HB 89 FAV MFN Macsherry.pdf Uploaded by: Beth Morrow Position: FAV



Testimony Concerning HB 89 "Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established" Submitted to the House Ways & Means and Appropriations Committees February 3, 2022

Position: Favorable

Maryland Family Network (MFN) supports HB 89, which would set up a framework to provide financial support to licensed child care providers in the State. The grants would be critical to helping the child care sector emerge from crisis and play its indispensable role in Maryland's economic recovery.

MFN has worked since 1945 to improve the availability and quality of child care and early childhood education, as well as other supports for children and families in Maryland. We have been active in state and federal debates on child care policy and are strongly committed to ensuring that children, along with their parents, have access to high-quality, affordable programs and educational opportunities.

Child care providers have been called "the workforce behind the workforce." Their mostly small businesses—which play a preeminent role in enabling parents to earn and children to learn—are struggling for their survival. Some have already closed permanently. Others remain open but face the double-barreled crisis of not only drastically reduced enrollment, but higher expenses associated with PPE, intensive sanitation, and other health protocols (averaging \$5,300 monthly per site, according to an MFN survey). Maryland providers may have managed to keep their doors open thus far, but for too many, their current level of operation is unsustainable.

The slow-motion collapse of child care will pose enormous barriers to resurrecting the economy and getting citizens back to work. Several states have launched direct efforts to sustain child care providers during this period. We commend Maryland's similar efforts up to this point. But they have been insufficient to meet the ongoing challenge we face.

HB 89 will set up a framework to support and stabilize the supply of child care programs and enable child care businesses and workers to prosper.

MFN respectfully urges favorable consideration of HB 89.





HB0089 -- Child Care Stabilization Grant Program a Uploaded by: Brian Levine



House Bill 89 -- Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established House Ways and Means Committee February 3, 2022 Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports House Bill 89 – *Child Care Stabilization Grant Program and Child Care Expansion Grant Program* – *Established*.

House Bill 89 establishes the Child Care Stabilization Grant Program and the Child Care Expansion Grant Program in the State Department of Education. The bill states that the purpose of the Child Care Expansion Grant Program to increase access and availability of licensed child care providers in the state by providing financial assistance to new or existing child care providers. The Child Care Stabilization Grant Program's stated purpose in the bill is to provide financial support to licensed child care providers in the state that are in danger of closing in the next 12 months due to financial hardship.

MCCC has identified the issue of child care access and affordability as an economic imperative that needs to be addressed to help Maryland employers and employees succeed. There are significant economic costs to unreliable and unaffordable child care in Maryland.

MCCC contends that increasing affordable and quality child care was critical prior to the pandemic and is now even more important. As Maryland seeks to open up more following the Omicron variant and get more people back to work, child care challenges present a growing threat to the State's economy. The rapid workplace changes brought about by the COVID-19 pandemic have created new challenges in attracting and retaining employees. Now more than ever, the availability of quality and affordable child care is an important determinate to the success of the workforce.

For these reasons, the Montgomery County Chamber of Commerce supports House Bill 89 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

Brian Levine / Vice President of Government Affairs
Montgomery County Chamber of Commerce
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HB0089-WM_MACo_SUP.pdf Uploaded by: Brianna January



House Bill 89

Child Care Stabilization Grant Program and Child Care Expansion Grant Program Established

MACo Position: **SUPPORT**To: Ways and Means and

Appropriations Committees

Date: February 3, 2022 From: Brianna January

The Maryland Association of Counties (MACo) **SUPPORTS** HB 89. This bill would support currently licensed child care providers in the state and would incentivize the establishment of new providers. It comes at a time when the child care community and county resources are pushed to their brink.

The COVID-19 pandemic has illuminated the shortage of licensed child care providers to support the safe care of Maryland's kids and support the state's working families. Maryland does not currently have enough licensed providers to meet the needs of such families balancing work, child care, and the ongoing pandemic, as many providers had to cease operation due to public health risk and financial instability associated with COVID-19. Those providers that remain in operation are struggling to stay afloat, and many are unable to provide reliable child care.

HB 89 seeks to address these issues. The bill would provide existing child care providers with stabilization grants to help offset costs and fiscal instability, and would incentivize new providers to come into the market via significant financial assistance to establish licensed child care providers. Furthermore, the grants established in HB 89 are authorized to support a variety of critical expenses associated with operating a safe and reliable child care facility, including materials and programming, staff training, and relevant to the ongoing pandemic, cleaning supplies.

While counties have creatively addressed the needs of reliable and safe child care, they welcome State contribution to stabilize the industry. County departments of parks and recreation, for example, have provided after school and interactive programming, and county governments have partnered with local nonprofits around the state to lessen the impact of Maryland's child care crisis. However, these programs do not take the place of reliable and dedicated child care providers.

Reliable and safe child care is critical for economic development, successful families and communities, and the development of children. For these reasons, MACo **SUPPORTS** HB 89 and urges a **FAVORABLE** report.

HB 89_MSCCA_Favorable 2022 (final pdf).pdf Uploaded by: Christina Peusch



Maryland State Child Care Association

2810 Carrollton Road Annapolis, Md. 21403 Phone: (410) 820-9196 Email: info@mscca.org www.mscca.org

The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5000 members working in the field of early childhood/child care. We believe children are our most important natural resources and work hard to advocate for children, families and for professionalism within the early childhood community.

February 1, 2022 House Bill 89

Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established Ways and Means SUPPORT

Chair Atterbeary, Vice Chair Washington and esteemed members of the Ways and Means Committee,

Thank you for the opportunity to share testimony in SUPPORT of House Bill 89 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established. The Maryland State Child Care Association (MSCCA) fully and enthusiastically supports HB 89 and is grateful for Delegate Queen's leadership, support and advocacy for child care and we are grateful for the support by the entire Maryland General Assembly for your work on behalf of child care during the COVID pandemic.

Maryland State Department of Education (MSDE) reports 751 licensed child care programs have closed since March 2020. A decline of almost 10%. We went from 7,944 businesses to 7,193 businesses and more continue to close due to decreased enrollment, increased expenses and critical staffing shortages. MSDE data shows of the 97% of child care businesses that are currently open, 44% of them are under 50% enrolled. Yet the fixed costs remain, and other expenses have skyrocketed.

Without the federal PPP loans and the numerous Covid Relief packages including the American Rescue Plan Act Child Care Stabilization grants which, after March 4, 2022, will be expended with no additional federal relief expected, most child care businesses would not have survived. States need to invest in child care. Without child care, Marylanders cannot work.

Child care is a tuition dependent business carried on the backs of parents who are stretched thin. The majority of child care expenses are fixed. They cannot operate any part of their business remotely, they cannot automate or change practices to adjust, and they must maintain adherence to strict teacher to child staffing ratios. As a top-three household expense for families already, raising tuition is a last resort and simply untenable for many child care providers. Childcare shortages impact the economy. Many private providers deliver wraparound care to school-age children, so a child care shortage would impact families with children of all ages. Program closures and child care shortages negatively impact the economy as industry jobs are lost (both providers and child care/early childhood educators) and parents are forced to drop out of the workforce due to lack of adequate care options.

