



**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 five thousand 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 HB 1321 Child Care Scholarship Program-Application Process and Copays- Alterations Submitted to: Education, Energy, and Environment Committee March 25, 2026

Chairs, Vice Chairs, and Members of the Committee:

The Maryland State Child Care Association (MSCCA) strongly supports House Bill 1321, legislation that makes targeted, necessary improvements to Maryland's Child Care Scholarship Program (CCSP). This bill addresses persistent structural challenges within the program by establishing a fair waitlist system, protecting vulnerable families during enrollment freezes, limiting unaffordable copayments, and strengthening coordination with publicly funded prekindergarten programs. Collectively, these reforms improve equity, stabilize providers, and better support Maryland's workforce and economy.

Child Care Is an Economic and Equity Imperative

Child care is not optional—it is essential infrastructure. Families rely on affordable, reliable child care to work, pursue education, and contribute to Maryland's economy. Yet many families spend upwards of 30 percent of their income on child care, forcing impossible choices between employment and caregiving.

Economists increasingly recognize child care as a market failure: families cannot afford the true cost of care, and providers cannot survive on what families alone can pay. Currently, Maryland serves only about 15 percent of families eligible for child care scholarships, while more than 5,100 children remain on the CCSP waitlist. These gaps destabilize families, threaten provider sustainability, and undermine long-term economic growth.

Protecting Vulnerable Families During Enrollment Freezes

HB 1321 appropriately limits the harm caused by enrollment freezes by prohibiting freezes from applying to Maryland's most vulnerable families, including those receiving Temporary Cash Assistance (TCA), SSI, and families experiencing homelessness. For these households, access to child care often determines whether parents can work at all. By ensuring continued access during periods of constrained funding, HB 1321 protects families who face the greatest barriers to stability and employment.

Creating a Transparent and Fair Waitlist System

When enrollment freezes are unavoidable, HB 1321 requires the Maryland State Department of Education to maintain a clear, transparent waitlist for eligible families. The bill prioritizes families with the greatest financial need and those seeking care for children under age three, recognizing both economic hardship and the importance of early childhood development.

Child care waitlists are not administrative inconveniences; they are economic warning signs. Families on waitlists often reduce work hours, decline promotions, or leave the workforce entirely. Providers, in turn, face unstable enrollment, staff layoffs, classroom closures, and even permanent shutdowns. HB 1321 brings structure, fairness, and predictability to an otherwise destabilizing process.

Connecting Families to Public Prekindergarten Opportunities

HB 1321 strengthens coordination between the CCSP and publicly funded prekindergarten by ensuring families are informed about available pre-K options during enrollment freezes. The bill requires the Department to assist families in identifying pre-K slots, connecting with providers, and enrolling when requested.

This provision helps prevent children from losing access to early learning opportunities due to administrative silos and supports Maryland's Blueprint for Education, particularly Pillar 1 mixed-delivery prekindergarten expansion. Families should not fall through the cracks when solutions already exist.

Limiting Copayments to Keep Child Care Affordable

Affordability does not end at enrollment. HB 1321 places critical limits on family copayments by:

- Eliminating copays for families earning 50 percent or less of regional median income
- Gradually, incrementally, and considerately capping copays
- Capping copays at 7 percent of income for families

While MSCCA prefers minimizing copays altogether, we recognize that the bill's regional approach balances fiscal realities with family capacity. Receiving licensed, quality child care that allows parents to work is far better than having no viable options at all.

HB 1321 reflects a fundamental truth: child care is the workforce behind the workforce. Without affordable, accessible child care, parents cannot work, employers cannot retain staff, and Maryland's economy cannot grow.

By protecting vulnerable families, promoting transparency and fairness, stabilizing providers, and strengthening connections to early learning opportunities, HB 1321 makes thoughtful, evidence-based improvements to the Child Care Scholarship Program.

For these reasons, the Maryland State Child Care Association respectfully urges a FAVORABLE report on House Bill 1321.