

SB350 MSCCA FAV.pdf

Uploaded by: Christina Peusch

Position: FAV



**Caring For Maryland's Most
Important Natural Resource™**

Maryland State Child Care Association

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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 child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families, and for professionals within the early childhood community.

**Testimony: SB350
Early Childhood Development-Child Care Scholarship Program-Funding
Position: Support
Submitted to: Budget and Taxation
February 15, 2023**

Maryland State Child Care Association (MSCCA) enthusiastically supports SB350. Kudos the sponsors for recognizing the importance of children, families, and the economy.

The Child Care Scholarship program is a critical support system/program for Marylanders allowing them to work or pursue higher education which leads to positive, direct economic impacts. Child care is an economic and equity imperative that has lacked appropriate levels of attention and investment nationally and in our state until just recently. Child care is a top three household expense for families and many families cannot afford or access quality, consistent child care, therefore we lose lots of revenue and productivity in our state.

Maryland legislature, leadership and advocates have recognized the need for and importance of the Child Care Scholarship program moving Maryland only a few short years ago from the 9th percentile for reimbursement rates, one of the lowest in the country, to the 70th % which is closer to the national recommendations of 75th%. Additionally, thanks to federal and some state funding have doubled our eligibility criteria for families needing child care scholarships. This is important and significant progress which increases access and equity in one of the wealthiest states, we should continue to do more to support our most vulnerable families.

SB350 will firmly establish necessary funding in the budget moving forward for families and child care providers who serve them. Child care providers have been deterred from accepting child care scholarship families due to the insufficient reimbursement rates and inefficiencies of the child care scholarship system. Many child care providers have been subsidizing the subsidy scholarship system trying to help families and being stuck with differential payments or lowering costs which impacts ability to offer quality. Parents and providers should not have to sacrifice quality or affordability. Maryland must lead and ensure families don't get further deterred by waitlists as many more are eligible now and accessing the deserved funds in order to work and contribute to the economy.

SB350 provides critical safety and protective supports for the child care scholarship system to function as it should with enough funding and laws that govern how the program is facilitated to be sure we do not digress and negatively impact families and providers in the future.

MSCCA urges a favorable report.

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Uploaded by: Deborah Williams

Position: FAV

February 14, 2023

**Testimony Concerning SB 350:
Early Childhood Development - Child Care Scholarship Program - Funding**

Submitted to the Senate Committee on Budget and Tax

Deborah A. Williams
Jaycees Early Learning Center
7624 Lanham Lane Fort Washington, MD 20744
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Child care providers across the nation continue to struggle as they recover during the ongoing COVID-19 pandemic. Child care providers are in crisis, and so are families, and Prince George's County is no exception. I am no exception. **In the last two years, we have experienced financial hardship, difficulty finding staff due to hourly wage and low enrollment because parents were not able to work.** In Prince George's County, area childcare providers like me are experiencing deep challenges with funding/finances, staffing and enrollment which are all totally intertwined.

I urge the Committee to support SB 350 and put into law our recent gains for childcare and specifically the investments in the Child Care Scholarship Program (CCSP). Specifically, it would put into law the recent gains including:

- expanded family eligibility
- co pay relief for most families
- payment rate increases

Scholarship rates have risen from their abysmal level of the 9th percentile of the market to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others. These gains have been funded with federal dollars approved by Congress. It is time for Maryland leaders to see it through and continue these investments.

If childcare programs are not able to continue to have funding, we would have to close our doors. Our families would then turn to illegal child care and their children will not get the quality care that is needed.

Plus, the bill would guarantee access to CCSP for all families who meet eligibility criteria. Although there is currently no CCSP wait list, we have seen enrollment freezes imposed over the past two decades as a means of cutting costs. Under the bill, MSDE would not be able to unilaterally impose an enrollment freeze.

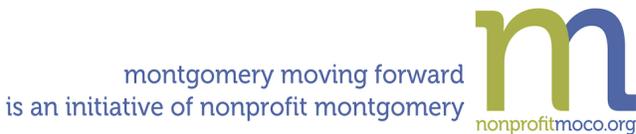
CCSP is currently the State's largest single investment in early childhood education. We must ensure that the State remains committed to protecting recent progress. We hear the General Assembly leaders are already thinking about a big cut to childcare – this is the wrong direction! A cut to CCSP would pose great risks to families, children, childcare providers, and the economy.

The childcare crisis is not over in Maryland. The Child Care Scholarship Program (CCSP) details have seen important improvements thanks to your leadership. There's more to do and we can do it together. Thank you for supporting SB 350.

MMF-Budget and Taxation-SB350 Support-February 14

Uploaded by: Farah Nageer-Kanthor

Position: FAV



February 14, 2023

Subject: Support for SB350; Early Childhood Development - Child Care Scholarship Program - Funding

Dear Members of the Senate Budget and Taxation Committee,

On behalf of Montgomery Moving Forward (MMF) and the entire Nonprofit Montgomery organization, we write in support of SB 350; Early Childhood Development - Child Care Scholarship Program - Funding.