House Bill 89 establishes a state funded Child Care Expansion Grant Program which can be a model for other states and a lifeline for struggling child care businesses. This legislation will assist with financial barriers including COMAR required staff training, criminal background check fees, cleaning supplies which have increased in price and use due to pandemic, educational supplies, and allows for capital or facility improvements to expand child care availability. The legislation also requires MSDE to award the grant no more than three months after an application is submitted. This is an important provision as the goal is to stabilize which should convey a sense of urgency. Grants must adhere to a specific timeline effectively and efficiently in order for businesses to budget accordingly.

Another significant consideration is the alignment of HB 89 with the Blueprint for Maryland's universal expansion of prekindergarten sites through mixed delivery systems including community-based programs. The Blueprint

addresses prekindergarten through a five-year phased in mixed delivery system with a minimum 50/50 split for public schools and community-based providers. Maryland will need child care businesses to achieve these goals. HB 89 is an important investment for child care and can facilitate expanding and building capacity, providing access to prekindergarten and school-age wrap around care to families in Maryland.

MSCCA's priorities agenda is to ensure children and families have access to affordable, consistent, and quality child care programs and to alleviate barriers. We must work together to rebuild capacity, support our existing child care businesses who have played an essential role during this pandemic. Child care businesses stepped up and kept their doors open so essential personnel could go to work. Child care has remained open despite facing significant under enrollment due to COVID so Marylanders could return to work.

MSCCA supports House Bill 89 as a pathway to rebuild access for families and children and help hard-hit child care businesses stabilize and recover as they return to full enrollment. We need investments to rebuild a sustainable child care system to ensure affordable options for families and long-term survival for businesses.

MSCCA urges a favorable report.

Sincerely,

Christina Peusch Executive Director

HB0089 - 2.3.22-- Child Care Stabilization Grant P

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TESTIMONY PRESENTED TO THE HOUSE WAYS AND MEANS COMMITTEE

HOUSE BILL 89 – CHILD CARE STABILIZATION GRANT PROGRAM AND CHILD CARE EXPANSION GRANT PROGRAM - ESTABLISHED Delegate Pam Queen

February 3, 2022

DONALD C. FRY PRESIDENT & CEO GREATER BALTIMORE COMMITTEE

Position: Support

The Greater Baltimore Committee (GBC) supports House Bill 89, which would establish two new grant programs to assist struggling child care providers. The Child Care Stabilization Grant Program and the Child Care Expansion Grant Program would both be administered by the State Department of Education (MSDE).

The Child Care Stabilization Grant Program would provide financial support to licensed child care providers that are in danger of closing due to financial hardship. Awards would range from \$1,000 to \$35,000. The Child Care Expansion Grant Program would provide grant assistance to new or existing child care providers to increase access and availability of licensed child care. Awards would range from \$3,000 to \$50,000. For each grant, MSDE would be responsible for developing eligibility criteria, application procedures, and a formula for determining grant amounts based on the funding provided in the annual budget.

The GBC COVID-19 Business Recovery Advisory Council, comprised or regional business executives, made a number of recommendations to assist businesses recover from the pandemic, with a particular focus on small and minority-owned businesses. Recognizing both the immediate problems, as well as a systemic shortage of quality licensed child-care options, the council called for state and local governments to address the immediate shortage and to create long-term solutions pertaining to child care through targeted policy or funding initiatives.

There is an urgent need to ensure that adequate high-quality child care is available for the children of Maryland's workforce. Strengthening existing child care providers and supporting an increase in the available number of child care is integral to the state's business ecosystem. Without affordable and dependable child care options, Maryland's workforce is challenged to perform their employment responsibilities and duties to maximum capacity and capabilities resulting in loss of production in business operations.

This bill is consistent with one of the key tenets in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth. The pillar provides:

Government leadership that unites with business as a partner. Maryland leaders must set a welcoming tone that communicates positive support for business, respect for the private sector as a partner, not an adversary, and reflects a strategic plan for business growth and job creation.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 89.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 67-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

MOST_SUPPORT_HB0089.pdf Uploaded by: Ellie Mitchell



February 3, 2022

HB0089 — Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established – SUPPORT

Dear Chair Atterbeary, Vice Chair Washington, and Members of the Ways & Means Committee;

The Maryland Out of School Time Network (MOST) is a statewide organization dedicated to closing opportunity gaps by expanding both the quantity and quality of afterschool and summer learning opportunities for school-aged young people. MOST is one of the fifty statewide networks supported by the Charles Stewart Mott Foundation and serves as Maryland's affiliate to the National Afterschool Association.

MOST Network strongly supports HB0089 as a means to protect the state's ailing childcare sector from further disruptions caused by the covid-19 pandemic. Such measures are necessary not only to maintain the many benefits children receive from early childhood education, but also to ensure the well-being of the broader regional economy.

Over 700 early childcare facilities in Maryland have closed since the pandemic began. Amid lockdowns and school closures, many businesses in the sector saw much of their clientele evaporate in early 2020. The introduction of vaccines and the general reopening of the economy allowed many childcare operators to remain in business, but uncertainties related to intermittent school closures and remote work strategies have kept enrollment far below pre-pandemic levels. Facilities that have remained open now struggle to bear the additional costs associated pandemic-related health restrictions, especially sanitation and testing.

Like many industries, early childcare facilities are also struggling with labor shortages. Childcare operators have seen their revenues drop dramatically compared to pre-pandemic levels. As a result, many employers now find themselves unable offer competitive wages amid an increasingly competitive labor market and inflationary pressures. Childcare facilities are directly competing with industries that have raised wages and benefits as they try to attract new workers, such as retail, hospitality, food service, and elder care. Early childcare and education providers have simply not had the resources to keep pace with wage growth. This problem has been further compounded by the higher levels of training and certification that are required from new employees.

These personnel shortages have far-reaching effects for the entire economy. Without quality childcare access for the children, parents must limit their career aspirations to meet the immediate needs of raising young children. In practice, this often means foregoing higher education, lucrative careers, and training opportunities to supervise their kids. Even for those who benefit from remote work environments, the social and psychological tole of working and raising a family simultaneously is daunting, and many otherwise effective professionals will simply decline these opportunities altogether if they can afford to. This problem is further exacerbated by intermittent school closures, which contributes additional



uncertainty to parents' employment decision.

Expanding childcare access is therefore a necessary step to support the socio-economic well-being of children, families, and Maryland's economy. Beyond the well-documented benefits of early childcare and education for students, these businesses provide an indispensable service to parents in the workforce by expanding the number job opportunities they can reasonably pursue while still providing for their loved ones. At a moment defined by rising wages and widespread labor shortages, providing Marylanders with additional leverage to take advantage of this historic opportunity is a necessary policy measure.

Ellie Mitchell
Director, Maryland Out of School Time Network
emitchell@mostnetwork.org
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410-370-7498

HB89_Childcare Stabilization_KennedyKrieger_Suppor Uploaded by: Emily Arneson



DATE: February 3, 2022 COMMITTEE: House Ways and Means

BILL NO: House Bill 89

BILL TITLE: Child Care Stabilization Grant Program and Child Care Expansion Grant Program -

Established

POSITION: Support

Kennedy Krieger Institute supports House Bill 89 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established

Bill Summary:

HB89 establishes a Child Care Stabilization Grant Program at the Maryland Department of Education. This program will provide financial support to licensed child care providers in the State that are in danger of closing within the next 12 months because of financial hardship.

