



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

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