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**TO:** Economic Matters Committee

**BILL:** House Bill (HB) 543 - Real Property - Landlord and Tenant - Family Child Care Homes

**DATE:** February 19, 2026

**POSITION:** Letter of Support

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The Maryland State Board of Education (State Board) and State Department of Education (MSDE) extend their support for House Bill (HB) 543, which is designed to support the operation of family child care homes in residential rental properties. It balances the interests of landlords and tenants by allowing for reasonable protections, while ensuring that families can run child care programs without unnecessary barriers. The bill helps clarify responsibilities, provides landlords with certain protections, and promotes safe and accessible child care in home settings.

Currently in Maryland, where a person lives can significantly affect their ability to provide child care. MSDE licensing staff often encounter situations where tenants are restricted from operating a child care home, limited in the number of children they can serve, or forced to stop providing care after investing time and resources - often because of new or changing restrictions imposed by their landlords. To address and prevent these challenges, MSDE requires applicants to submit written authorization from their landlord permitting the operation of a family child care home at the residential location. This current authorization requirement aims to prevent applicants from wasting significant time and resources establishing a family child care home if a landlord is not supportive.

HB 543 seeks to remove these barriers by preventing landlords of certain residential properties, such as single-family homes, from unreasonably restricting family child care operations. The number of family child care homes in Maryland has declined by 38 percent since 2016, highlighting a growing gap in child care supply. This bill has the potential to expand that supply, create opportunities for entrepreneurship, and allow more individuals to operate child care businesses from their own homes. It could also improve access for families, reducing long commutes and enabling children to receive care in familiar, local communities close to home.

While MSDE recognizes that HB 543 may raise concerns for landlords or neighbors, the bill includes protections such as allowing increased security deposits, requiring liability insurance, and reducing landlord exposure to civil liability, creating a balanced approach that benefits landlords, tenants, and families

The State Board and MSDE request that the Committee consider this information as it deliberates HB 543. For further information, please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at 443-571-5461 or [Laurel.Cratsley@maryland.gov](mailto:Laurel.Cratsley@maryland.gov).