Background:

At Kennedy Krieger Institute, we have multiple, high quality evidence informed programs in early childhood education serving "at risk" and medically complex children.

Our Programs include:

PACT: Helping Children with Special Needs, Inc., the only child care centers in the Baltimore Metropolitan area for young children who are medically fragile, and for and infants and toddlers who are homeless.

World of Care Medical Child Care: Children, ages birth to five years, who need daily nursing care and specialized equipment receive high-quality childcare at the World of Care Medical Child Care center. Comprehensive services include daily skilled nursing care/interventions, occupational, physical, and speech therapy. At present, World of Care serves 85 children and their families.

Therapeutic Nursery for Homeless Infants and Toddlers: This program is the only early Head Start in Baltimore providing specialized attachment-based, trauma-informed care and education for infants and toddlers whose families are currently living in homeless shelters or transitioning back to the community. The Therapeutic Nursery also provides research-based mental health interventions for parents.

Center for Autism and Related Disorders (CARD) Pre-K and Model Inclusion Child Care: serves children ages 3, 4 and 5-years old is a full-day program uses the Connect 4 Learning Pre-K curriculum, a National Science Foundation-supported program. The Pre-K Program provides a safe learning environment with a low staff-to-student ratio that allows us to meet the learning and emotional needs of each child. The Model Inclusion Child Care program serves children ages 4 and 5 years. Children spend part of the day acting as a peer model for children with autism during assigned preschool groups led by certified speech-language pathologists. Both co-located in Northwest Baltimore City on the Kennedy Krieger Greenspring Campus.

Rationale:

At Kennedy Krieger Institute, we have a unique understanding of the positive, long-term impacts that investing in early childhood care (ECE) and education has on children's development. Specifically, studies have found

benefits to academic, social, emotional, and behavioral functioning for children who attend ECE programs ^{1 2,3}, and these benefits are sustained over time.³

Moreover, in-person evidence-based, high-quality ECE programs mitigate directly harmful environmental and social impacts on young children by providing developmentally appropriate activities, nutritious meals, family support services that facilitate learning, health, and well-being. In addition, high-quality ECE programs include developmental and health screenings and enriched education experiences that foster a strong foundation for children to meet milestones in a safe environment. High-quality ECE programs build Maryland's economic base by enabling parents to feel comfortable in the workforce, knowing their children are safe, learning, enjoying structured social interactions, and eating nutritious meals and snacks. Research shows that every dollar invested in high-quality ECE programs generates a return of \$7.30 for the community.⁴ As such, investing in our youngest children is likely to pay dividends in the future.⁵

Maryland's young children, however, are adversely affected by disruptions to ECE programs from the COVID-19 pandemic and numerous socially determined conditions. As many as 30% to 50% fewer children have been enrolled in high-quality early childhood programs since the pandemic began! Compared to pre-pandemic levels, only 56% of centers are fully operating in January 2021. Quality ECE program closures due to the COVID-19 pandemic result in social isolation, unaddressed loss, grief, and trauma, parental job loss, and family food and housing insecurity. Quality ECE program closures limit children's socio-emotional development and peer interaction. Quality ECE program closures lead to missed well-child visits and developmental screenings and undermine economic stability for working families.

With fewer spaces and fewer centers, children are less likely to receive developmental services and support. Children are already suffering from the impact of pandemic-related ECE program closures. Decreases in children's verbal, motor, and cognitive assessments are reported.⁶ Only 61% of Head Start 3-year-olds met readiness measures in FY20, down from 92% in FY17 (MOCFS). Increasing access to high-quality ECE programs for children in Maryland is necessary to address health and education disparities. Children of color are more likely to experience center closures during the pandemic.⁷ The expenses related to running a childcare facility can be great, and the pandemic has taken an enormous toll on ECE program providers. Moreover, about 75% of Maryland ECE programs report that they continue to experience staffing shortages and low wages, indicating that continued investments are needed in this sector.⁸ In particular, the omicron variant has brought further stress and uncertainty to many facets of society, including childcare centers, and has reminded us that the pandemic is not over. Other variants could emerge that could further disrupt the lives of our young children and families.⁹

Overall, the success of high-quality, evidence-based ECE programs is vital for the success of all Marylanders. Having an established stabilization fund to keep high-quality ECE programs' doors open is fundamental to building a thriving Maryland today and for the future.

Kennedy Krieger Institute strongly supports a favorable report on House Bill 89.

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MD Catholic Conference_FAV_HB 89.pdf Uploaded by: Garrett O'Day



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

February 3, 2022

House Bill 89 Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

House Ways and Means Committee House Appropriations Committee

SUPPORT

The Maryland Catholic Conference offers this testimony in SUPPORT to House Bill 89. The Conference represents the public policy interests of the three (arch)dioceses serving Maryland, the Archdioceses of Baltimore and Washington and the Diocese of Wilmington, which together encompass over one million Marylanders.

House Bill 89 would provide financial support to licensed child care providers in Maryland at imminent risk of closing due to financial hardship. This legislation also seeks to increase access and availability of licensed child care through financial assistance grants to new or existing eligible child care providers.

These grants would provide much needed support to a vital and essential sector of Marylanders' everyday lives. Hundreds of providers have been forced to close their doors since the coronavirus pandemic began in early 2020, leading to less options for child care access for working families. With the passage of this bill, pandemic-afflicted child care providers will be able to use grants to ensure they remain open in service to needing Maryland families.

Child Care is an essential component to supporting strong, economically secure families. Additionally, the Church supports this bill as a part of its priority interest in alleviating poverty in our state, as enabling working parents' continued access to child care services is an imperative part of combating poverty. Often, a barrier to sustainable and full-time employment is the availability and affordability of reliable child care services. The State should thus do all it can to support access to child care services for working parents.

The Conference appreciates your consideration, for these reasons, respectfully requests a favorable report on House Bill 89.

WDC testimony HB0089-2022_FINAL.pdf Uploaded by: JoAnne Koravos

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

House Bill 0089 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program Established
Ways and Means Committee – February 3, 2022
SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2022 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

WDC urges the passage of HB0089 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established. This bill will provide financial support to licensed childcare providers that are in danger of closing in the next 12 months due to financial hardship. Annual grants for the Stabilization Grant Program range from \$1,000 to \$35,000, not to exceed five consecutive years. Annual grants for the Expansion Grant Program range from \$3,000 to \$35,000, not to exceed five consecutive years. An applicant may not receive a Stabilization grant and an Expansion grant in the same year. These programs will be administered by the State Department of Education. The bill also requires the Governor to appropriate funds for each grant program, although the amount is not specified.

The availability of affordable, predictable, quality childcare is a significant factor in a woman's ability to remain working and provide for her family. The Maryland Family Network estimates that 79 percent of the State's children under 12 years old have mothers in the workforce. However, the childcare industry is in a crisis. Maryland has some of the highest childcare costs in the U.S., averaging \$13,500 per year for infant care – more than the annual \$10,779 tuition cost for the University of Maryland (which is publicly subsidized). There has been a drop of 36 percent in the childcare workforce since the start of the pandemic and more than one third of childcare providers are considering quitting or closing because of financial challenges.

