



**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 in Support of House Bill 849

Child Care Scholarship Program – Freeze in Enrollment – Exceptions

Position: FAVORABLE

Submitted to: Education, Energy, and Environment Committee

March 25, 2026

Chair, Vice Chair, and Members of the Senate Education, Energy, and Environment Committee MSCCA is in strong support of House Bill 849, legislation that makes targeted, responsible, and urgently needed improvements to Maryland's Child Care Scholarship Program (CCSP) during periods of enrollment freeze.

HB 849 does not eliminate the State's ability to impose a freeze when fiscal conditions require it. Instead, the bill ensures that freezes are implemented in a way that avoids unintended harm to vulnerable families, working parents, and the child care workforce itself, the very foundation of Maryland's economy and workforce participation.

House Bill 849 establishes clear statutory guardrails around enrollment freezes by:

- Prohibiting enrollment freezes from applying to specific high-need populations, including:
 - Families receiving Temporary Cash Assistance or TANF
 - Children receiving Supplemental Security Income
 - Children experiencing homelessness
 - Siblings of children already enrolled in CCSP
 - Parents who recently became unemployed or were involuntarily furloughed due to government shutdowns
 - Individuals employed by licensed child care providers
- Requiring the Maryland State Department of Education to establish a waitlist when a freeze is implemented and to award scholarships based on transparent, equitable priorities, including:
 - Greatest financial need
 - Employment in child care or eligible publicly funded prekindergarten programs

- Children under age three
- Length of time on the waitlist
- Directing MSDE to develop a new application to better identify and prioritize applicants employed in child care settings.

These provisions work together to ensure fairness, predictability, and accountability during enrollment freezes—without expanding eligibility or creating new entitlements.

Why this bill is Necessary? Because the Child Care Scholarship Program is not simply a social service; it is core workforce infrastructure. Parents cannot go to work without child care, and child care cannot exist without a stable, supported workforce.

When enrollment freezes occur without statutory exceptions, the impacts ripple far beyond individual families:

- Parents are forced out of the workforce
- Employers experience staffing shortages
- Child care providers lose employees
- The broader economy absorbs the cost

HB 849 recognizes a fundamental truth: a freeze in child care assistance does not affect all families equally, and absent clear protections, it can destabilize entire systems Maryland depends on.

The Child Care Workforce Crisis

Maryland’s child care workforce is already under extreme strain. According to the Maryland Family Network Demographics Report (2025):

- Child care aides earn an average annual wage of \$17,854
- Lead teachers earn approximately \$26,877
- Family child care providers earn \$31,040
- Center directors earn about \$41,131

The Maryland Comptroller’s 2024 State of the Economy report on child care confirms that the qualifications required for these positions far exceed the wages paid. As a result, many child care workers themselves qualify for CCSP assistance.

Excluding child care workers from assistance during a freeze directly undermines the program’s purpose. Without child care workers, there is no child care system—and without child care, parents across every sector cannot remain employed.

The Impact of the Current Enrollment Freeze

The current Child Care Scholarship enrollment freeze has already resulted in:

- More than 5,100 families placed on a waitlist

- Deepening child care workforce shortages statewide
- Increased financial pressure on small child care businesses operating on razor-thin margins

Most child care programs operate with less than a 1% margin, with the majority of revenue consumed by staffing costs. Providers cannot afford to subsidize care for employees, nor can they absorb the loss of staff who can no longer afford child care themselves.

HB 849 addresses this reality directly and responsibly.

A Fiscally Responsible Approach

While other states—such as Kentucky—have implemented models that guarantee child care assistance for the child care workforce regardless of income, Maryland’s current budget constraints limit the feasibility of such comprehensive reforms.

HB 849 is a pragmatic alternative.

It does not mandate new spending, eliminate enrollment freezes, or expand eligibility. Instead, it ensures that when freeze occurs, they do not:

- Separate siblings
- Penalize families experiencing sudden job loss or furlough
- Further destabilize the child care workforce
- Undermine workforce participation across the state

At a time when workforce development and quality initiatives face reductions, HB 849 provides a necessary safeguard against further erosion of Maryland’s child care system.

House Bill 849 is a thoughtful, balanced, and urgently needed policy response. It protects vulnerable families, supports working parents, stabilizes the child care workforce, and strengthens Maryland’s economy while respecting fiscal realities and legislative oversight.

For these reasons, MSCCA respectfully urges the Senate Education, Energy, and Environment Committee to issue a Favorable Report on House Bill 849.

Thank you for your consideration and for your continued commitment to Maryland’s children, families, and workforce.