

Maryland House of Delegates Ways & Means Committee – Bill Hearing
Early Childhood Development – Child Care Scholarship Program – Alterations – HB0995
Testimony of Hannah Matthews, Center for Law and Social Policy
March 4, 2022

Delegate Atterbeary, Delegate Solomon, and members of the committee: thank you for the opportunity to testify in favor of the Early Childhood Development – Child Care Scholarship Program – Alterations Act. I am Hannah Matthews, Deputy Executive Director for Policy at the Center for Law and Social Policy (CLASP). CLASP is a national, non-profit in Washington, DC advancing policy solutions that improve the lives of people with low incomes. I have spent my career advancing federal and state policies to make child care assistance a more stable support for families with low incomes.

This legislation will strengthen the Maryland Child Care Scholarship Program by making scholarships more accessible for eligible families, reducing copayments for many families, and enhancing stability for child care providers. With this legislation, Maryland will adopt best practices in child care subsidy policies, leading the way for other states.

The Scholarship Program is a crucial support for more than 11,000 Maryland families.¹ It helps parents work and helps children learn and grow. These goals can be compromised, however, by administrative policies that make it difficult for families to obtain and keep scholarships. Burdensome processes hurt those in greatest need and exacerbate inequities.² What may appear to be simple tasks such as disclosing income and employment can, in fact, be complex for individuals whose work hours or earnings fluctuate—a significant share of workers earning low wages and disproportionately workers of color.

“Presumptive eligibility,” which allows families access to care while completing their applications, will ensure timely access to care when it is needed -- an important improvement to get families back to work following the pandemic. This grace period allows families and the Department time to complete and process applications, without jeopardizing a parent’s new job or educational opportunity.

The bill also eliminates the burdensome requirement to comply with child support enforcement as a condition of eligibility for scholarships. While the requirement is intended to increase participation in the child support program, it can serve as a barrier to access-- disproportionately impacting single parents and parents of color. Just 13 states, including Maryland, condition child care eligibility on cooperation with child support enforcement, with several states moving away from this policy in recent years.³

Finally, the bill ensures timely payments for child care providers. The COVID 19 pandemic has made visible the financial fragility of child care programs—due to systemic underinvestment in the sector. Child care programs operate on very thin margins; predictability in payments offers some stability and relief to providers who rely on public subsidies.

This legislation will support children, families, and child care providers, while strengthening a vital program so crucial to the economy. Thank you for the opportunity to speak today.

¹ U.S. Department of Health and Human Services, *Child Care and Development Fund Statistics FY 2019 (preliminary)*, <https://www.acf.hhs.gov/occ/data/fy-2019-ccdf-data-tables-preliminary>,

² Executive Office Of The President, Office Of Management And Budget, *Study to Identify Methods to Assess Equity: Report to the President, 2021*, https://www.whitehouse.gov/wp-content/uploads/2021/08/OMB-Report-on-E013985-Implementation_508-Compliant-Secure-v1.1.pdf; Matthews and Adams, *Confronting the Child Care Eligibility Maze*, CLASP and Urban Institute, 2013, <https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/WSS-CC-Paper.pdf>

³ National Conference of State Legislatures, *Child support enforcement as a requirement for child care assistance*, 2021.