



Strategic
Thinking for
SOCIAL
CHANGE

March 14, 2022

Written Testimony submitted by Martha Holleman, MPP in support of SB 920 with amendments

Thank you to the members of the Education, Health and Environmental Affairs Committee, to Chairman Pinsky, to Vice Chair Kagan, and to Senator King for her introduction of this most important legislation.

I am the author of a recent report published by the Abell Foundation entitled “Child Care After COVID: Equity, efficiency, and effectiveness in the financing and delivery of child care in Baltimore and Maryland” (https://abell.org/sites/default/files/files/2021_Abell_child%20care%20report_FINAL2-web.pdf). This paper highlighted some of the very challenges Senate Bill 920 is designed to address and advocated for streamlining the application process and implementing presumptive eligibility. To quote from the findings:

The Maryland Child Care Scholarship is the most critical source for helping cover child care tuition and is a powerful policy tool for supporting families—though both providers and families report significant difficulty in accessing and retaining the subsidy. By policy, applications are to be reviewed and a determination of eligibility is to be made within 30 days. In practice, this process can take months and often includes multiple re-submissions.

Providers and advocates urge streamlining the application process for the Child Care Scholarship; making eligibility presumptive for those applying for the suite of programs designed to support families with children—including WIC, SNAP, TANF, TCA, and the Maryland Child Care Scholarship—where families would be approved for all programs for which they are eligible, based on their application to any one program; and expanding staffing, outreach, and support to let families know of the benefits for which they are eligible and how to access them.

In addition to addressing bureaucratic impediments and utilizing presumptive eligibility, the paper also recommends that Maryland move quickly to:

- Develop a data-driven, equity-focused process for setting child care subsidy rates that identifies the real cost of care; evens out differences across regions; and addresses policy goals such as pay equity, program quality, and staff training and development. Setting public subsidy based on the private market – as Maryland currently does with the Child Care Scholarship -- disadvantages providers located in low-wealth communities and bakes in existing inequities.
- Pay providers based on enrollment, not attendance, to stabilize these critical small businesses and allow providers to operate with some level of certainty about their income, and
- Eliminate co-pays for families with incomes below the state median.

Future versions of the bill could also address these concerns and opportunities – better supporting Maryland’s families and child care providers now and putting concerns about equity front and center.