



LEGISLATIVE POSITION:

Favorable

Senate Bill 920

Early Childhood Development – Child Care Scholarship Program - Alterations

Senate Education, Health, and Environmental Affairs Committee

Tuesday, March 15, 2022

Dear Chairman Pinsky 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 920 would direct the Maryland State Department of Education (MSDE) to establish a process that would grant presumptive eligibility for parents applying for the Child Care Scholarship Program. By granting presumptive eligibility for the Child Care Scholarship Program, **HB 995** would ensure that childcare providers are eligible to receive subsidy payments for their services during the time in which MSDE is making a final determination. Further, **HB 995** requires MSDE to pay childcare providers within 10 days of the date in which they received an invoice from a childcare provider.

The Maryland Chamber of Commerce and its members are tremendously supportive of measures such as **SB 920** 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 in childcare is without a doubt a factor preventing Maryland employers from returning to full operations, further contributing to the State's anemic recovery.

SB 920 will ensure that childcare providers are paid in a prompt and timely fashion which will provide additional certainty in meeting the many financial obligations Maryland small businesses have. By providing greater certainty and process for state payments, **SB 920** will allow childcare providers to stay open for business and operate in a more sustainable business model.

SB 920 is just a small step to fixing the many challenges facing Maryland's childcare infrastructure. However, this small step is imperative to keeping these small businesses open and getting Marylanders back to work. For these reasons, the Maryland Chamber of Commerce respectfully requests a **Favorable Report** on **Senate Bill 920**.