



Testimony Concerning SB 480
“Child Care Stabilization Grant Program and Child Care Expansion
Grant Program - Established”
Submitted to the Senate Budget & Taxation Committee
February 16, 2022

Position: Support

Maryland Family Network (MFN) strongly supports SB 480, which would establish a grant program to support the development and expansion of child care centers and family child care homes. The grants would be targeted to programs that have experienced pandemic-related financial hardship with the critical goal of helping the child care sector emerge from this crisis and play its indispensable role in Maryland’s economic recovery.

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.

Child care providers have been called “the workforce behind the workforce.” Their mostly small businesses—which play a preeminent role in enabling parents to earn and children to learn—are struggling for their survival. MFN has conducted two statewide surveys—the first in June 2020 and the second in March 2021. In both surveys, alarmingly high numbers of programs reported significant losses of revenue. In both surveys, half the providers said they would likely face permanent closure if parents remain reluctant to place their children in group settings for another six months.

Approximately 750 child care programs have already closed permanently. Others remain open, but face the double-barreled crisis of not only drastically reduced enrollment but higher expenses associated with PPE, intensive sanitation, and other health protocols (averaging \$5,300 monthly per site, according to the latest survey). Maryland providers may have managed to keep their doors open thus far, but for too many, their current level of operation is clearly unsustainable.

The slow-motion collapse of child care will pose enormous barriers to resurrecting the economy and getting citizens back to work. Several states have launched direct efforts to sustain child care providers during this period. We commend Maryland’s similar efforts up to this point. But they have been insufficient to meet the ongoing challenge we face. The good news is that even among closed providers, large percentages report that grants to help with fixed costs and other expenses would allow them to reopen.

SB 480 offers a path forward that can stabilize the supply of child care programs, improve access and affordability, enable child care businesses and workers to prosper, and ensure every child has a bright future. Enactment will mean that today's workforce is strong, tomorrow's workforce can grow, and our economy can not only recovery from the current pandemic but can thrive in the years to come.

MFN respectfully urges the Committee's favorable consideration of SB 480.