SB 881_MFN_FAV_Morrow.pdf Uploaded by: Beth Morrow



Testimony Concerning SB 881 "Child Care Providers and Employees – Bonuses – Alterations" Submitted to the Senate Budget & Taxation Committee March 15, 2023

Position: Support

Maryland Family Network (MFN) supports SB 881, which would provide hiring and retention bonuses for child care workers to help offset the costs associated with the hiring process. These public dollars will provide desperately needed support for a struggling child care sector that is inarguably essential to the public good.

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 health protocols, intensive sanitation, and—crucially—staffing shortages. 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 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.

The quality and sustainability of a child care program are directly and overwhelmingly determined by its staff. As Maryland's economy attempts to rebound from the worst effects of the pandemic, child care programs need to compete successfully in attracting and retaining qualified employees. The incentives created by this legislation will be essential to this effort. For these reasons, MFN urges your favorable consideration of SB 881.



SB0881 -- Child Care Providers and Employees - Bon Uploaded by: Brian Levine



Senate Bill 881 -- Child Care Providers and Employees - Bonuses - Alterations Senate Budget and Taxation Committee March 15, 2023 Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 881 -- *Child Care Providers and Employees - Bonuses - Alterations.*

Senate Bill 881 increases the amount of eligible childcare new hiring bonuses for childcare providers by \$500 to \$1,500. The bill also extends this existing program for Fiscal Years 2024 and 2025 and requires an annual appropriation of \$6,000,000 to the State Department of Education.

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 continues to get more people back to the office, child care challenges remain a concern that hinders growth in the State's economy. 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 supports Senate Bill 881 and 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 51 Monroe Street | Suite 1800 Rockville, Maryland 20850 301-738-0015 | www.mcccmd.com

SB0881-BT_MACo_SUP.pdf Uploaded by: Brianna January



Senate Bill 881

Child Care Providers and Employees - Bonuses - Alterations

MACo Position: SUPPORT

To: Budget and Taxation Committee

Date: March 15, 2023

From: Brianna January

The Maryland Association of Counties (MACo) **SUPPORTS** SB 881. This bill would support currently licensed child care providers in the state and would incentivize the establishment of new providers by increasing hiring and retention bonuses provided by the State to the industry. It builds off of last year's bill to establish these bonuses and comes at a time when the child care community and county resources are pushed to their brink.

The COVID-19 pandemic 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 families balancing work, child care, and the ongoing pandemic. Many providers had to cease operation during the pandemic out of 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 secure adequate staff to provide reliable child care.

During the 2022 legislative session, the General Assembly passed a bill seeking to address these issues by providing existing child care staff with bonuses, as well as providing hiring bonuses for new staff. That bill included significant state funding to provide existing child care providers with funds to offset the hiring bonuses of new hires for FY23. SB 811 builds off that critical work and includes an annual appropriation of \$6 million for FY24 and FY25, deepening the impact of this important resource.

While counties have creatively addressed the needs of reliable and safe child care, they welcome state resources to help stabilize the industry and expand services. Reliable and safe child care is critical for economic development, successful families and communities, and the development of children. For these reasons, MACo **SUPPORTS** SB 881 and urges a **FAVORABLE** report.

- MSCCA Testimony - SB 881 Child Care Bonuses Fav. 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 child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.

Testimony: SB 881 Child Care Providers and Employees-Bonuses-Alterations Submitted to: Budget and Taxation Committee March 15, 2023

Maryland State Child Care Association fully supports SB 881. We thank the sponsor for her leadership and support of the child care industry, children and families. This bill will continue the effort to support the struggling child care sector with retention bonuses to all current licensed and credentialed staff as well as staff entering the state credentialing system. SB 881 includes funding for new hire bonuses available to all hired staff from one year of the date of enactment. Additionally, this legislation includes a \$500 new hire assistance fund payable to the child care provider/facility to cover the costs of advertising a position, licensure and certification costs, background check processing, or first month's salary. We are competing with Starbucks, Target and DC for employees as child care lacks sufficient compensation and benefits. Child care is on backs of parents as a tuition dependent business. SB 881 continues the efforts of HB 1100 codified for one year bonuses in law in 2022, which have still not been distributed to the essential child care workforce yet.

The child care industry continues to struggle with critical workforce shortages and the recovery has lagged behind other businesses. Federal funds for stabilization and rescue efforts for the child care industry have been life saving for many, however most in child care industry continue to struggle.

The majority of child care expenses are fixed and have skyrocketed. Most child care businesses spend between 60-70% of revenue on staffing. 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. Child care workers have long been underpaid and given fewer benefits like health insurance.

