

March 3, 2025

Testimony in Support of Senate Bill 611 – Access to Health Insurance for Child Care Professionals - Outreach and Qualifying Nonprofit Satellite Organizations

We respectfully urge the Budget & Taxation Committee to make a favorable report on SB 611–Access to Health Insurance for Child Care Professionals as we believe it will help improve the sustainability and quality of early care and education professionals – the workforce behind the workforce.

We are facing a critical shortage of educators in licensed early care and education (ECE) programs around the state. According to 2024 Early Childhood Workforce Indexⁱ from the Center for the Study of Child Care Employment, 98% of other jobs in the state of Maryland have higher wages than early childhood educators, resulting in a situation where 12.3% of the workforce lives in poverty, triple the rate of the average worker in Maryland, and 39% participated in public safety net programs at a cost of \$121,000,000 per year.

The child care industry is a fundamentally flawed business model, in which the true cost of providing quality services costs more than parents are able to pay for it. This results in extremely low wages for early childhood educators, constant stress and turnover in the industry, and lower quality of education programming, all of which impacts the critical early education children are able to receive and the ability of parents to remain in the labor force. It is an economic imperative to intervene with public support in order to address this dire situation.

The Access to Health Insurance for Child Care Professionals is one such systemic solution to provide more affordable access to health insurance for this critical workforce that will help to address the economic challenges their employers are facing and to improve recruitment retention of the workforce by providing more equitable benefits.

Submitted on behalf of the Children's Opportunity Alliance by

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The Montgomery County <u>Children's Opportunity Alliance</u> is a locally legislated Early Care and Education Coordinating Entity that connects our community to build an equitable, accessible, high-quality, and sustainable early childhood system that narrows disparities and puts young children on a path to reach their greatest potential.

i https://cscce.berkeley.edu/workforce-index-2024/states/maryland/

