamid Congregation

Rabbinical Council of America

Religious Zionists of America

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Simon E. Sobeloff Jewish Law Society

Suburban Orthodox Congregation

Temple Beth Shalom

Temple Isaiah

Zionist Organization of America

Baltimore District



## WRITTEN TESTIMONY

### Senate Bill 919- Child Care Capital Support Revolving Loan Fund – Established

### Budget and Taxation Committee and Education, Health and Environmental Affairs Committee– March 15, 2022

## SUPPORT

**Background:** Senate Bill 919, (SB919) would establish the Child Care Capital Support Revolving Loan Fund. This fund would provide no-interest loans to eligible child care centers for capital improvements, including the acquisition, expansion and renovation of centers. To be eligible, child care centers must participate in the Child Care Scholarship Program, with priority given to certain providers, including those located in rural, underserved, or low-income, areas or serving children under two or those with special needs. The Fund would require an annual budget appropriation for FY23 of \$15 million dollars, \$10 million for FY24 and \$5 million for FY25.

**Written Comments:** The Baltimore Jewish Council (BJC) represents that Associated Jewish Community Federation of Baltimore and all of its agencies, including the Jewish Community Centers of Greater Baltimore (JCC's). The JCC's run two early childhood centers, one of which was closed for a large part of 2020 due to the pandemic. The economic impact has been great for not only our JCC's but for several other ECC's in the Jewish community, including centers attached to our synagogues. To give a snapshot of the impact, the Owings Mills JCC in FY20 (June 19-July 20) had a revenue of \$1.9 million, whereas the projected revenue for FY21 is \$1.4 million (with the help of the Federal PPP).

Without assistance many childcare centers are not going to be able to make into the end of the pandemic, in fact 16% of childcare centers in our state had closed by January 2021 and by November 2021 751 centers had closed. When Covid-19 is eventually under control, and parents and guardians are expected to physically go back to the office, we are going to need childcare centers. This is particularly true for women and single parents who will be forced out of the workforce if there is no readily available childcare. Providing no interest loans for child care centers for capital improvements is an instrumental part of our state's focus on a post-Covid world.

With this in mind, the Baltimore Jewish Council urges a favorable report on SB919.

*The Baltimore Jewish Council, a coalition of central Maryland Jewish organizations and congregations, advocates at all levels of government, on a variety of social welfare, economic and religious concerns, to protect and promote the interests of The Associated: Jewish*

BALTIMORE JEWISH COUNCIL

5750 Park Heights Avenue, Suite 329 • Baltimore, Maryland 21215

410-542-4850 • fax 410-542-4834 • baltjc.org

Member of the Jewish Council for Public Affairs

Baltimore Jewish Council is an agency of The Associated



*Community Federation of Baltimore, its agencies and the Greater Baltimore Jewish community.*

# **SB919 King Sponsor Testimony.pdf**

Uploaded by: Senator Nancy King

Position: FAV

NANCY J. KING  
*Legislative District 39*  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*  
Education, Business and  
Administration Subcommittee



James Senate Office Building  
11 Bladen Street, Room 120  
Annapolis, Maryland 21401  
301-858-3686 · 410-841-3686  
800-492-7122 Ext. 3686  
Fax 301-858-3670 · 410-841-3670  
Nancy.King@senate.state.md.us

THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**SPONSOR STATEMENT**

**Senate Bill 919 – Child Care Capital Support Revolving Loan Fund - Established**

March 15, 2022

Mister Chairman and Members of the Budget and Taxation Committee:

Child care has been severely impacted by the pandemic and Maryland has suffered the loss of over 900 child care business. While federal and state funds have helped to stabilize the industry, much more needs to be done.

Senate Bill 919 will establish the Child Care Capital Support Revolving Loan Fund. This no-interest loan for capital improvements will be targeted to providers who participate in the Child Care Scholarship Program, with priority given to providers that are located in:

- rural Communities
- underserved Communities; or
- areas designated by the Department as child care deserts or areas lacking in child care slots.