The consistent and ongoing support focus of SB 350 and its specification of funding for the Child Care Scholarship program is a critical component to ensuring a stable, equitable approach to the reimbursement process, and one that propels us forward towards a more resilient child care sector for our state.

We are grateful for the leadership and diligent work of this committee on the issue of early care and education (ECE). Your recognition of ECE as the cornerstone of our economy and essential to nurturing a capable workforce of tomorrow while investing in the workforce of today is commendable.

—
Montgomery Moving Forward (MMF) is a collective impact initiative of [Nonprofit Montgomery](https://www.nonprofitmoco.org/). We work with partners across sectors to effect systems-wide change on issues affecting all county residents. MMF convenes the [Early Care and Education Workforce Advocacy Coalition](https://www.nonprofitmoco.org/early-care-and-education-workforce-advocacy-coalition/). The Coalition is a regional public-private coalition of 50+ early care and education leaders and advocates from the business, education, public, philanthropic, and nonprofit sectors that work collaboratively with state elected partners to reduce barriers to quality child care and education and create equitable processes, practices, and pathways for children, their caregivers, and the child care workforce across the state of Maryland.

We are eager to continue to work in partnership with your committee to ensure the full recovery, resilience, and sustainability of the early care and education sector across our state. We fully support SB350 and the stability it will provide to child care providers and families around the state.

Sincerely,

Lavontte Chatmon
Executive Director, Nonprofit Montgomery

MD Catholic Conference_SB 350_FAV.pdf

Uploaded by: Garrett O'Day

Position: FAV



MARYLAND
CATHOLIC
CONFERENCE

February 15, 2023

**Senate Bill 350
Early Childhood Development – Child Care Scholarship Program – Funding**

Senate Budget & Taxation Committee

SUPPORT

The Maryland Catholic Conference offers this testimony in support of Senate Bill 350. The Catholic Conference is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

Senate Bill 350 ensures that, at a minimum, level funding for the Child Care Scholarship Program. It would ensure that the program is never cut to a lesser level than the previous year, thus providing continuity for recipients. Additionally, it guarantees access for the families who are eligible, thus mitigating any possibility of a waitlist from year-to-year.

The United States Conference of Catholic Bishops has supported proposals seeking to “expand assistance to parents with children and improve family formation and stability.” (Letter to Congress on Child Tax Credit, USCCB, 2016). In the Compendium of the Social Doctrine of the Church, the Pontifical Council for Justice and Peace asserted that all persons deserve “a wage sufficient to maintain a family and allow it to live decently... There can be several different ways to make a family wage a concrete reality. Various forms of important social provisions help to bring it about, for example, family subsidies and other contributions for dependent family members...”

Senate Bill 350 enhances a program that already provides a tangible way to achieve stability for low-income families throughout the state. Child Care is an essential component to supporting strong, economically secure families and thus the Church supports this bill as a part of its priority interest in alleviating poverty. Enabling 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 Conference appreciates your consideration, for these reasons, respectfully requests a favorable report on Senate Bill 350.

SB350_Solomon_FAV.pdf

Uploaded by: Jared Solomon

Position: FAV

JARED SOLOMON
Legislative District 18
Montgomery County

Appropriations Committee

Subcommittees

Capital Budget

Vice Chair, Education
and Economic Development

House Chair
Joint Audit and Evaluation
Committee



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

**HB 495/SB 350 Testimony – Early Childhood Development – Child Care Scholarship
Program - Funding
February 15, 2023
Budget & Tax Committee**

Good afternoon Chair Guzzone, Vice Chair Rosapepe, Esteemed Colleagues.

Thank you for the opportunity to present today SB 350 – the Early Childhood Development – Child Care Scholarship (CCS) Program – Funding.

Nationally, the **cost of child care has risen nearly 41%**. In Maryland, from March of 2020 to December 2021, child care costs have ranged from an increase of 12% to as much as 33% depending on the setting and type of care. The drastic rise in child care costs coupled with the significant reduction in child care providers puts a financial strain and burden on families who continue to struggle with inflation and rising costs.

SB 350 aims to **rebuild Maryland’s child care capacity and support families** by helping to make child care more affordable so more parents can get back to work and more children can get the high-quality care they deserve.

Over the last few years, Maryland has made tremendous improvements in our CCS system moving from one of the worst to one of the best. 2018 marked the beginning of improvements to the system, including legislation mandating scholarship rates rise from the 9th percentile of the market to at least the 60th percentile, and a regulatory expansion of family income eligibility from approximately \$35,000 to \$72,000 for a family of four. July 2022 saw scholarship rates increase to the 70th percentile of the market, income eligibility expanded to slightly more than \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others. State and federal funds have facilitated many of these improvements. However, the latest improvements were funded through the American Rescue Plan Act (ARPA). Such funds must be obligated by the end of calendar year 2024 and spent by the end of 2026.