The enormous expense of establishing and maintaining a childcare facility has long hindered increasing the supply of childcare, especially given the relatively low fees many families can afford to pay. This bill will help address these financial challenges for childcare providers and contribute to the stabilization and expansion of childcare industry, thereby enabling more working women to meet their childcare needs.

We ask for your support for HB0089 and strongly urge a favorable Committee report. To maintain our competitive edge as a State, we need to keep women in our workforce. We also ask you to consider specifying an appropriation amount to ensure that this program is adequately funded.

Respectfully,

Leslie Milano President

BaltimoreCounty_FAV_HB0089.pdf Uploaded by: Joel Beller Position: FAV



JOHN A. OLSZEWSKI, JR. County Executive

JOEL N. BELLER

Acting Director of Government Affairs

JOSHUA M. GREENBERG Associate Director of Government Affairs

MIA R. GOGEL

Associate Director of Government Affairs

BILL NO.: HB 89

TITLE: Child Care Stabilization Grant Program and Child Care

Expansion Grant Program - Established

SPONSOR: Delegate Queen

COMMITTEE: Ways and Means

POSITION: SUPPORT

DATE: February 3, 2022

Baltimore County **SUPPORTS** House Bill 89 – Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established. This bill establishes the Child Care Stabilization Grant Program and Child Care Expansion Grant Program to financially support licensed child care providers facing financial hardship and expand new or existing childcare services.

Child care facilities within the state are vital to the families they serve. These facilities provide consistent care for children and give them a safe space while their parents are at work. This consistent care is especially important due to the disruption of many children's routines caused by the pandemic. The accessibility of care facilities in the state is crucial to parent's ability to find a facility that they trust to care for their children.

This bill expands access to child care by providing funds to prevent vital facilities from closing due to financial trouble. HB 89 ensures that facilities may stay open and provide families, with varying budgets and needs, a safe place for their children. With all the challenges and disruptions occurring in today's world, it is critical to ensure safe and consistent care for some of the State's most vulnerable residents.

Accordingly, Baltimore County requests a **FAVORABLE** report on HB 89. For more information, please contact Joel Beller, Acting Director of Government Affairs at jbeller@baltimorecountymd.gov.

2-3-2022 SB0089 Child Care Stabilization Grant Pro

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TESTIMONY OF COMPTROLLER PETER FRANCHOT

Support - House Bill 89 - Child Care Stabilization Grant Program - Child Care Expansion Grant Program- Established

Ways and Means Committee February 3, 2022

Chairman Atterbeary, Vice Chairman Washington and members of the Committee, it is my pleasure to provide testimony in <u>support</u> of House Bill 89 - Child Care Stabilization Grant Program - Child Care Expansion Grant Program. I would like to thank Delegate Queen for sponsoring this important legislation, and the Committee for providing the opportunity for my testimony to be heard.

The COVID-19 pandemic has depleted the number of childcare providers in the state. Ten percent have shuttered permanently so far due to financial hardship, pandemic restrictions limiting the number of spaces, staffing shortages and extraordinary additional expenses including personal protective equipment (PPE). Childcare providers are essential to Maryland and our economy. When parents struggle to find reliable, affordable, and safe childcare with open slots, they choose to leave the workforce – the results of which are harmful to our state and economy. In addition, these children miss out on early learning opportunities that may impact them in the future as they struggle to catch up.

HB 89 childcare stabilization grants provide critically needed funds to staunch the closures, keep centers open and parents in the workforce. Additionally, the childcare expansion grant program will help expand existing licensed childcare operations, and help fund new operations to increase available slots, provide financial supports for staffing, education, supplies, and capital improvements. HB 89 tackles the immediate threat the pandemic poses to our remaining childcare providers and charts a stable path forward through COVID-19.

If passed, HB 89 will be a win for parents, childcare providers and most importantly children throughout Maryland.

For the reasons stated above, I respectfully request a <u>favorable report</u> for House Bill 89. Thank you for your time and consideration.

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HB89_MD Center on Economic Policy_FAV.pdf Uploaded by: Kali Schumitz



For a Strong Recovery, Maryland Must Strengthen Child Care Infrastructure

Position Statement in support of House Bill 89

Given before the Ways and Means and Appropriations Committees

The COVID-19 pandemic has brought overdue attention both to the importance of Maryland's child care infrastructure and to the struggles the industry faces. Public health has necessitated closing school buildings and other facilities serving children, and Marylanders name child care as among the most important factors keeping them out of the workforce. At the same time, demand and workforce issues have forced nearly 10% of the state's child care centers to close their doors. The Maryland Center on Economic Policy supports House Bill 89 because it would help struggling child care centers keep the lights on and enable the industry to expand to meet growing need.

Child care is an essential part of Maryland's economic foundation, enabling parents to pursue their careers confident that their children are in good hands and protecting employers' access to a stable workforce. Yet high costs put child care out of reach for many Marylanders – and these barriers are higher for some than for others:

- As of fall 2020, center-based child care for a child two to five years of age cost more than \$13,000 per year on average, more than in-state tuition at any University System of Maryland institution. Care for infants and one-year-olds cost nearly \$18,000.ⁱ
- High-quality child care is furthest out of reach for parents in low-wage jobs. In Maryland, one in seven
 employed mothers of very young children worked in a low-wage occupation.ⁱⁱ Structural barriers like pay
 discrimination put child care even further out of reach for Black, Latinx, and Indigenous parents.ⁱⁱⁱ
- Maryland's child care assistance program provides much-needed help to thousands of families, but even
 after significant improvement still falls short of the federal government's recommended payment rates.

While child care has long posed a struggle for working parents, the COVID-19 pandemic has made things worse – especially for women:

- Nationwide, more than half of working parents with children under age 12 reported difficulty handling child care as of October 2020, up from 38% in March 2020.
- 57% of working mothers of children under 12 reported difficulty handling child care, compared to 47% of fathers.
- Among parents who are teleworking during the pandemic, mothers are more than twice as likely as fathers
 to report taking on significant child care responsibilities.
- Working mothers are also more likely than working fathers (including remote and in-person workers) to report cutting their work hours, having their dedication to work questioned, or even missing out on a promotion because of child care responsibilities.
- Among Maryland adults who are not currently employed for reasons other than retirement or health issues,

child care responsibilities are the second-most common factor keeping them out of the workforce, according to fall 2021 survey data. vi

At the same time, the pandemic has reduced capacity at child care centers and created new costs on top of rigid existing fixed costs.

- More than 750 child care centers in Maryland have closed since the start of the pandemic, nearly one-tenth
 of the state's supply.^{vii}
- Business advocacy groups predict that the loss of child care capacity "could hamper economic recovery for years to come."

House Bill 89 would ease these pressures by creating two grant programs:

- Child care stabilization grants: This program would provide up to \$35,000 to licensed child care
 providers that are in danger of closing within the next 12 months. This assistance is especially vital as
 centers struggle to weather the pandemic.
- Child care expansion grants: This program would provide up to \$50,000 to assist new child care centers in opening or existing centers in expanding. Increased capacity is a prerequisite for building the robust child care infrastructure the state needs. According to the U.S. Department of Health and Human Services, Maryland's child care assistance program serves less than 10% of the number of children potentially eligible for help under federal law. While many families currently pay for child care without any help, successfully expanding child care assistance will require more capacity.