Priority will also be given to providers who:

- serve primarily low-income populations in areas of high poverty
- serve children with special needs; or
- serve children ages two or younger

The State's investment of \$30 million over the next three years will be replenished as child care programs begin to repay the loans after growing their businesses to serve more children and families.

Obtaining a loan to expand or improve a business is not easy, but is especially difficult for the typically small, women owned businesses that comprise the majority of the day care industry. This legislation will allow providers to grow and will be another step in improving access to safe, quality child care in Maryland and so I respectfully request a favorable report on Senate Bill 919.



# **SEIU Local 500 - SB 919 Revolving Loan Fund - Supp**

Uploaded by: Travis Simon

Position: FAV



**Hearing Testimony March 15, 2022  
Senate Budget and Tax Committee  
Service Employees International Union, Local 500, CtW, CLC**

**Senate Bill 919: Child Care Capital Support Revolving Loan Fund- Established**

**SUPPORT**

On behalf of the 20,000 working people in our region represented by SEIU Local 500, we offer our strong support for **Senate Bill 919**. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Faculty at institutions of higher education, staff at non-profits, and many other working people across the region. SEIU Local 500 would like to thank Senator King for her leadership on issues important to the child care community and our members.

Child care providers have struggled to keep their doors open to Maryland families, and specifically to low-income families and families of color. This struggle has existed for many years but has only been exacerbated following the onset of the COVID-19 pandemic.

Workforce shortages, delays or non-payments from the Child Care Scholarship, a 20 percent drop in enrollment between January 2020 and 2021, and increases in the cost of food and operational expenses due to inflation have left providers with unstable incomes and have often led to providers dipping into their own pockets to keep their facilities afloat.

The Maryland State Department of Education reported that there were 609 fewer registered child care centers in 2021 than in 2020. Programs serving mostly higher-income families were almost twice as likely as those serving low-income families to report being physically open. Even federally-funded after-school programs in high-poverty neighborhoods were more likely to be closed during the first summer of the pandemic. In November 2021, 44% of programs that had reopened (97% of registered providers) were operating under 50% capacity of kids they served prior to the pandemic, according to the Maryland State Childcare Association. We cannot continue this downward trend in access to child care for Maryland families- working families deserve reliable access to child care services.

SB 919 provides interest-free loans to child care providers for capital expenses related to child care facilities, taking much of the financial weight off the backs of child care and allowing them to focus on other pressing expenses related to providing higher-quality care to children in their communities. SB 919 will also help close the child care access gap in regards to economic status and race by ensuring only facilities who participate in the Child Care Scholarship Program are able to receive these loans. This specific focus helps to eliminate child care deserts and brings access to affordable child care to many more families across the state. It is essential to ensure access to quality child care centers so that child care providers and employees are able to support themselves financially while working families are able to

**Service Employees International Union, Local 500, CtW, CLC  
901 Russell Avenue, Gaithersburg, MD 20879  
301-740-7100 [www.seiu500.org](http://www.seiu500.org)  
Pia Morrison, President**



access necessary care for their children during working hours. For these reasons, SEIU Local 500 supports this legislation.

**Service Employees International Union, Local 500, CtW, CLC**  
**901 Russell Avenue, Gaithersburg, MD 20879**  
**301-740-7100 [www.seiu500.org](http://www.seiu500.org)**  
**Pia Morrison, President**

# **SB 919 - SWA - Child Care Capital Support Revolvin**

Uploaded by: Ary Amerikaner

Position: FWA



**Mohammed Choudhury**  
State Superintendent of Schools

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<b>BILL:</b>	Senate Bill 919	<b>DATE:</b>	March 15, 2022
<b>SUBJECT:</b>	Child Care Capital Support Revolving Loan Fund – Established	<b>COMMITTEE:</b>	Budget and Taxation and Education, Health, and Environmental Affairs
<b>POSITION:</b>	Support with Amendments		
<b>CONTACT:</b>	Ary Amerikaner 410-767-0090 <a href="mailto:ary.amerikaner@maryland.gov">ary.amerikaner@maryland.gov</a>		

