



Central Maryland Chamber

The Center of Intelligent Business

Legislative Position: Favorable

Senate Bill 920: Child Care Capital Support Revolving Loan Fund
Senate Education, Health and Environmental Affairs Committee

Dear Chairman Pinsky and Members of the Committee,

The Central Maryland Chamber of Commerce (CMC) was formed in 2017, a merger of two existing chambers- The Baltimore Washington Corridor Chamber (originally founded in 1948) and the West Anne Arundel County Chamber (originally founded in 1962). The CMC is a regional organization representing approximately 350 businesses in the Central Maryland corridor and exists to be the primary business resource and advocate as the area experiences exponential growth.

The Central Maryland Chamber is writing in support of SB 920.

SB 920 would require the State Department of Education to establish a certain process for granting presumptive eligibility for a subsidy under the Child Care Scholarship Program; requiring the Department to award a certain subsidy to an individual who submits certain proof; prohibiting the Department from requiring an individual to take certain actions to be eligible for a certain subsidy; requiring the Department to pay a certain childcare provider within 10 days of receipt of an invoice from a childcare provider.

Many children from low-income families receive childcare credits/ scholarships for qualifying childcare centers. The process is complicated at times for qualified children to be approved and for the scholarship payments to begin. Presumptive eligibility will allow the process to begin more quickly for payments to low-income individuals while they are waiting on adjudication and helps the childcare facilities to get paid soon. It gets the children into care sooner, while studies have shown can be instrumental in a child's development. These facilities provide not only care so their parents can re-enter the workforce, but healthy meals and learning opportunities to prepare them for future success.

Problems are often reported with MSDE making payments quickly, so the requirement to have MSDE make these payments within a certain period of time is necessary. The establishment of timelines, processes and guidelines will allow for the program to run more smoothly.

Childcare is one of the biggest issues we're hearing from Chamber member businesses right now. It affects our employees and employers, with employees needing to get to work to support themselves and businesses needing staff to keep their doors open and grow. After the pandemic exacerbated the childcare gap, we understand there are no simple solutions to this problem. We're also hearing this loud and clear from our partners at Ft. Meade as their childcare system can only handle approximately 40% of the demand of their servicemembers.

While businesses are struggling to recover from impacts of the pandemic in large part due to staffing, and individuals are having a hard time reentering the workforce due to a lack of childcare, a program like this can make a huge difference to Maryland's business community. This is a win all around and a great start for a solution to the childcare crisis we are currently experiencing.

The Central Maryland Chamber urges you to support SB920.