



**Caring For Maryland's Most
Important Natural Resource™**

Maryland State Child Care Association

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The Maryland State Child Care Association (MSCCA) is a non-profit, statewide, professional association incorporated in 1984 to promote the growth and development of child care and learning centers in Maryland. MSCCA has over 5500 members working in the field of child care/early childhood education. We believe children are our most important natural resource and work hard to advocate for children, families and for professionalism within the early childhood community.

Testimony: HB 1475 Office of Child Care Advisory Council-Publicly Funded Prekindergarten-Analysis and Report (Mixed Delivery Model Viability Act)

Submitted to: Ways and Means Committee

March 11, 2025

Maryland State Child Care Association enthusiastically supports HB 1475 as a critically important piece of legislation for both prekindergarten and child care.

The definition of viability is to work successfully. Here is what we know about the viability right now of the Blueprint for Maryland's Future-Pilar 1 mixed delivery:

1. Almost all Local Education Agencies in our state asked for waivers due to their inability to meet the recommendations of the mixed delivery partnership with community- based programs.
2. The AIB put forth recommendations to address barriers for community-based providers to participate in mixed delivery. Specially in the 2023 AIB Private PreK report indicated the steps to address barriers include, “ *establishing and regularly convening an Early Childhood Workgroup jointly with MSDE to discuss challenges and identify solutions to overcome the challenges to implement the Blueprint.*” **HB 1475 meets this important recommendation for the next steps.**
3. There is a critical workforce shortage and a 15% decline in child care programs in Maryland post COVID.
4. Child care is an economic and equity imperative, however the business model is not sustainable without three- and four-year-olds and there will be unintended consequences to mixed delivery without analysis and collaboration. **HB 1475 is designed for this purpose.**
5. The Pillar 1 sliding scale implementation is confusing and divisive with potential opportunity to create a bigger gap between public schools and community-based programs, decreasing viability.
6. The State needs existing, community-based child care programs to participate in the mixed delivery system of public Pre-K to meet the goals of the Blueprint. The capacity in community based programs is available as private providers right now in Maryland have license capacity for 206, 000 children. There are over 5,000 participating in Maryland EXCELS Quality Rating System out of the of the 6,600 licensed child care programs. 35% of the programs participating are published at Levels 3, 4 , or 5, which is a requirement of participation in mixed delivery and more than 530 programs have achieved Maryland Accreditation and over 1,000 more are participating in Maryland Accreditation, which equates to the higher levels of Maryland EXCELS ratings. Maryland has a wildly successful model for public Pre-K called the ASPIRE program to ensure family child care providers are successful partners in mixed delivery. The infrastructure exists to implement the Blueprint as intended, however **without legislation such as HB 1475, recommendations or do not become reality.**

7. Maryland cannot afford to build new PreK classrooms and it is unnecessary if we partner and work towards the quality benchmarks with equity for more providers to participate.
8. Parents don't work 6.5 hours per day, therefore child care programs, most are open 10-12 hours daily are important to the viability of mixed delivery and meet the needs of working families. Three and four year olds should not be on public school buses without caring adults, without seatbelts, without bathrooms, and exposed to much older children.

Additionally, public schools' policies and practices are quite different from those in regulated childcare settings. While public schools and community-based programs fall under the authority of MSDE, they are not the same. The language and terminology used in public schools are very different from those used in community-based programs. The regulations are different. The oversight is different. The funding is different. The staff qualifications are different. The workload is different. The length of the workday is different. The interactions and relationships with families are different. Navigating these different standards at the same time and in many instances within the same Pre-K classroom with public and private pay children, is complicated. HB 1457 seeks to unpack the nuances in this space and make recommendations which support all types of Pre-K programs to benefit children and families.

Most of our community-based programs are small businesses. According to the Comptroller's recent state of the economy report on child care-most childcare businesses operate on razor tight profit margins, usually less than 1%, with very little room for error. Any changes to a childcare program's overall enrollment creates a ripple effect within the business and will most likely create an economic hardship. When this happens, it's parents who pay the price, such as increase in tuition or closing more of the childcare program and we have already lost more than 1,200 since 2020 leading to a lack of available, affordable care. To ensure parents truly have choices Maryland must continue to uphold an equitable mixed-delivery system that values a variety of high-quality early childhood learning environments in both public and private settings.

Discrepancies and inequities between State policies that regulate community-based providers and public prekindergarten providers, including differences in policies must be addressed in order for a mixed delivery system to be successful. HB 1475 is a pathway for viability of the system.

Inconsistencies exist related to rests or nap time, substitute teachers, day-to-day governance of prekindergarten providers, the implementation of the requirements for publicly funded prekindergarten. Inequities in the method by which private prekindergarten providers are reimbursed and whether a method of payment through forward funding would be a feasible alternative and inefficiencies in the invoicing process for private prekindergarten providers and delays in private provider payments continue to be challenging.

The timeline for the operation of a prekindergarten educational program required by the Prekindergarten Expansion Grant Program matches the typical needs of prekindergarten students and parents seems to be misunderstood.

There are numerous feasibility concerns including changing the Prekindergarten Expansion Grant Program guidelines after grant agreements have been executed and whether there are appropriate changes that should be made to the guidelines.

The loss of community-based programs and additional prekindergarten seats due to the process through which quality rating levels in the Maryland EXCELS Program are changed, including: disciplining a prekindergarten program for an infraction by lowering the quality rating level; whether, when using a reduction of a prekindergarten provider's quality rating as a disciplinary measure, the reduction is commensurate with the severity of the infraction and the process for appealing a change in a prekindergarten provider's quality rating. We are including a few examples with this testimony conveying the loss of seats in counties.

This legislation will work for continuous support to streamline administrative processes and review opportunities to pool resources among private prekindergarten providers, including employee benefits, creating a centralized substitute teacher pool, and other benefits that might come from economies of scale.

HB 1475 engages practitioners and proximity experts through the vehicle of the existing Governor's Office of Child Care Advisory Council within MSDE to follow through on the AIB next steps, conduct analysis, solicit feedback from public prekindergarten providers, private prekindergarten providers, and child care providers in order to make recommendations for changes to regulations, policies, and procedures to increase the efficacy of the publicly funded prekindergarten program and to make the program more equitable and viable for providers and families.

HB 1475 includes a roadmap and finite timeline for reporting to state leaders and policy makers to improve Blueprint Pillar 1 implementation.

MSCCA request a favorable report.