The child care industry has not fully recovered from the pandemic and was tenuous prior to the pandemic. According to MSDE, child care has lost over 800 programs, still down from pandemic about 9%. Additionally, numerous programs have demand for services, but cannot open space/classrooms due to the critical workforce shortages plaguing small business, especially the child care industry. Providers and advocates say recruiting and retaining workers is now one of their biggest challenges.

Child care workers have long been underpaid and given fewer benefits like health insurance. On average, child care workers in the US are paid \$13.51 per hour, according to the EPI analysis. This data aligns with Maryland average salary of \$27,000 per year for a child care teacher. That's nearly half of what the average US worker makes, at \$27.31 an hour. This often means that child care workers can't afford to support themselves or their families, resulting in higher rates of job turnover, decreased quality of care, and a greater risk for towns and cities to become child care deserts.

Many small businesses are struggling to compete with fast-food chains and big chain stores that are offering upwards of \$20 an hour. MSCCA conducted a workforce survey in October 2021 and the barriers and workforce issues included finding qualified staff, compensation, pandemic related issues, and lack of benefits.

MSCCA member, small business owner, Dr. Lisa Herbst owner of Wee Lad and Lassie and A Child's Garden located in Anne Arundel County shared this personal story:

"When I received the ARPA grant, I increased pay scale by 20% to fill 14 staff positions in two center locations. We had to because people could go to Kohls or McDonalds or Sam's Club for jobs. We are competing for the few people that are willing and able to work. I don't know how long I will be able to sustain the salaries, however, ultimately, I want to be able to pay employees what they deserve. It is critical considering the requirements of the job. This is highly skilled work. It requires being aware of growth and development, it requires being aware of social and emotional development, cognitive development and physical development...it requires having a lot of physical energy and stamina." The critical need is for more resources to better support parental needs for child care, to bolster and expand child care businesses, and to be able to improve the wages and benefits of child care professionals.

SB 881 provides an opportunity for additional support for businesses and deserved bonuses for the essential child care workforce. Although the fiscal note is less, every penny counts in child care and all support makes a difference.

MSCCA urges a favorable report.

MMF-Budget and Taxation-SB881 Support -March13 202 Uploaded by: Farah Nageer-Kanthor

nonprofit montgomery

March 13, 2023

Subject: Support for SB881; Child Care Providers and Employees - Bonuses - Alterations

Dear Members of the Budget and Taxation Committee,

On behalf of Montgomery Moving Forward (MMF) and the entire Nonprofit Montgomery organization, we write in strong support of SB 881; Child Care Providers and Employees- Bonuses-Alterations.

Dedicated and equitable support of the child care sector and our early care and education workforce are critical to our state's, and country's, economic recovery and social-emotional resilience post-pandemic. SB881 will provide essential support for the early care and education (ECE) workforce which continues to suffer from paralyzing shortages and declining numbers of people who see child care as a sustainable professional pathway. This is due, not least because of low wages, weak public investment, and generational undervaluing of the work that is largely provided by women, many women of color, across our state and country as a whole.

The child care provider community is still waiting for the implementation of HB1100/SB 806- Child Care Providers and Employees – Bonuses- that was passed during the 2022 General Assembly Session. Many of us, and many of you, were involved in the passage of this bill last year. We need your commitment now to move SB881 to fruition so that providers who have endured the pandemic and continue to provide essential, culturally appropriate social, emotional, behavioral, developmental, and academic foundational skills to our youngest learners can see tangible public value for what they do. Your support for SB881 is also important in motivating new, talented, and dedicated educators to join the ECE workforce at a time when they are desperately needed. SB881 will go a long way, too, with incentivizing talented early childhood educators to join the profession; helping current providers to motivate recruitment of qualified staff; and retaining staff who work diligently to educate our children and nurture their learning and success at the most critical time in their development.

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.

Website nonprofitmoco.org



Address 6010 Executive Boulevard Suite 200 Rockville, MD 20852

nonprofit montgomery

Montgomery Moving Forward (MMF) is a collective impact initiative of <u>Nonprofit Montgomery</u>. We work with partners across sectors to effect systems-wide change on issues affecting all county residents. MMF convenes the <u>Early Care and Education Workforce Advocacy Coalition</u>. 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 urge your full support of SB881 and the needed boost it will provide to child care providers around our state.

