**Testimony Concerning HB 498 / SB 427**
**"Economic Development - Delivering Economic Competitiveness and Advancing**
**Development Efforts (DECADE) Act"**
**Submitted to the House Ways and Means & Appropriations and the**
**Senate Budget and Taxation & Finance Committees**
**March 4, 2025**

**Position: Support**

Maryland Family Network (MFN) supports the provisions of HB 498 / SB 427 that build upon the successes of the Child Care Capital Support Revolving Loan Fund designed to expand the supply of quality child care in areas and among populations where it is lacking.

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.

An authoritative report by the National Institute for Early Education Research (NIEER) affirms the link between well-designed facilities and program quality. However, NIEER notes, the "Obvious barrier to facilities development is financial: revenue in child care programs is typically meager while the cost of constructing [or expanding] facilities designed specifically for young children is high"—considerably higher than standard commercial space. Child care programs serving or hoping to serve low-income communities face even greater challenges in demonstrating profitability, incurring debt, and raising capital to cover the costs of acquisition, construction, renovation, and expansion.

Since Chapter 466 of 2022 established the fund, child care providers from all regions of the State have received funds from the fund. HB 498 / SB 427 would build upon the success and better incentivize desired outcomes, such as growing the number of available child care slots.

MFN respectfully urges a favorable report on HB 498 / SB 427.


Submitted by Beth Morrow, Director of Public Policy

MARYLAND CHILD CARE
RESOURCE NETWORK