



Testimony Concerning HB 868
“Child Care Provider Stabilization Program - Established”
Submitted to the House Ways & Means Committee
March 1, 2023

Position: Favorable

Maryland Family Network (MFN) supports HB 868, which would establish Child Care Provider Stabilization (CCPS) funding for providers who participate in the State’s Child Care Scholarship Program. CCPS would at long last give those Maryland child care programs that are committed to serving low- to moderate-income working families the firm financial footing they need to play their indispensable role in our economy.

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. During the first years of the pandemic, approximately 750 child care programs closed permanently. Others have remained open but face considerably higher expenses associated with health protocols, intensive sanitation, and—crucially—staffing shortages.

To be sure, although the pandemic exacerbated matters, major challenges to financial stability have long bedeviled the child care sector. As Treasury Secretary Janet Yellen has noted, “child care is a textbook example of a broken market.” The slow-motion collapse of child care will pose enormous barriers to workforce engagement and a robust economy. We commend Maryland’s efforts to support providers up to this point. But they have been insufficient to meet the ongoing challenges that providers face.

CCPS funding offers a path forward that can stabilize the supply of child care programs, improve access and affordability, enable child care businesses and workers to prosper, and ensure that every child has a bright future. Enactment will mean that today’s workforce is strong, tomorrow’s workforce can grow, and our economy can not only overcome current challenges but can thrive in the years to come.

MFN respectfully urges the Committee’s favorable consideration of HB 868.