Sincerely,

Lavontte Chatmon Executive Director, Nonprofit Montgomery





Address 6010 Executive Boulevard Suite 200 Rockville, MD 20852

PGCRC SB 881.pdf Uploaded by: Jennifer Iverson Position: FAV

March 14, 2023

Testimony Concerning Support for SB 881

Submitted to the Senate Committee on Budget and Tax

Jennifer Iverson, Executive Director Prince George's Child Resource Center, Inc. 9475 Lottsford Road, Suite 202 Largo, MD 20774 240-418-9051 jiverson@pgcrc.org

As the child care resource center for both Prince George's and Anne Arundel Counties, we have seen first-hand the impact that the Pandemic had on child care and families seeking child care. The slim margin that existed pre-Covid disappeared; programs could simply not afford to pay staff and many never recovered. Today, families cannot find child care because the business model has failed. We must do everything we can to work toward professional wages for child care providers.

Thanks to your leadership one year ago, legislation to create hiring bonuses was approved and became law. This was an important step toward solving early childhood educator compensation. We hope you share our confusion and concern that these dollars have not moved to the child care provider community after all this time.

We urge your support for SB 881, which is a continuation of the bill you approved last year. That bill had an end date, and the agency needs more time. Unfortunately, the child care workforce does not have the luxury of time. They are struggling with critical workforce shortages. These bonuses and support are important for child care centers and family child care right now to incentivize, recruit, retain and train new people to do this crucial work. **This crucial legislation also has long-term impact on successful implementation of the Blueprint for Maryland's Future. Diverse delivery of PreK in child care requires a strong infrastructure.** Parents are counting on it. Early childhood educators are counting on it.

We need every penny to invest, support and incentivize this essential field. **We urge your support for legislation.** Thank you for your leadership for our community.

Jennyen Trerson

Testimony Concerning Support for SB 881.pdf Uploaded by: Kimberly Johnson

March 14, 2023

Testimony Concerning Support for SB 881

Submitted to the Senate Committee on Budget and Tax

Kimberly Johnson Mrs. Kim's Family Daycare 9500 Tellico Place Clinton, MD 20735 (301) 297-9033 Mrskimsfamilydaycare@gmail.com

Thanks to your leadership one year ago, legislation to create hiring bonuses was approved and became law. This was an important step toward solving early childhood educator compensation. We hope you share our confusion and concern that these dollars have not moved to the childcare provider community after all this time.

We urge your support for SB 881, which is a continuation of the bill you approved last year. That bill had an end date, and the agency needs more time. Unfortunately, the childcare workforce does not have the luxury of time. We are struggling with critical workforce shortages. These bonuses and support are important for childcare centers and family child care right now to incentivize, recruit, retain and train new people to do this crucial work. Parents are counting on it. Early childhood educators are counting on it. I have two employees and this legislation will help with keeping my employees and helping with important ongoing training.

We need every penny to invest, support and incentivize this essential field. **We urge your support for legislation.** Thank you for your leadership for our community.

SB 881.pdf Uploaded by: Patti Smith Position: FAV

March 14, 2023

Testimony Concerning Support for SB 881

Submitted to the Senate Committee on Budget and Tax

Patti Smith-Director Greenway Learning Center 7501 Greenway Center Drive #110 Greenbelt, MD 20770 301-474-6770 welovekids.gic@verizon.net

Thanks to your leadership one year ago, legislation to create hiring bonuses was approved and became law. This was an important step toward solving early childhood educator compensation. We hope you share our confusion and concern that these dollars have not moved to the child care provider community after all this time.

We urge your support for SB 881, which is a continuation of the bill you approved last year. That bill had an end date, and the agency needs more time. Unfortunately, the child care workforce does not have the luxury of time. We are struggling with critical workforce shortages. These bonuses and support are important for child care centers and family child care right now to incentivize, recruit, retain and train new people to do this crucial work. Parents are counting on it. Early childhood educators are counting on it. Maryland's youngest citizens are counting on it. The educators deemed "essential" during the pandemic are counting on it. They have worked tirelessly during the pandemic; teaching, loving, cleaning, sanitizing, taking temps, social distancing, working while masked and most importantly caring for children during a pandemic. These educators deserve extra compensation, were promised extra compensation and yet their pockets still remain EMPTY. Educators have watched financial bailouts and bonuses go to bars and restaurants while educators have received nothing but empty promises. These funds are needed so educators can keep their health insurance, feed their families, staff their programs and to keep their business doors open. Please support SB 881 and increase the amount of funding.

We need every penny to invest, support and incentivize this essential field. **We urge your support for legislation.** Thank you for your leadership for our community.

Sincerely,

The Staff of Greenway Learning Center for Infants and Children.