House Bill 89 Would Be More Effective with Strong Worker Protections

The Maryland Center on Economic Policy encourages the Committee to amend House Bill 89 to require grantees to guarantee decent wages and benefits:

- As of 2020, child care workers in Maryland typically took home only \$12.05 per hour, equivalent to just over \$25,000 per year for a full-time worker.^{ix} This is less than two-thirds the amount needed for a single adult with no children to afford a basic living standard in the Baltimore metro area and less than half of a basic living standard for a single adult in the Washington metro area.^x
- Better wages and benefits would help expand the child care workforce. In a survey by the Maryland State Child Care Association, the majority of centers named compensation as their first or second most important barrier holding back recruitment and retention.xi In the same survey, 81% of centers reported at least one staff vacancy and one-in-six reported more than five vacancies. Materials prepared by the association name low wages for child care workers as an important challenge for the industry.xii
- Better wages and benefits could also improve the quality of care by drawing in a more experienced
 workforce and ensuring workers can give their full attention to the children in their care rather than
 contending with constant financial anxiety.

Maryland's child care infrastructure is part of our state's economic backbone, but that infrastructure today faces serious challenges. House Bill 89 would help child care providers weather the current storm and build a stronger system for years to come.

For these reasons, the Maryland Center on Economic Policy respectfully asks that the House Ways and Means Committee and the House Appropriations Committee make favorable reports on House Bill 89.

Equity Impact Analysis: House Bill 89

Bill summary

House Bill 89 would create two grant programs to support existing and new child care centers:

- Child care stabilization grants: This program would provide up to \$35,000 to licensed child care providers
 that are in danger of closing within the next 12 months. This assistance is especially vital as centers struggle
 to weather the pandemic.
- Child care expansion grants: This program would provide up to \$50,000 to assist new child care centers in opening or existing centers in expanding. Increased capacity is a prerequisite for building the robust child care infrastructure the state needs. According to the U.S. Department of Health and Human Services, Maryland's child care assistance program serves less than 10% of the number of children potentially eligible for help under federal law.

The bill requires an annual appropriation for these programs but does not specify the minimum appropriation.

Background

As of fall 2020, center-based child care for a child two to five years of age cost more than \$13,000 per year on average, more than in-state tuition at any University System of Maryland institution. Care for infants and one-year-olds cost nearly \$18,000.

Maryland's child care assistance program pays providers less than the amount the federal government calls for. Federal law calls for states to set child care reimbursement rates high enough to cover the cost of care at 75 percent of providers in each state. Payment rates in Maryland have been equal to the 60th percentile of market rates since November 2020.

As of fall 2021, child care responsibilities were the second-most common reason Maryland adults cited for not being employed (excluding those who were retired, or not employed for health reasons other than COVID-19).

More than 750 child care centers in Maryland have closed since the start of the pandemic, nearly one-tenth of the state's supply.

Equity Implications

While the high cost of child care is a burden even for relatively well-off families, the burden is greatest for parents in low-wage jobs:

- In Maryland, one in seven employed mothers of very young children worked in a low-wage occupation.
- Because of pay discrimination and other structural barriers, Black, Latinx, and American Indian parents are more likely to take home low wages that put child care out of reach.

Insufficient access to child care places an especially high burden on women, who in most families still carry a greater share of child care responsibilities than men:

- 57% of working mothers of children under 12 reported difficulty handling child care as of October 2020, compared to 47% of fathers.
- Among parents who are teleworking during the pandemic, mothers are more than twice as likely as fathers to report taking on significant child care responsibilities.

Working mothers are also more likely than working fathers (including remote and in-person workers) to report cutting their work hours, having their dedication to work questioned, or even missing out on a promotion because of child care responsibilities.

Low wages in the child care industry are also a serious equity problem. Among child care workers in Maryland:xiii

- 95% are women
- 55% are workers of color
- 53% are women of color
- 27% are Black
- 16% are Latinx

Impact

House Bill 89 would likely improve racial, gender, and economic equity in Maryland. This impact would likely be greater if the bill were amended to include worker protections.

i "Maryland Family Network Public Policy Handbook 2021–2022," Maryland Family Network, 2021, https://www.marylandfamilynetwork.org/sites/default/files/2021-09/Public%20Policy%20Handbook%202021-22%20rev.pdf with calculations

University System of Maryland FY 2021 tuition data from Maryland FY 2022 budget books. Tuition data for University of Maryland-Baltimore are not reported.

ii "NWLC Resource: Mothers of Very Young Children in Low-Wage Occupations," National Women's Law Center, 2017, https://nwlc.org/resources/interactive-map-mothers-very-young-children-low-wage-occupations/

iii Christopher Meyer, "Budgeting for Opportunity: Maryland's Workforce Development Policy Can Be a Tool to Remove Barriers and Expand Opportunity," Maryland Center on Economic Policy, 2021, http://www.mdeconomy.org/budgeting-for-opportunity-workforce/ iv Meyer, 2021.

V Ruth Igielnik, "A Rising Share of Working Parents in the U.S. Say it's Been Difficult to Handle Child Care during the Pandemic," Pew Research Center, 2021, https://www.pewresearch.org/fact-tank/2021/01/26/a-rising-share-of-working-parents-in-the-u-s-say-its-been-difficult-to-d handle-child-care-during-the-pandemic/

VI MDCEP analysis of U.S. Census Bureau Household Pulse Survey weeks 37–39 data (September 1–October 11, 2021).

vii "Caring for Maryland's Most Important Natural Resource," Maryland State Child Care Association, 2021, https://marylandtaxes.gov/RELIEFAct/docs/12-08-2021-MSCCA.pdf

Viii Ashley Duckman, "Access to Childcare Is Critically Important for Employees Returning to Work," Maryland Chamber of Commerce, 2021, https://mdchamber.org/access-to-childcare-is-critically-important-for-employees-returning-to-work/

iX BLS Occupational Employment and Wage Survey data for May 2020.

X Economic Policy Institute Family Budget Calculator, https://www.epi.org/resources/budget/

XI Maryland State Child Care Association, 2021.

XII Maryland State Child Care Association, 2021.

XIII MDCEP analysis of 2015–2019 IPUMS American Community Survey microdata.

HB 89_MoCo_Frey_FAV.pdf Uploaded by: Leslie Frey

ROCKVILLE: 240-777-6550 ANNAPOLIS: 240-777-8270

HB 89 DATE: February 3, 2022

SPONSOR: Delegate Queen

ASSIGNED TO: Ways and Means and Appropriations

CONTACT PERSON: Leslie Frey (leslie.frey@montgomerycountymd.gov)

POSITION: SUPPORT

Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

House Bill 89 would create two grant programs in the State Department of Education (MSDE). The Child Care Stabilization Grant Program would provide annual financial support to licensed child care providers who demonstrate that they are in danger of closing within twelve months due to financial hardship. The criteria for eligibility would be developed by MSDE and grants would be between \$1,000 and \$35,000; the award amount would factor the child care provider's capacity as a key criteria. The Child Care Expansion Grant Program would provide annual financial support to new or existing child care providers who do not also access the Child Care Stabilization Grant Program; the purpose of the grant is to increase access to and availability of child care. The criteria for eligibility would be developed by MSDE and grants would be between \$3,000 and \$50,000. Under the bill, grants may be used for certain capital and operating costs associated with establishing or expanding child care programs.

