



TO: Maryland General Assembly, House of Delegates, Education, Energy, and the Environment Committee

FROM: American Association of University Women of Maryland
Submitted by Judy A. Carbone, Co-Vice President, Public Policy, AAUW Maryland, and President, AAUW-Garrett Branch
301-616-5036, judy@corgi-cottage.com

DATE: 3 March 2025

RE: **Testimony in Support of SB0868** - Substitute Child Care Provider Pool Pilot Program - Established

Founded in 1881, national AAUW's approximately 170,000 members and 1,000 branches nationwide are leaders in gender equity research, advocacy, and education. In Maryland, our members and supporters and our college and university partners are strong advocates for laws that promote the well-being of women and families.

As such, we write to you today to ask for your favorable report on SB0686 - Substitute Child Care Provider Pool Pilot Program - Established.

In December 2024, the Comptroller of Maryland released a report entitled "State of the Economy Series: Child Care and the Economy". It released clear findings that Maryland's economy is being negatively affected by a lack of available child care spots, especially for pre-K children, which keep women in particular from participating in the labor market. Emphasis on finding solutions to these issues must be a part of the plan to increase the strength and robustness of the Maryland economy.

A summary of key findings from this brief include (note: full citations for the findings are included in the report, see citation below):

- Women in the age group of 25-45 now have a higher Labor Participation Rate (LPR) than prior to the pandemic, with single moms with children only under 6 years old seeing large gains. However, women with only young children still lag behind women without children and far behind men with young children in terms of LPR.
- There has been a steady and sustained decline in family care providers in Maryland, which likely affects infants the most, as well as toddlers. While overall capacity, or slots,

for children under 5 years old is unchanged from 2020 to 2024, it is unclear if there have been variations in capacity among the three age groups under 5: infants (0-18 months), toddlers (18-24 months), and preschoolers (2-4 years old).

- There is a decline in standalone child care centers and an increase in licensed child care centers within larger organizations like private schools and multiservice nonprofit organizations.
- State policy, including the Blueprint for Maryland's Future is driving shifts in the provision of care for 3- and 4-year-olds (who are now eligible for state-funded Pre-K) and children 5 and older enrolled in before and after school programs in Maryland.
- The types of businesses operating child care centers appears to be shifting with an apparent increase in child care centers within schools or nonprofit organizations amidst a decline in businesses operating one or more locations that solely or primarily provide child care.
- National research establishes a clear link between increased access to quality, affordable child care and increased LPR. Access to child care is also associated with improved productivity, increased state revenues, and greater economic security and earnings potential for women.
- Investments in Maryland's child care industry are essential to equitably growing Maryland's economy and keeping Maryland competitive, not to mention the educational and social benefits that children can receive from high quality care early in life.

Child care is a fragile market that requires government intervention to enable providers, often small businesses, to succeed and enable parents with young children to work. Child care challenges can create significant headwinds for equitable economic growth. A robust child care system with adequate capacity and affordability to meet demand for all parents interested in working outside of the home will enable more prime age adults to enter the labor force, thereby reducing job vacancies, allowing businesses to grow and create more jobs, and bolstering state revenue.

SB0686 establishes the Substitute Child Care Provider Pool Pilot Program in the Maryland State Department of Education; providing for the purpose, administration, and funding for the Program. The members of AAUW-Maryland believe this can do much to alleviate the issues of a lack of child care slots in the state and allow more women to return to the workforce for the benefit of their families, their future earning potential and retirement savings, and the Maryland economy as a whole.

We thank you in advance for your favorable report on SB0686.

Thank you.