SB 350 makes the latest enhancements permanent, not subject to the expiration of ARPA funds. According to an MSDE report to the General Assembly in September, it would cost between \$60 and \$67 million to maintain these improvements. This amount could fall to the state, although more federal funding may become available. For example, Maryland’s share of the child care block grant was increased by \$21.8 million in the past few weeks.

This bill also guarantees access to CCS for all families who meet eligibility criteria by preventing the MSDE from unilaterally imposing an enrollment freeze. Although there is currently no waitlist, enrollment freezes have been used as a cost cutting measure. In the event of dire fiscal circumstances, the Governor and the General Assembly would retain the ability to take necessary action--through a BRFA, for example.

As you can see from the testimony submitted and the witnesses with us today, this bill is supported by child care centers, family day care homes, community leaders, and parents. This bill makes child care more accessible, allowing parents to resume their work. I ask for a favorable report on SB 350.

MLAW Testimony - SB350 - Early Childhood Developme

Uploaded by: Jessica Morgan

Position: FAV



Bill No: SB350
Title: Early Childhood Development - Child Care Scholarship Program - Funding
Committee: Budget and Taxation
Hearing: February 15, 2023
Position: SUPPORT

The Maryland Legislative Agenda for Women (MLAW) is a statewide coalition of women’s groups and individuals formed to provide a non-partisan, independent voice for Maryland women and families. MLAW’s purpose is to advocate for legislation affecting women and families. To accomplish this goal, MLAW creates an annual legislative agenda with issues voted on by MLAW members and endorsed by organizations and individuals from all over Maryland. **HB495 - Early Childhood Development - Child Care Scholarship Program - Funding** is a priority on the [2023 MLAW Agenda](#) and we urge your support.

SB350 seeks to sustain the critical investments in the Child Care Scholarship Program. The State’s Child Care Scholarship Program helps parents enter and remain in the workforce by subsidizing the high cost of child care. It gives parents access to licensed early education programs. In short, CCSP keeps parents earning and children learning.

During their working lives, nearly 85% of women will become mothers. Because new babies generally increase families’ expenses, family economic security suffers when families struggle to find and afford quality child care. Without care, women often struggle to re-enter the job market.

While Maryland has recently instituted dramatic improvements in its Child Care Scholarship Program, much work remains. Some changes will begin to minimize the burden women face when accessing support. Advocates anticipate policy changes such as presumptive eligibility for child care scholarship applicants and a streamlining of the scholarship application itself will begin to eliminate barriers to access.

This legislation was introduced in response to the growing (and overdue) recognition of two facts laid bare by the pandemic: Child care, in U.S. Treasury Secretary Janet Yellen’s words, is “a textbook example of a broken market.” Child care is, moreover, an essential public good that not only needs but deserves substantial public investment.

The Child Care Scholarship Program is the largest public investment in the child care sector. In 2022, due to an influx of federal pandemic relief funds combined with an unexpectedly robust state economic rebound, Maryland’s early childhood programs—CCSP among them, benefited from tremendous investments authorized by the Governor and the General Assembly.

On May 23, 2022, MSDE enacted three programmatic changes in the CCSP: 1. Income eligibility was increased from 65% of state median income to 75% of state median income; 2. Scholarship reimbursement rates

increased from the 60th percentile to the 70th percentile; and 3. parent co-pays were eliminated or significantly reduced.

According to estimates by The Regional Economic Studies Institute (RESI) at Towson University, for these programmatic changes to continue after the one-time federal funding sources are fully expended, the State will need to allocate additional funds for the CCSP. The cost estimates for FY 24 and FY 25 for these programmatic changes are \$67.2 million each year if the changes are expected to continue. If the State does not make an additional investment in FY 24 going forward, certain programmatic choices would be considered including reduced income eligibility, reduced reimbursement rates, and/or reinstate parent copays.

Without sustained funding, however, families could face increased costs or waiting lists for care.

For these reasons, MLAW strongly urges the passage of SB350.

MLAW 2023 Supporting Organizations

The following organizations have signed on in support of our 2023 Legislative Agenda*:

AAUW Anne Arundel County
AAUW Howard County
AAUW Maryland
Advocacy and Training Center
Allegany County Women's Action Coalition
Anne Arundel County NOW
Aspire Ascend
Baltimore County State Democratic Central Committee
Bound for Better
Business and Professional Women of Maryland
Charles County Commission for Women
Climate Xchange Maryland
Drake Institute of Women's Policy
Empowered Women in Business International
ERA Coalition
For All Seasons, Inc.
Kensington-Rockville AAUW
Maryland Coalition Against Sexual Assault (MCASA)
Maryland Commission for Women
Maryland NOW
Maryland WISE Women
Miller Partnership Consultants LLC
MoCoWoMen
Montgomery County Business & Professional Women (MC BPW)
Montgomery County Chapter, National Organization for Women
Montgomery County Commission for Women
Montgomery County Women's Democratic Club
National Coalition of 100 Black Women, Prince George's County Chapter
National Women of Achievement, Inc.
Planned Parenthood of Maryland
Planned Parenthood of Metropolitan Washington, DC
Reproductive Justice Inside
Southern Prince George's Business and Professional Women
Top Ladies of Distinction, Inc., Prince George's County Chapter
University of Baltimore School of Law If/When/How Chapter
Women's Democratic League of Frederick County
Women's Equity Center and Action Network (WE CAN)
Women's Law Center of Maryland
Zonta Club of Annapolis
Zonta Club of Mid-Maryland