If enacted, House Bill 89 would aid child care providers at a critical time when recovery from the economic impacts of COVID-19 has not fully been realized for many providers who are still struggling to keep their doors open. When surveyed by the County in the fall of 2021, nearly one third of providers who responded said that they were unlikely to be able to continue operating in 6 months if conditions remained the same as they were at the time. Fifty-seven percent of survey respondents indicated capital costs such as rent and facility maintenance costs were the largest burden on their finances. The grants created by the Program under House Bill 89 would directly assist providers with costs such as these.

Since the onset of the pandemic, Montgomery County has allocated over \$21M to supporting child care programs in an effort to maintain an adequate supply of child care providers while parents balanced work, virtual learning for school-aged children, and other uncertainties during the pandemic. Despite these efforts, child care providers across the state remain in need of the financial support offered by House Bill 89; Montgomery County respectfully urges the committees to issue a favorable report.

MMF-Written Testimony-For HB 89.docx (1).pdf Uploaded by: Meher Hossain



mobilizing leaders to solve our biggest problems together

nonprofits / business / philanthropy / government / education / community

House Bill 89 Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established House Ways and Means Committee SUPPORT

February 1, 2022

Esteemed Members of the House Ways and Means Committee,

Montgomery Moving Forward (MMF), a collective impact initiative of Nonprofit Montgomery, is committed to advancing equitable, accessible systems change in the early care and education (ECE) sector in Montgomery County. At the beginning of the COVID-19 pandemic, MMF convened over 50 labor, business, education, philanthropic, and nonprofit leaders in DC, Maryland, and Virginia. This representative cross-sector Early Care and Education Workforce Advocacy Coalition understands that a diverse, resilient early care and education workforce is necessary for our state's economic recovery.

Montgomery Moving Forward and the Early Care and Education Workforce Advocacy Coalition enthusiastically supports HB 89, Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established. We are grateful for Delegate Queen's leadership and advocacy for the child care sector and the support by the entire Maryland General Assembly for your work on behalf of child care providers during the COVID pandemic. Your continued support and recognition of the essential role of the child care sector to our state's economic success is invaluable as we work together to create a more equitable and resilient early care and education system in Maryland.

House Bill 89 establishes a state funded Child Care Expansion Grant Program to assist with financial barriers including COMAR required staff training, criminal background check fees, cleaning supplies which have increased in price and use due to pandemic, educational supplies, and allows for capital or facility improvements to expand child care availability. The legislation also requires MSDE to award the grant no more than three months after an application is submitted. This is an important provision as the goal is to stabilize the sector with urgent and efficient measures. This program will be a lifeline for struggling child care businesses and can also serve as a model for other states.

Maryland State Department of Education (MSDE) reports 751 licensed child care programs have closed since March 2020. A decline of almost 10%. Family and center-based child care providers continue to close due to decreased enrollment, increased expenses and critical staffing shortages. MSDE data shows that of the 97% of child care businesses that are currently open, 44% of them are under 50% enrolled. According to an interactive calculator, "child care providers are facing, on average, a 47 percent increase in operating costs during the pandemic, with even higher increases for programs serving three- and

four-year-olds." In Maryland, providers are facing an average of 53 percent increase in costs. Without federal PPP support and the numerous Covid Relief packages, including the American Rescue Plan Act Child Care Stabilization grants, most child care businesses would not survive. We need to invest in child care now. Without child care, the current workforce cannot work and the investment in our workforce of tomorrow will suffer.

Another significant consideration is the alignment of HB 89 with the Blueprint for Maryland's universal expansion of prekindergarten sites through mixed delivery systems including community-based programs. The Blueprint addresses prekindergarten through a five-year phased in mixed delivery system with a minimum 50/50 split for public schools and community-based providers. Maryland will need child care businesses to achieve these goals. HB 89 is an important investment for child care and can facilitate expanding and building capacity, providing access to pre-kindergarten and school-age wrap-around care to families in Maryland.

Montgomery Moving Forward and the Early Care and Education Workforce Advocacy Coalition support House Bill 89 as a pathway to building a sustainable ECE system to ensure affordable child care options for today's workforce and long-term investments in the workforce of tomorrow.

Early care and education is an economic and social justice imperative and a pillar of Maryland's economy. We urge you to give HB 89 a favorable report.

Respectfully and sincerely,

Montgomery Moving Forward Co-Chairs, Kevin Beverly; Susan Madden; and Kathy Stevens, and the following Members of the Early Care and Education Workforce Advocacy Coalition: Laura Bardini, Executive Director, Rockville Day Care Association, Inc.; Larry Bram, Senior Vice President, Innovation & Program Development. Easter Seals Serving DC|MD|VA; Jody Burghardt, Children and Family Services Division Director, Sheppard Pratt; Francisco Cartagena, Information Technology Project Manager for the City of Gaithersburg; Ruby Daniels, President, Maryland State Family Child Care Association; Joanne Hurt, Executive Director, Wonders Early Learning and Extended Day; Tiffany Jones, Owner/Director, Precious Moments Family Childcare; Maryland Center on Economic Policy; Christina Peusch, President, Maryland State Child Care Association; Travis B. Simon, Director of Political and Legislative Affairs, SEIU Local 500

¹ Center for American Progress, September 3, 2020

HB0089-WM-FAV.pdfUploaded by: Natasha Mehu Position: FAV



Office of Government Relations 88 State Circle Annapolis, Maryland 21401

HB 0089

February 3, 2022

TO: Members of the Ways and Means Committee

FROM: Natasha Mehu, Director of Government Relations

RE: House Bill 89 – Child Care Stabilization Grant Program and Child Care

Expansion Grant Program – Established

POSITION: SUPPORT

Chair Atterbeary, Vice-Chair Washington, and Members of the Committee, please be advised that the Baltimore City Administration **supports House Bill 89**.

In an effort to promote access to childcare, HB 89 establishes a Child Care Stabilization Grant Program in the State Department of Education which would support licensed child care providers in the state that are in danger of closing in the next 12 months due to financial hardship. It also establishes a Child Care Expansion Grant Program which would increase access and availability of licensed care providers in the state by providing financial assistance to new or existing child care providers.

From 2016-2020, there were 24 child homicides committed by a parent or caregiver. Through the Baltimore City Child Fatality Review (CFR) program, a subcommittee was established in order to uncover the drivers of these homicides in Baltimore City. This subcommittee was composed of public health professionals, health care providers, and community advocates. During review of 37 cases of fatal and near-fatal child abuse and neglect, this subcommittee saw that many of these children were placed in the care of a known unsafe caregiver due to the parent not having a safer option. In one case, a mother without any other source of regular child care left for work with her toddler in the care of her boyfriend, against whom she had filed a peace order 6 weeks earlier; he had been charged with second-degree assault in an incident of intimate partner violence. The toddler died from multiple injuries resulting from beating and shaking. In another case, a mother with a long history of treatment for depression left her 1-year-old twins in the care of her ex-boyfriend, despite that they had separated due to intimate partner violence and that they had had a physical altercation earlier that

day during which he had threatened to kill her and the children. She needed to visit someone in the hospital and had no other option for child care. The twins were beaten and seriously injured, with one becoming unresponsive in the ED but subsequently revived.