SB 881 Written Testimony.pdf Uploaded by: Rebecca Hancock Position: FAV



Testimony Concerning Senate Bill 881 Submitted to the Senate Budget and Tax Committee

March 15, 2023

The Maryland State Family Child Care Association (MSFCCA) is a Professional Family Child Care Association that has represented Maryland's Registered Family Child Care and Large Family Child Care homes since 1983. The mission of MSFCCA is to promote and enhance the profession by advocating for all of the 989 small child care businesses through the 19 local Associations that make up our statewide membership. In addition, our advocacy efforts extend to all other child care programs in Maryland that may not be members of MSFCCA.

The decline in registered family child care programs compounds the already existing program for families that are looking for quality child care, especially those with infants and toddlers. These closed programs can be attributed to many things, such as long hours and low wages that are not compensatory.

People entering the workforce do not see child care (family child care specifically) as profitable or as a long term career. Before the COVID-19 Pandemic there was already a crisis in this important career field, attracting and retaining qualified people. The hours are long and wages are low. We were thankful for the passage of HB 1100 last legislative session that created monies for bonuses to hire and retain qualified workers in the child care field. However, the monies have been slow to be disbursed to providers and the process was very confusing so that many providers that were eligible for the bonuses did not apply for them. We are hopeful that SB 881 will put the bonuses in place on a permanent basis to maintain long-term workforce development, and that the process will be less confusing so that all providers who are eligible for the bonuses will be able to receive them in a timely manner.

Children are Maryland's future and MSFCCA believes that SB 881 would go a long way towards creating a stronger workforce in the child care field in Maryland, so we respectfully ask for your support and favorable vote on SB 881. For comments or questions please contact Rebecca Hancock, MSFCCA Vice President of Public Policy at (301) 934-4445 or at kaysplayhousechildcare@gmail.com

Testimony SB881(1).pdf Uploaded by: Ruth Carolina Reyes Position: FAV



March 14, 2023

Testimony Concerning Support for SB 881

Submitted to the Senate Committee on Budget and Tax

R. Carolina Reyes

Arco Iris Bilingual Children's Center

14502 Greenview Drive suite 102

Laurel, MD 20708

301-483-8800

arcoirisbcc@gmail.com

Thanks to your leadership from one year ago, legislation to create hiring bonuses was approved and became law. This was an important step toward solving early childhood educator compensation. However, we would like to share with you our confusion and concerns that these dollars have not moved to the child care provider community after all this time.

We urge your support for SB 881, which is a continuation of the bill you approved last year. That bill had an end date, and the agency needs more time. Unfortunately, the child care workforce does not have the

luxury of time. We are struggling with critical workforce shortages. These bonuses and support are important for child care centers and the family child care community right now to incentivize, recruit, retain, and train new people to do this crucial work. Parents are counting on it. Early childhood educators are counting on it. Even though we haven't received the bonus money yet, this gave a ray of hope to our current staff that change is coming.

With inflation before us, my teachers are struggling with everyday household decisions. For example, I have a teacher who has told me that she has to make difficult decisions regarding what to purchase at the grocery store. She asks herself, "Am I able to buy eggs or not?" Why does the workforce which takes care of our children need to struggle to make these otherwise simple decisions?

We need every penny to invest, support and incentivize this essential field. **We urge your support for legislation.** Thank you for your leadership for our community.

Carolina Reyes

Wee Educare Testimony SB 881.pdf Uploaded by: Shynette Hall

March 14, 2023

Testimony Concerning Support for SB 881

Submitted to the Senate Committee on Budget and Tax

Shynette Hall Wee Educare LLC 9905 Hummingbird Lane, Upper Marlboro MD 20772 301 267 2035 shynetteanita@gmail.com

Thanks to your leadership one year ago, legislation to create hiring bonuses was approved and became law. This was an important step toward solving early childhood educator compensation. We hope you share our confusion and concern that these dollars have not moved to the childcare provider community after all this time.

We urge your support for SB 881, which is a continuation of the bill you approved last year. That bill had an end date, and the agency needs more time. Unfortunately, the childcare workforce does not have the luxury of time. We are struggling with critical workforce shortages. These bonuses and support are important for child care centers and family child care right now to incentivize, recruit, retain, and train new people to do this crucial work. Parents are counting on it. Early childhood educators are counting on it. The families of our daycare are counting on this.

We need every penny to invest, support, and incentivize this essential field. **We urge your support for legislation.** Thank you for your leadership for our community.

Kind Regards,

Shynette Hall