**as of 2/3/2023*

Maryland Legislative Agenda for Women

**305 W. Chesapeake Avenue, Suite 201 - Towson, MD 21204 - 443-519-1005 phone/fax
mdlegagenda4women@yahoo.com - www.mdlegagendaforwomen.org**

WDC 2023 Testimony SB0350_Final.pdf

Uploaded by: JoAnne Koravos

Position: FAV



MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827

www.womensdemocraticclub.org

**Senate Bill 350
Early Child Development-Child Care Scholarship Program- Funding
Senate Committee – Budget and Taxation - February 15, 2023
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 2023 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges passage of SB0350. This bill will codify gains in the State's Child Care Scholarship Program (CCSP) and guarantee access to all families eligible for child care scholarships. WDC concurs with the Maryland Legislative Agenda for Women (MLAW), which is also advocating for SB0350. According to the 2023 MLAW conference presentation for SB0350, "The State's Child Care Scholarship Program helps parents enter and remain in the workforce by subsidizing the high cost of childcare. It gives parents access to licensed early education programs. In short, it keeps parents earning and children learning."

Senate Bill 350 will mandate an appropriation in the annual state budget bill and sustain the state's investments in the CCSP. For fiscal years 2023 and 2024, the total appropriation would be no less than in fiscal years 2018 or 2019, whichever is greater. For fiscal year 2025, and each fiscal year thereafter, the appropriation would be an amount sufficient to provide a subsidy to all eligible individuals.

Sustaining the State's investments in childcare access for families in need is at serious risk without this bill. In 2022, thanks to an influx of federal pandemic aid combined with the state's economic rebound, CCSP received significant investments through the Governor and General Assembly. But, after the one-time federal pandemic funding is fully expended, the State will need to appropriate additional funds to CCSP. If the State does not make additional investments in FY24 going forward, families could face increased, burdensome costs or long waiting lists for childcare.

We ask for your support for SB0350 and strongly urge a favorable Committee report. To maintain our competitive edge as a state, we need to keep women in the workforce. Affordable, available, quality, childcare is a significant factor in a woman's ability to remain in the workforce and provide for her family, especially for low and moderate- income families.

Diana E. Conway
WDC President

Cynthia Rubenstein
WDC Advocacy Committee

2023_SB0350_MSDETestimony_WRITTEN_Support_FINAL.pd

Uploaded by: Justin Dayhoff

Position: FAV



BILL: Senate Bill 0350 **DATE:** February 15, 2023
SUBJECT: Early Childhood Development - Child Care Scholarship Program - Funding **COMMITTEE:** Budget and Taxation
POSITION: Support
CONTACT: Justin Dayhoff
410-767-0090
Justin.dayhoff@maryland.gov

The Maryland State Department of Education (MSDE) urges a favorable report from the committee on Senate Bill 350, Early Childhood Development - Child Care Scholarship Program – Funding, which provides much-needed stability to the child care community by maintaining, at minimum, the current reimbursement, eligibility, and co-payment structure for the Maryland Child Care Scholarship program.

The MSDE Division of Early Childhood supports over 7,000 child care service providers in Maryland. Over 2,500 of these service providers participate in the child care scholarship program, which supports over 12,000 families and over 20,000 children, an increase over pre-pandemic levels. Child care providers and their employees often work payment to payment and even now are in a precarious situation at a time when we are trying to recover from a global pandemic and get Maryland back on track.

A 2015 report from the Economic Policy Institute, for example, shows that average child care worker salaries are less than the pay of dog walkers. We entrust the child care community with the important role of caring for our children. The Blueprint for Maryland’s Future and the long-term success of Maryland’s children and families pivot on the State’s ability to ensure that children are well-prepared for pre-kindergarten and kindergarten. Ensuring safe, affordable access to high-quality child care is the pathway to do so and the child care scholarship program underpins that effort.

During the pandemic, Maryland leveraged American Rescue Plan resources to increase program accessibility by reducing the eligibility cutoff and increasing the provider reimbursement rate. MSDE increased the income eligibility for families to 75% of the State median income for initial program applications and increased provider reimbursement rates to the 70th percentile of market rates. The change in rates began in the last quarter of FY 2022.

Even these adjustments put Maryland behind the federal recommended levels, which encourage states to use cost modeling that factors in all the inputs and costs of providing safe, quality child care including compensation of teachers and directors. The federally recommended level is the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.

Senate Bill 350 enshrines the commitments Maryland made to its child care community during the pandemic and sets the floor on reimbursement and eligibility rates to provide a guarantee to the child care community and Maryland's children and families so that they have a place and a path for receiving access to affordable quality care. Failure to enact this legislation makes child care scholarship funding subject to annual fluctuation – an instability the community cannot afford and one that jeopardizes the State's ability to protect and provide for its children and families.