Unfortunately, there are many more cases like this. Lack of safe, quality child care must be addressed in order to prevent child abuse and neglect fatalities. In too many cases, a child was in the care of an unsafe caregiver, whether a caregiver who was a perpetrator of intimate partner violence or previous abuse or neglect of that child, a sibling, or another child. In order for parents to make good choices for their children, they must also have access to safe, quality, affordable child care. That being said, it is our collective responsibility to make sure there are as many safe child care resources as possible in order to safeguard the health of children in our community. The Child Care Stabilization Grant Program and Child Care Expansion Grant Program would give new and existing licensed child care providers the support they need to do the very important work of ensuring that the children in our community are safe when their regular caregivers are away. We urge legislators to support these grant programs in order to protect safe child care resources and the well-being of children in our community.

For these reasons, we request a **favorable** report on House Bill 89.

Support for HB89.docx.pdf Uploaded by: Pamela Brown Position: FAV



February 1, 2022

SUPPORT – HB 89 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established

Dear Delegates:

On behalf of the Maryland Association of Local Management Boards, I am writing in support of HB89 - Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established. Local Management Boards in each county and jurisdiction in the State of Maryland conduct needs assessments of their communities. Child care providers have taken a financial toll in the COVID-19 pandemic with less people working and utilizing childcare, creating the need for support from the State.

Child care is an essential piece of our economic stability in Maryland. Parents need to have reliable, affordable childcare to be able to go to work and know that their child is safe. Support from the State would allow for child care facilities to stay open and operate, train staff, and provide essential cleaning and educational supplies. This support would have a positive impact on child development and our economy by assisting more people to enter the workforce. As a Local Management Board, we support efforts

We urge you to support HB89 to support Maryland child care providers.

Sincerely,

Pamela M. Brown, PhD

Legislative Chair

Maryland Association of Local Management Boards

Queen_2022_Childcare_grants_HB89_W&M.pdf Uploaded by: Pamela Queen

Pamela E. Queen Legislative District 14 Montgomery County

Economic Matters Committee



The Maryland House of Delegates 6 Bladen Street, Room 224
Annapolis, Maryland 21401
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800-492-7122 Ext. 3380
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Pam.Queen@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

TESTIMONY OF DELEGATE PAM QUEEN HB 89 – Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established SUPPORT

Greetings Chair Vanessa Atterbeary, Vice-Chair Alonzo Washington, members of the Ways and Means and Appropriations Committees:

In Maryland, 79% of children under 12 years old have a parent in the workforce. Due to COVID-19 with families keeping children at home, upwards of 51% of child care programs were in danger of closing. According to a Maryland Family Network survey, 67% of child care business owners reported loses between \$1,000 to \$5,000 per week due to reduced attendance.

HB 89 will provide needed support to child care professionals to enable these business owners to remain open, reopen, or expand. This bill allows for two grants: (1) a child care stabilization grant of between \$1,000 to \$35,000 to keep child care facilities open; and (2) a child care expansion grant of between \$3,000 to \$50,000 to enable child care facilities to expand.

This bill will seek to get Maryland working families back to work and stabilize the childcare industry in Maryland. You will hear from supporters who need immediate assistance that this bill provides.

I seek a favorable recommendation for HB 89.

Testimony (Written) HB 89 final nd Means and ApproUploaded by: RUBY DANIELS

Testimony Concerning HB 89 – Child Care Stabilization Grant Program and Child Care Expansion Grant Program



Submitted to Ways, Means and Appropriations February 3, 2022

Position: Support

The Maryland State Family Child Care Association (MSFCCA) is an all-volunteer non-profit association advocating on behalf of approximately 4,440 registered family childcare providers in Maryland. These small businesses are a vital part of the child care delivery system in Maryland and a significant portion of the child care programs that remained OPENED throughout the COVID-19 Pandemic. In the past year 609 family child care programs closed due to the financial hardships and other factors caused by the pandemic this has left working families with fewer child care options, especially families looking for infant and toddler spots.

With family child care programs continuing to close at an exponential rate, it is imperative to provide financial assistance to new and existing programs. HB 89 would provide financial assistance to child care programs that need to expand, as well as, helping new childcare programs with start- up costs to meet the ever growing need for child care spots. Historically, a large number of family child care programs are started by young mothers, and some are immigrants. Many childcare providers have difficulty qualifying for loans because some banks require W-2's, employees, business checking, sizeable net income which family childcare programs often do not have for start costs and expansion loans. Examples of startup costs are background

checks, physicals, fingerprinting, pre-service modules, supplies, equipment, Use and Occupancy (U&O), insurance, minor renovations. Family childcare providers starting their business can expect to invest a minimum of \$1,000.00 before opening their doors, but this amount could be higher when you factor in purchasing equipment and minor renovations which could cost up to \$10,000. HB 89 would offer the financial assistance for family childcare providers who wish/need to expand their programs to meet the current need in Maryland for increased infants and toddlers' spots.

HB 89 can provide a family child provider with the financial assistance especially ones who may not be able to qualify for loans to start up and/or expand existing programs to meet the needs of Maryland's Working Families.

I would like to respectfully ask for a favorable vote on HB 89 the Child Care

Stabilization Grant and Child Care Expansion Grant. Your favorable vote would help

providers, families and communities supporting Maryland in our economic recovery.

HB89 Child Care Center Grants.pdf Uploaded by: Sarah Miicke

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WRITTEN TESTIMONY

House Bill 89- Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

Ways and Means Committee – February 3, 2022

SUPPORT

Background: House Bill 89, (HB89) would establish the Child Care Stabilization Grant Program and the Child Care Expansion Grant Program in the State Department of Education. The Stabilization Grant would provide financial assistence to childcare centers at risk of closing in the next year due to financial hardships. Grants for eligible centers would range from \$1,000 to \$35,000 dollars. The Expansion Grant would help fund the expansion of current licensed providers or help with the opening of new centers. Grant for eligible centers would range from \$3,000 to \$50,000 dollars.

Written Comments: The Baltimore Jewish Council (BJC) represents that Associated Jewish Community Federation of Baltimore and all of its agencies, including the Jewish Community Centers of Greater Baltimore (JCC's). The JCC's run two early childhood centers, one of which was closed for a large part of 2020 due to the pandemic. The economic impact has been great for not only our JCC's but for several other ECC's in the Jewish community, including centers attached to our synagogues. To give a snapshot of the impact, the Owings Mills JCC in FY20 (June 19-July 20) had a revenue of \$1.9 million, whereas the projected revenue for FY21 is \$1.4 million (with the help of the Federal PPP).

Without assistance many childcare centers are not going to be able to make into the end of the pandemic, in fact 16% of childcare centers in our state had closed by January 2021 and by November 2021 751 centers had closed. When Covid-19 is eventually under control, and parents and guardians are expected to physically go back to the office, we are going to need childcare centers. This is particularly true for women and single parents who will be forced out of the workforce if there is no readily available childcare. Providing financial support to childcare providers should be an instrumental part of our state's focus on a post-Covid world.

With this in mind, the Baltimore Jewish Council urges a favorable report on HB89.

The Baltimore Jewish Council, a coalition of central Maryland Jewish organizations and congregations, advocates at all levels of government, on a variety of social welfare, economic and religious concerns, to protect and promote the interests of The Associated: Jewish Community Federation of Baltimore, its agencies and the Greater Baltimore Jewish community.