The Maryland State Department of Education (MSDE) supports with amendments **Senate Bill 919 – Child Care Capital Support Revolving Loan Fund – Established**, which would create a fund to provide no-interest loans for capital expenses to child care providers who participate in the Child Care Scholarship Program. SB 919 would require MSDE to administer the Fund and the Department of Commerce to publicize the availability of loans from the Fund.

This legislation will aid child care providers by providing an opportunity for small business providers to expand and renovate existing facilities and construct new facilities. This may lead to an increase in the capacity of child care programs in the State with the provision of interest-free loans. Often, such loans are difficult to obtain for this industry, and interest rates are prohibitively high. Federal and state grants cannot typically be used for this purpose.

With the support for that premise in mind, MSDE requests that the committee consider the following suggested amendment:

1. Revise language on page 2, line 30, to require the Department of Commerce, in consultation with the Department of Education to administer the fund. MSDE has historically not administered loan programs such as the one outlined in this bill. The Department of Commerce is well-positioned to administer the fund. MSDE will work with the Department of Commerce to administer the fund and provide policy and technical support. This would include:
  - a. Establishing eligibility criteria and executing strategies to prioritize access in underserved communities and publicizing the availability of the loans from the funds.
  - b. Demonstrating existing operational capacity to manage the loan or willingness to participate in Shared Services Alliances (SSAs) to bolster the fiscal operations and capacity of providers across the State. A Shared Services Alliance is a partnership of childcare providers working together to share costs and deliver services in a streamlined and efficient way.

For more background on SSAs, please see this explanation and set of case studies from the U.S. Chamber of Commerce Foundation<sup>1</sup>.

We respectfully request that you consider this information as you deliberate **SB 919**. Please contact Ary Amerikaner, at 410-767-0090, or [ary.amerikaner@maryland.gov](mailto:ary.amerikaner@maryland.gov), for any additional information.

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<sup>1</sup> <https://www.uschamberfoundation.org/case-study-shared-services-alliances>

# **SB 919 Child Care Capital Support Revolving Loan F**

Uploaded by: Barbara Wilkins

Position: INFO



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

DAVID R. BRINKLEY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

## **SENATE BILL 919 Child Care Capital Support Revolving Loan Fund – Established (King)**

### **STATEMENT OF INFORMATION**

**DATE: March 15, 2022**

**COMMITTEE: Senate Budget & Taxation Committee and Senate Education, Health, & Environmental Affairs Committee**

**SUMMARY OF BILL:** SB 919 creates the Child Care Capital Support Revolving Loan Fund in the Department of Education (MSDE) and mandates appropriations in the amounts of: \$15 million in FY 2023; \$10 million in FY 2024; and \$5 million in FY 2025, the purpose of which is to provide no-interest loans to child care providers for its capital facilities, including acquisition. MSDE may provide a financial hardship exemption and extend the five year repayment requirement.

**EXPLANATION:** The Department of Budget and Management's focus is on the aggregate \$15 million mandated appropriation provisions, which impact the FY 2024 and FY 2025 budgets. The legislation cannot mandate the \$15 million appropriation in the FY 2023 Budget.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

**For additional information, contact Barbara Wilkins at (410) 260-6371**

45 Calvert Street · Annapolis, MD 21401-1907

Tel: 410-260-7041 · Fax: 410-974-2585 · Toll Free: 1-800-705-3493 · TTY Users: Call via Maryland Relay

<http://dbm.maryland.gov>



or [barbara.wilkins1@maryland.gov](mailto:barbara.wilkins1@maryland.gov)