We respectfully request that you consider this information as we urge a favorable report on Senate Bill 350. Please contact Justin Dayhoff, at 410-767-0439, or justin.dayhoff@maryland.gov, for any additional information.

SB 350_MFN_FAV_Weeldreyer.pdf

Uploaded by: Laura Weeldreyer

Position: FAV



Testimony Concerning SB 350
“Early Childhood Development - Child Care Scholarship Program - Funding”
Submitted to the Senate Budget & Taxation Committee
February 15, 2023

Position: Favorable

Maryland Family Network (MFN) strongly supports SB 350, which would a) codify recent gains in the State’s Child Care Scholarship Program (CCS); and b) guarantee access to all families eligible for CCS.

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.

CCS helps parents enter and remain in the workforce by subsidizing the high cost of child care. It gives parents and children access to licensed early education programs. In short, CCS keeps parents earning and children learning.

Prior to 2018, Maryland had one of the very worst child care subsidy programs in the country, according to testimony in Annapolis by a US-HHS official. That year saw the beginning of several major improvements in Maryland’s CCS, including legislation sponsored by Sen. King and Del. (now Speaker) Jones mandating that scholarship rates rise from their abysmal level of the 9th percentile of the market to at least the 60th percentile and a regulatory expansion of family income eligibility from approximately \$35,000 for a family of four to \$72,000 for a family of four.

In May 2022, the State made further improvements to CCS. Scholarship rates were increased to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others.

While both State and Federal funds have underwritten these dramatic improvements, the latest round of enhancements (those that took effect in May last year) utilized American Rescue Plan Act (ARPA) dollars. Under federal rules, ARPA funds earmarked for child care must be spent by the end of September 2024, although additional discretionary ARPA funds may be available through the end of 2026.

The first component of the bill would make the latest enhancements permanent, not subject to the expiration of ARPA funds. According to an MSDE report to the General Assembly in

September, sustaining these latest enhancements after ARPA would cost between \$60 and \$67 million. That cost could fall to the State under this bill, although it's possible that more federal dollars will be available. (In late December 2022, for example, Maryland's share of the child care block grant was just increased by \$21.8 million, and those dollars are not yet incorporated into the CCS budget.)

The second component of the bill would guarantee access to CCS for all families who meet eligibility criteria. Although there is currently no CCS wait list, enrollment freezes have been imposed at different times over the past two decades as a means of cutting costs. Under the bill, MSDE would not be able to unilaterally impose an enrollment freeze. In the event of dire fiscal circumstances, the Governor and the General Assembly would retain the ability to take necessary action—through a BRFA, for example.

Maryland families need and deserve access to a robust CCS. MFN urges a favorable Committee report on SB 350.

SB350_MoCo_Frey_SUPPORT.pdf

Uploaded by: Leslie Frey

Position: FAV



Montgomery County

Office of Intergovernmental Relations

ROCKVILLE: 240-777-6550

ANNAPOLIS: 240-777-8270

SB 350

DATE: February 15, 2023

SPONSOR: Senator King, et al.

ASSIGNED TO: Budget & Taxation

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

POSITION: SUPPORT

Early Childhood Development – Child Care Scholarship Program – Funding

Senate Bill 350 requires the Governor, beginning in fiscal year 2025, to include in the State budget an appropriation sufficient to provide a State Child Care Scholarship Program subsidy to all eligible individuals, thereby eliminating a waiting list for the State's Child Care Scholarship Program. The bill stipulates that the Program may only be "frozen" when the list of available child care providers has been exhausted and additional providers cannot be located who are acceptable to parents and appropriate for children. The bill requires the Program's reimbursement rates for each region in the State to be equal to or greater than the rate from the prior fiscal year, and the copayment levels for Program participants may not exceed the copayment levels in effect during the prior fiscal year. Additionally, the Program's income eligibility requirements may not be less than the income eligibility requirements in effect the prior fiscal year. The bill takes effect July 1, 2023.

The National Academy of Sciences writes that lack of adequate funding of child care scholarship programs is a notable barrier to equitable access to affordable child care services:

The inability of families to access high-quality early care and education stems from a financing structure that places a large burden to pay for early care and education directly on families in the form of fees and tuition, making high-quality early care and education prohibitively expensive for many families. Even for those families that qualify for subsidized programs, many are not receiving assistance due to inadequate funding.

Senate Bill 350 would ensure that every family who qualifies for the Child Care Scholarship Program can benefit from the program. Child care subsidies are an important tool for long-term objectives such as reducing poverty and increasing a child's likelihood of success.¹ For these reasons, Montgomery County government annually funds child care scholarships for approximately 1,750 families who are excluded from the State Child Care Scholarship Program because they are over-income. Montgomery County respectfully urges the committee to issue a favorable report on Senate Bill 350 to enable more families to benefit from the State's Child Care Scholarship Program.

