

February 29, 2024

SUPPORT – HB1314 - Corporations and Associations - Annual Reports - Filing Fees (Right to Start Act)

Dear Delegates:

On behalf of the Anne Arundel Early Childhood Childcare Taskforce, I am writing in support of HB1314 to waive business filing fees for all new businesses in their first year and use filing fees to fund the Childcare Scholarship Program, the Growing Family Childcare Opportunities Program, and the Prekindergarten Expansion Fund. The Early Childhood Childcare Taskforce is a group of stakeholders who work within the early childhood education field including government agencies, childcare providers, and nonprofits. Anne Arundel County Executive Steuart Pittman signed the executive order in February 2024 to create the taskforce, showing Anne Arundel's commitment to solving issues related to the childcare industry. This bill would provide more funding to essential programs for improving child care access in Maryland.

HB1314 will provide funding to the Childcare Scholarship Program and the Growing Family Childcare Opportunities Program with business registration fees. Directing additional funding to these programs will strengthen them and expand participants. The Childcare Scholarship, since the changes by MSDE at the end of 2023, have allowed more children than ever to attend quality early childhood education. The GOFCC program is an amazing resource for this sector where the majority of these small business owners are women. GOFCC provides intense and targeted training, coaching, and resources to support interested individuals in opening a family child care business. While we are seeing child care providers closing in droves since the pandemic, we need to support providers to open family child care business. The bill will also fund the Prekindergarten Expansion grant.

In Anne Arundel's low income areas, there is a need for family child care providers for children in families with low incomes to access quality child care. We have 86 family providers across our Communities of Hope in Brooklyn Park, Severn, Annapolis, and South County. As childcare experts, we know community based providers know what is best for our children, and we do not have enough family providers to support our communities. More dollars for GOFCC will bring more family providers to our communities and better service our children. The Annie E. Casey Foundation reports that in Maryland, nearly 12 percent of children younger than 5 live in families that during a recent year saw someone quit, change, or refuse a job because of problems with childcare, and women are much more likely than men to experience negative employment consequences related to caregiving. The birth to 5 years is the most crucial developmental period of a child's life, and it is vitally important for every moment to be enriching. Without quality childcare, children risk not being ready for kindergarten and having many other challenges in their lives.



Providers have experienced issues from Maryland State Department of Education in receiving the Prekindergarten Expansion grants. We are concerned that family based providers do not have the capacity to apply for and administer the requirements of the grant. We urge the committee to support childcare providers in remedying these issues to help family providers access these grant funds for these dollars to equitably impact children.

We urge you to support HB1314, Corporations and Associations - Annual Reports - Filing Fees (Right to Start Act) to create new streams of funding to support programs that expand access to childcare programs.

Sincerely,

PM Brown.

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