Baltimore Jewish Council is an agency of The Associated

Member of the Jewish Council for Public Affairs

MAP_HB89_Support_Childcare Stabilization Grant.pdf Uploaded by: Stacey Jefferson



Member Agencies:

211 Maryland Advocates for Children and Youth Baltimore Jewish Council Behavioral Health System Baltimore CASH Campaign of Maryland Catholic Charities **Energy Advocates** Episcopal Diocese of Maryland Family League of Baltimore Fuel Fund of Maryland Health Care for the Homeless **Homeless Persons** Representation Project Job Opportunities Task Force Laurel Advocacy & Referral Services, Inc. League of Women Voters of Maryland

Loyola University Maryland
Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Community Action
Partnership
Maryland Family Network
Maryland Food Bank
Maryland Hunger Solutions
Paul's Place
Public Justice Center
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

Julia Gross, Co-Chair P: 410-528-0021 ext 6029 E: jgross@mdhungersolutions.org

Kali Schumitz, Co-Chair P: 410-412- 9105 ext 701 E: kschumitz@mdeconomy.org

TESTIMONY IN SUPPORT OF HB 89

Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

House Ways & Means Committee House Appropriations Committee

February 3, 2022

Submitted by Julia Gross and Kali Schumitz, Co-Chairs

Marylanders Against Poverty (MAP) strongly supports HB 89, which would provide financial relief for childcare providers in Maryland that are struggling or closed due to the Covid-19 pandemic.

Grants would be able to pay for rent, payroll and other necessary expenses to ensure programs continue. Particularly important to MAP, eligibility would require that the providers accept State scholarship vouchers and prioritize grant recipients from high poverty zip codes.

Childcare providers are struggling, many have closed and many more will close before the pandemic ends. According to a June 2020 by the Maryland Family Network, 67% of childcare providers experienced a loss in revenue due to Covid-19.¹ More alarming, over 50% of providers reported than an extend closure would force them to close permanently.²

Without assistance, we are going to be in new crisis once people return to their traditional offices, a lack of childcare providers. This will be particularly burdensome to single parents/guardians and women who are already disproportionality affected by poverty. Providing financial and other supports for childcare to offset reduced enrollment and increased COVID related expenses will help all families, but especially low-income families who will have to choose between going back to the office or taking care of their children.

MAP appreciates your consideration and urges the committee to issue a favorable report for HB 89.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

¹ https://www.marylandfamilynetwork.org/sites/default/files/2020-09/2020%20MFN%20Caring%20During%20Covid%20%28bg%29%201.3%20Pages%5B1 %5D.pdf

² https://www.marylandfamilynetwork.org/sites/default/files/2020-09/2020%20MFN%20Caring%20During%20Covid%20%28bg%29%201.3%20Pages%5B1 %5D.pdf

HB 89 - Support with Amendments - Child Care Stabi Uploaded by: Ary Amerikaner



Mohammed Choudhury

Appropriations

State Superintendent of Schools

BILL: House Bill 89 DATE: February 3, 2022

SUBJECT: Child Care Stabilization Grant COMMITTEE: Ways and Means and

Program and Child Care

Expansion Grant

Program - Established

POSITION: Support with Amendments

CONTACT: Ary Amerikaner

410-767-0090

ary.amerikaner@maryland.gov

EXPLANATION:

The Maryland State Department of Education (MSDE) supports with amendments **House Bill 89** – **Child Care Stabilization Grant Program and Child Care Expansion Grant Program** – **Established**, which would establish the Child Care Stabilization Grant Program and the Child Care Expansion Grant Program within MSDE.

The financial support in this legislation will assist the child care community through the challenging times presented by the continuing pandemic and assist in confronting the routine challenges that face child care providers. It is critical, however, that the committee and General Assembly also confront the long standing structural challenges that have challenged child care providers long before COVID-19. With support for that overarching goal, MSDE requests that the committee consider the following suggested amendments.

- 1. The definition of "financial hardship" outlined as the eligibility criteria for funding in the bill is left unclear. The Department believes that adding a definition of this term including at what point the provider would no longer be eligible is critical for successful implementation of the bill's requirements.
- 2. MSDE believes that addressing the significant structural roadblocks regarding the sustainability of the child care industry prior to providers meeting the definition of financial hardship should be front and center in the deliberations of the committee and General Assembly on this topic. To that end, MSDE strongly suggests that the committee consider additional language establishing a grant program that would both (a) launch Shared Service Alliances and (2) encourage and incentivize child care providers to participate in them. These Shared Service Alliances would bolster the fiscal operations and capacity of providers across the State. For more background on Shared Service Agreements, please see this explanation and set of case studies from the U.S. Chamber of Commerce Foundation.

HB 89 - Support - Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

Ways and Means and Appropriations Committee February 3, 2022

The COVID-19 public health emergency has highlighted the critical role child care plays in supporting Maryland's children, families, businesses, and the state economy as a whole. Immediate financial relief for centers at risk of closure is a valuable strategy to bolster a robust and stable child care system. Even prior to COVID-19 child care providers experienced challenges meeting their operational costs each month.

As the pandemic has continued to impact Marylanders, a significant number of family child care and center-based providers have continued to struggle to stay open. Providers will continue to need support in an under-resourced and challenging system.

While Federal relief packages have been helpful, they are temporary, and will not be a long-term solution to addressing the devastating effect of the pandemic on our child care system. MSDE believes that providing continued support to licensed child care providers that find themselves in danger of closing due to financial hardship is critical to the maintenance of child care infrastructure in the State. MSDE also is supportive of establishing a program that would aid new and existing child care programs with the costs of expanding their capacity.

We respectfully request that you consider this information as you deliberate **House Bill 89.** Please contact Ary Amerikaner, at 410-767-0090, or ary.amerikaner@maryland.gov, for any additional information.

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TESTIMONY IN SUPPORT

with Amendments

Testimony to the Appropriations and Ways and Means Committees
in amended support of
House Bill 89: Child Care Stabilization Grant Program and Child Care Expansion Grant Program Established
February 3, 2022

Strong Schools Maryland urges a favorable vote on an amended House Bill 89: Child Care Stabilization Grant Program and Child Care Expansion Grant Program - Established.

The Blueprint for Maryland's Future envisions a world-class system of public schools for our state's students. The Kirwan Commission's far-ranging research in early childhood education led them to make recommendations that function outside of the traditional K-12 system. Similarly, the General Assembly saw fit to support policies that invest in Judy and Patty centers, recognizing the intergenerational benefit of supporting entire families with young children early on.

The current global coronavirus pandemic and resulting policies have severely damaged the capacity of our state's current child care industry to make the conditions envisioned in the Blueprint true. Families with low wealth, those learning to speak English, and those historically denied opportunities for their children to succeed have been impacted disproportionately negatively, and their needs must be addressed.

We request the following amendments to House Bill 89:

• Direct the grant program administrators to prioritize relief for providers and providers serving communities who have been disproportionately impacted by the current child care crisis, particularly on the basis of race, native language, disability, or socio-economic status.

This testimony is being submitted without the benefit of the fiscal and policy analysis typically provided by the Department of Legislative Services.

Thank you,

Shamoyia Gardiner Executive Director shamoyia@stongschoolsmaryland.org