¹ Research suggests that increased access to subsidies could result in a range of longer-term benefits for children and their families. With a subsidy, families could choose higher-quality child care, which can benefit their children's development. Increased family income and reduced poverty can have short- and long-term benefits for children's achievement and success. (<https://www.urban.org/research/publication/what-if-we-expanded-child-care-subsidies>)

WA- SB 350 - CCSP Funding - FAV.pdf

Uploaded by: Lisa Kligenmaier

Position: FAV



Welfare Advocates

Founded 1979

228 W. Lexington Street — Suite 220 • Baltimore, Maryland 21201-3432

Phone: 667-600-3356 • Email: lklingenmaier@cc-md.org

Senate Bill 350 Early Childhood Development – Child Care Scholarship Program - Funding

Senate Budget and Taxation Committee
February 15, 2023

Support

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate about and advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates supports SB 350, which requires the state to establish funding for the Child Care Scholarship Program (CCSP) that is sufficient to provide a subsidy to all eligible families, and codifies recent gains in the program such as increasing income eligibility for families and ensuring the subsidies reach a substantial portion of the market share.

The CCSP is an important safety-net for low-income households, allowing families to access affordable, quality child care. Across Maryland, child care ranks as the first, second, or third highest household expense in all jurisdictions in the state.¹ In order to enter and remain in the workforce, parents need assurance that their children are being cared for in safe, nurturing environments. Additionally, we know that high-quality, developmentally appropriate child care helps prepare low-income children for school and helps close the achievement gap.

SB 350 ensures more families will be able to access the program, and be able to locate child care centers that accept the CCSP. Since May of 2022, Scholarship rates were increased to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others. These improvements should be made permanent, and not subject to the expiration of the American Rescue Plan Act (ARPA). Moreover, SB 350 provides future safeguards in the program by prohibiting MSDE from unilaterally imposing enrollment freezes in the program, which harm low-income families and often relegate their children into patchwork, substandard child care.

Welfare Advocates believes that all Marylanders should have easy access to the public benefits they are eligible for, and codifying these important expansions in the CCSP is a critical step to improve the economic security of Marylanders struggling in or near poverty.

WA appreciates your consideration, and respectfully urges a favorable report on SB 350.

Submitted by Lisa Kligenmaier, *Chair of Welfare Advocates*

¹ Maryland Family Network. 2022. Child Care Demographics. <https://www.marylandfamilynetwork.org/sites/default/files/2022-02/Maryland%202022.pdf>

SB 350 Support.pdf
Uploaded by: Maddie Long
Position: FAV



**Testimony in support of
Senate Bill 350: Early Childhood Development – Child Care Scholarship
Program – Funding**

**Budget and Taxation Committee
Position: Favorable**

February 15, 2023

Strong Schools Maryland is a network of education advocates dedicated to ensuring the full funding and faithful implementation of the Blueprint for Maryland's Future. We advocate for legislative and regulatory policy changes to further educational equity and build the technical capacity of everyday Marylanders to hold state and local officials accountable to their responsibilities. **Strong Schools Maryland urges a favorable vote on Senate Bill 350: Early Childhood Development – Child Care Scholarship Program – Funding.**

The passage of the Blueprint for Maryland's Future began a new period in Maryland's journey to achieve educational equity, especially with regard to early learning. The Blueprint established publicly-funded, full day pre-kindergarten in the state so that all children are ready to learn and be successful when they enter kindergarten. The Pre-Kindergarten Expansion Grant Program includes private providers, who must ensure that a certain percentage of their four-year-old and three-year-old slots are filled using grant funds. The Blueprint also created more funding for childcare for our state's families by raising the income requirements for the Child Care Scholarship (CCS) Program. These and other early learning policies create more opportunities for families to gain access to affordable, high-quality options for their children.

SB 350:

- Secures funding for the Child Care Scholarship Program, removing uncertainty and affirming our state's commitment to early learning;
- Protects the Program by codifying the circumstances in which it can be frozen; and
- Ensures that the Program copay levels do not increase and income eligibility does not decrease, keeping child care affordable for families.

The early years of childhood are the most pivotal period for brain development in a student's life, which is why the importance of high-quality, affordable, accessible child care cannot be overstated. Through the Child Care Scholarship Program, we have the infrastructure in place to provide this for Maryland families. SB 350 sets this program up for success by enshrining crucial protections for families in law and expanding eligibility.

We implore you to use this Session to pass legislation that aligns with the Blueprint's vision of investing in early childhood to set students up for lifelong learning and achievement.

For these reasons, we urge a favorable report on Senate Bill 350.

*For more information, contact Maddie Long:
maddie@strongschoolsmaryland.org*

SB 350 - WLCMD - FAV.pdf

Uploaded by: Michelle Siri

Position: FAV

BILL NO: Senate Bill 350
TITLE: Early Childhood Development - Child Care Scholarship Program – Funding
COMMITTEE: Budget & Taxation
HEARING DATE: February 15, 2023
POSITION: **SUPPORT**

The Child Care Scholarship program (CCS) helps parents enter and remain in the workforce by subsidizing the high cost of child care. It gives parents and children access to licensed early education programs. In short, CCS keeps parents earning and children learning.

