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My name is Randi Albertsen. I own Innovations in Education, LLC. We provide professional development and consulting for early childhood programs. I am testifying in favor of HB862, establishing the Child Care Affordability Commission.

As I'm sure you're aware, childcare is a necessity for working families. It is the linchpin of a thriving economy and how working families, particularly women, can fully participate in the workforce. As noted in Comptroller Lierman's recent report, "*Child Care and the Economy*," almost all families in Maryland can face significant barriers to finding high-quality, affordable childcare for their children.

The US Department of Health and Human Services states that families should not be expected to pay more than 7% of their annual income for childcare. We know that in many parts of Maryland, quality childcare costs well exceed this 7% allocation. Low- and middle-income families are hit hardest by the lack of affordable childcare, which creates a crippling effect on a parent's ability to fully participate in the workforce. The cost of quality care often exceeds the cost of college tuition. This is an untenable situation for working families with young children.

Comptroller Lierman's report also revealed that the childcare industry in Maryland has not fully recovered from the pandemic, meaning that the number of available slots for childcare has not returned to pre-pandemic levels. This means that even if a family can find affordable childcare, a slot is likely not available for their child.

Childcare for infants and toddlers is the most expensive and the least available for working families. The cost of care for infants and toddlers is higher due to lower staff-child ratios and the need for more hands-on interactions and individualized care.

Other factors contributing to the lack of availability and the high cost of care are unintended consequences of the Blueprint for Maryland's Future. To support the much-needed mixed delivery system, some community-based programs have limited or eliminated their infant care slots to offer more slots for 3- and 4-year-olds. If implemented, the recent State Board of Education recommendation to house all Tier 1 eligible 4-year-olds in public schools will create even more of a deficit in access to affordable childcare for all age groups.

Maryland has traditionally conducted a "market-rate" survey for childcare, which analyzes the average tuition costs for childcare across the state. This is not the same as

a “cost of care” survey, which analyzes the average cost for a childcare program to provide high-quality early care and education. This is a huge distinction. Creating a Child Care Affordability Commission will help MSDE and our state Government better understand the constraints on childcare programs regarding operating expenses and the challenges faced by families in search of affordable childcare.

In 2023, the United Way ranked Maryland 6th in the nation for the highest cost of childcare, with an average annual cost of care at \$15,403, which is 34% above the national average cost of care of \$11,471. Per US census data, the average annual cost of rent in Maryland is \$17,820. A family with more than one child in licensed childcare will end up spending almost twice as much per year on childcare than they spend on rent. This is an untenable situation for low-income and ALICE (Asset Limited, Income Constrained, Employed) families. Per the United Way study, the average household in Maryland will devote 17% of their annual income to childcare for one child. Low-income households will devote 21% or more of their income to childcare, and single parents will devote 34% of their income to childcare. For Black families, the cost of childcare represents 22%-27% of their annual family income. (Source: <https://unitedwaynca.org/blog/childcare-cost-burden-for-low-income-households-in-the-us/>)

A Child Care Affordability Commission is necessary to find solutions to address the childcare crisis. We need to undertake comprehensive measures that consider the holistic needs of families and caregivers. This includes providing subsidies and financial assistance to low-income and ALICE families, increasing investment in early childhood education infrastructure, and ensuring competitive wages and professional development for childcare providers.

It is crucial to recognize that the benefits of accessible and affordable childcare extend beyond individual families. High-quality early education is foundational to a child's development and long-term success. By investing in childcare, we nurture the future workforce and foster a more equitable society. When parents can rely on affordable childcare, they can pursue career advancement and contribute to the economy without the constant stress of balancing work and family responsibilities.

Collaboration between government agencies, private sector partners, and community organizations will be key to creating a sustainable and effective childcare system. We must ensure that policies are inclusive and reflect the diverse needs of all families,

particularly those who have been historically marginalized.

I urge the members of this committee to support HB862 and take a decisive step toward alleviating the burdens on working families. Establishing the Child Care Affordability Commission is a vital move towards a more equitable, prosperous, and inclusive future for all Marylanders.

