



**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



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**