Maryland has made great strides in the area of childcare affordability, following several major improvements in Maryland's CCS, including legislation sponsored by Sen. King and Del. (now Speaker) Jones mandating that scholarship rates rise from their abysmal level of the 9th percentile of the market to at least the 60th percentile and a regulatory expansion of family income eligibility from approximately \$35,000 for a family of four to \$72,000 for a family of four.

In May 2022, the State made further improvements to CCS. Scholarship rates were increased to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all others.

While both State and Federal funds have underwritten these dramatic improvements, that funding is at risk of expiration. The first component of SB350 would make the latest enhancements permanent, not subject to the expiration of ARPA funds. That would ensure critical funding remains stable so that families can continue to rely on this important program.

The second component of the bill would guarantee access to CCS for all families who meet eligibility criteria. Although there is currently no CCS wait list, enrollment freezes have been imposed at different times over the past two decades as a means of cutting costs. Under the bill, MSDE would not be able to unilaterally impose an enrollment freeze. In the event of dire fiscal circumstances, the Governor and the General Assembly would retain the ability to take necessary action—through a BRFA, for example.

Because access to affordable childcare is essential for women's economic security and independence, and for all the aforementioned reasons, the WLC urges a favorable report on SB350.

The Women's Law Center of Maryland is a non-profit legal services organization whose mission is to ensure the physical safety, economic security, and bodily autonomy of women in Maryland. Our mission is advanced through direct legal services, information and referral hotlines, and statewide advocacy.

SB350.Council.Support.pdf

Uploaded by: Rachel London

Position: FAV



Maryland Developmental Disabilities Council

CREATING CHANGE • IMPROVING LIVES

Senate Budget and Taxation Committee

SB 350: Early Childhood Development – Child Care Scholarship Program - Alterations

February 15, 2023

Position: Support

The Maryland Developmental Disabilities Council creates change to make it possible for people with developmental disabilities live the lives they want with the support they need. The Child Care Scholarship Program (CCSP) provides financial assistance with child care costs to eligible families in Maryland. The eligible family will receive a voucher to use to purchase child care directly from the provider of their choice. The CCSP has undergone dramatic improvements over the last couple of years. Additional funding coupled with policy changes, including changes to income eligibility requirements and raised rates, allowed more families to qualify for subsidies and be able to afford more child care. **This bill would increase access to the CCSP by requiring funding, limiting the wait list or “program freeze”, maintaining or increasing reimbursement rates, requiring copayments not be more than the prior year, and requiring income eligibility requirements not be less than the prior year.**

The potential impact to families of children with disabilities must be noted.

- Eligible families of children with disabilities are given first priority.
- There is a “special disability rate” that can be used to support children with disabilities.

Programs must provide children with disabilities and their families an equal opportunity to participate in the child care program and services by providing reasonable modifications, accommodations, and provide appropriate auxiliary aids and services needed for effective communication.ⁱ Some of these additional accommodations may be costly. In recognition of that, **Maryland law allows for increased CCSP reimbursement rates to a child care provider for the additional costs of providing one-time or ongoing accommodations to a child with a disability – up to 15% above the traditional reimbursement rates or more if approved by MSDE.**ⁱⁱ

The majority of child care providers want to support children with disabilities but need assistance to do so. It is our understanding that this “special disability rate” has not been utilized since SFY1998.ⁱⁱⁱ **Making sure this rate is known about and used, coupled with other efforts to streamline access to the CCSP, would help the families of children with disabilities who are still struggling to find and keep high quality child care where their children with disabilities can learn and play alongside their peers without disabilities.**

Hb495 allows more families, including families of children with disabilities, to access the child care they need. In order to provide all children, including children with disabilities, and their families with equal access to quality, inclusive child care, it is important that funding is adequate, and that the process works for providers and families.

Contact: Rachel London, Executive Director, RLondon@md-council.org

ⁱ Americans with Disabilities Act (ADA), 42 U.S.C. § 12101 (2009).

ⁱⁱ COMAR 13A.14.06.11(E)(5).

ⁱⁱⁱ *Maryland Family Network Public Policy Handbook 2017-2018*, Appendix B.

SB0350_CC_Vaughan_FAV.pdf

Uploaded by: Regan Vaughan

Position: FAV



SB 350
Early Childhood Development – Child Care Scholarship Program - Funding
Senate Budget and Taxation Committee
February 15, 2023
Support

Catholic Charities of Baltimore supports SB 350, which requires the state to establish funding for the Child Care Scholarship Program (CCSP) that is sufficient to provide a subsidy to all eligible families, and codifies recent gains in the program such as increasing income eligibility for families and ensuring the subsidies reach a substantial portion of the market share.

Inspired by the Gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. For 100 years, Catholic Charities has accompanied Marylanders as they age with dignity, obtain empowering careers, heal from trauma and addiction, achieve economic independence, prepare for educational success and feel welcome as immigrant neighbors. As the largest human service provider in Maryland working with tens of thousands of youth and families each year, we recognize the important role that the CCSP plays in allowing parents to enter and maintain employment while providing valuable educational opportunities for their children.

