

February 12, 2025

Testimony Regarding Senate Bill 452- Child Care Affordability Commission - Establishment

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

We urge you to support SB452 – Child Care Affordability Commission – which will be an important step for Maryland to recognize the current child care crisis and begin the difficult work for studying and making recommendations that are right for our community.

According to the Maryland Family Network's 2024 Child Care Demographics Report¹, the average cost of child care accounts for 25.7% of the median income – with Montgomery County costs the highest in the state at 27.1% of area median income. The federal government recommends that families should pay no more than 7% of their household income on child care – yet in Maryland the average family with young children is paying a quarter of their income. The rising costs of child care is creating a crisis of access and affordability for many families with young children and it's time to do something about it. There are numerous examples of successful interventions around the country; Maryland only needs to decide to take action.

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 workforce. It is an economic imperative to create systems solutions that improve access for more children and their families.

Submitted on behalf of the Children's Opportunity Alliance.

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¹ https://www.marylandfamilynetwork.org/sites/default/files/2024-01/Maryland%202.0.pdf

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