



**Testimony Concerning SB 480 – Child Care Stabilization Grant
Program and Child Care Expansion Grant Program**

Submitted to Ways, Means and Appropriations

February 16, 2022

Position: Favorable

The Maryland State Family Child Care Association (MSFCCA) is a non-profit organization advocating on behalf of 4,440 registered family childcare providers. In SFY 2019, according to MSDE there were 6057 family childcare programs open and operating in the state of Maryland. On January 24, 2022, that number has declined to 4,440, a loss of 1,617 programs which translates to a loss of 12,936 childcare slots for working families. These closures have increased the already existing problem of working families having fewer childcare options, especially families looking for infant and toddler slots.

These small businesses are a vital part of the childcare delivery system in Maryland and a significant portion of the childcare programs that remained OPEN throughout the COVID-19 Pandemic. The SB 480 Child Care Stabilization Grants will provide the financial support for programs that are at a greater risk of closing due to financial difficulties.

Many of the family childcare programs continue to struggle with unstable revenue and with inflation on the rise, our expenses continue to increase, yet our income is capped. Even though most family childcare programs are licensed up to 8 children, most providers have found it difficult to maintain a full enrollment of 8 children due to the disruptions caused by covid, changes in covid restrictions, remote work and parents leaving the workforce especially women.

The childcare stabilization grants have allowed many programs to stay in business that would have gone out of business otherwise. The childcare stabilization grants have been beneficial, but we need more help.

SB 480 can help stabilize the childcare industry as well as provide the financial support to expand. With fewer childcare programs, investing in expansion would increase access to working families. Expansion Grant programs can help family childcare with the cost of expanding our existing programs to a 4-infant home. Oftentimes, the cost to expand to a 4 infant home is a deterrent for struggling programs. This is where SB 480 can help.

SB 480 can also help with the cost of expanding to a large family childcare home in counties that allow such expansion. Large family childcare homes are licensed to 12, with the help of the expansion grant, a family childcare home located in counties that is currently licensed for 8 and wishes to expand to a large family childcare home can serve an additional 4 more slots, increasing more access to working families in Maryland. In addition, programs that expand to a large family childcare home may also increase the number of staff by 1 or 2 more providers.

I would like to respectfully ask for a favorable vote on SB 480 the Child Care Stabilization Grant and Child Care Expansion Grant. SB 480 can prevent further closures and can support expansion, increasing access to working families.