The CCSP is a critical safety-net program for low-income families. We work with families every day across central and western Maryland, and the high costs of child care is a substantial burden for the low-income households we serve. The stories we hear from our clients about the rising costs of child care mirror what the data shows: across Maryland, child care ranks as the first, second, or third highest household expense in all jurisdictions in the state.¹ Securing scholarships through the CCSP is often the only way families can access the affordable, quality child care they need in order to secure and maintain employment.

The gains Maryland has made to make the CCSP more accessible and effective should be made permanent, even after the funding from the American Rescue Plan Act (ARPA) is exhausted. Over the past few years, Scholarship rates were increased to the 70th percentile of the market, income eligibility was expanded to just over \$90,000 for a family of four, and parental copayments were eliminated for many families and drastically reduced for all remaining households. Additionally, SB 350 provides future safeguards in the program by prohibiting MSDE from unilaterally imposing enrollment freezes in the program, a previous practice that left many families struggling to piecemeal child care options together. All of these gains Maryland has made to improve the CCSP should be maintained and supported.

For the reasons listed above, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for SB 350.

Submitted By: Regan Vaughan, Director of Advocacy

¹ Maryland Family Network. 2022. Child Care Demographics. <https://www.marylandfamilynetwork.org/sites/default/files/2022-02/Maryland%202022.pdf>

SB350 testimony.pdf

Uploaded by: Ruth Carolina Reyes

Position: FAV



ARCO IRIS

BILINGUAL CHILDREN'S CENTER

February 13, 2023

Testimony Concerning Support for:

SB 350: Early Childhood Development-Child Care Scholarship Program-Funding

Submitted to the Senate Committee on Budget and Tax

Ruth Carolina Reyes

Arco Iris Bilingual Children's Center

14502 Greenview Drive, Suite 102

301-483-8800 Center

301-538-1978 Cellular

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As the director and owner of Arco Iris Bilingual Children's Center, I support SB350. The childcare community is very thankful to the senators and delegates from our dear state of Maryland who have expressed so much interest in our advocacy efforts and testimonies of the everyday struggles we encounter, particularly during the pandemic. But please keep on supporting us!

The families I serve are thankful that many of them can now receive assistance from the child care scholarship. Scholarship rates have risen from their abysmal level of the 9th percentile of

the market to the 70th percentile; income eligibility was expanded to just over \$90,000 for a family of four, and copayments were eliminated for many families.

Our families are returning to the workforce and this assistance is essential for many of them, especially for those families headed by single mothers. Many of them do not have adequate support systems, so they are especially vulnerable. Think about this: you are that mother's support system, please don't take it away. You must continue offering this opportunity so we can have more families accessing quality early childhood education.

A cut to the childcare scholarship brings many risks to our families, children, childcare providers, as well as the economy overall. I began with only three children utilizing the scholarship; I now have 12. Early childhood education and care starts at birth. Don't abandon Maryland's families.

As a childcare director and a passionate advocate for my field, I believe strongly in the concept of purpose and partnership. The public school system, private childcare centers, family childcare providers, families, and government must all unify to make early childhood education a priority for Maryland's children.

Thank you for supporting SB350

Sincerely,

R. Carolina Reyes

SB350 Sponsor Testimony.pdf

Uploaded by: Senator Nancy King

Position: FAV

NANCY J. KING
Legislative District 39
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

Chair
Education, Business and
Administration Subcommittee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SPONSOR STATEMENT

Senate Bill 350 – Early Childhood Development – Child Care Scholarship Program - Funding

February 15, 2023

Mister Chairman and Members of the Budget and Taxation Committee:

As little as five years ago, Maryland’s Child Care Scholarship Program (CCS) ranked at or very near the bottom of the 50 states in access and affordability. Federal law requires “equal access” to childcare for low-income families, and the Feds strongly urge states to set rates that give access to 75% of childcare programs. Maryland’s rates at the time gave parents access to only 10% of childcare programs and the income cap for a family of four was \$35,000.

Now, five years later, thanks to actions by the Legislature, the Administration and the Maryland State Department of Education, the CCS rates have risen from the 10th to the 70th percentile and the income cap for a family of four has risen to \$90,000. These improvements have moved Maryland from one of the worst programs in the country to one of the best.

Raising rates and income caps, and lowering or removing copayments has resulted in:

- increasing parents’ ability to find and pay for care;
- encouraging more childcare programs to accept scholarship children;
- helping providers in low-income communities - who are most reliant on the scholarship - sustain their programs and improve quality;
- getting more children in safe, quality child care;
- and, enabling more parents to return to the workforce.

Senate Bill 350 will codify these gains in the State’s Child Care Scholarship Program (CCS), and guarantee access to all families eligible for CCS. Codifying these gains will ensure that the advances we have made in supporting our families will continue. Securing assistance for quality childcare is critical for families who are trying to get into or remain in the workforce and so I respectfully request a favorable report on Senate Bill 350.