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**TO:** Senate Education, Energy, and the Environment Committee

**BILL:** House Bill (HB) 1321 – Child Care Scholarship Program – Enrollment and Copays – Alterations

**DATE:** March 25, 2026

**POSITION:** Support

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The Maryland State Department of Education (MSDE) is providing this letter of support for consideration regarding House Bill (HB) 1321 – Child Care Scholarship Program – Enrollment and Copays – Alterations. HB 1321 seeks to establish requirements connecting families on the Child Care Scholarship (CCS) waitlist to available early care and education in their community, repeal the presumptive eligibility process, and create a new family copayment structure.

MSDE strongly supports HB 1321. The Department recognizes the need to communicate with families on the CCS waitlist about other early care and education options in their areas, including publicly funded prekindergarten programs. Through its federally awarded Preschool Development Grant and recently awarded Congressional Earmark, MSDE is developing a centralized pre-kindergarten enrollment system that will enable the Department, local education agencies, and private providers to connect families to open seats more efficiently. MSDE appreciates the sponsor’s flexibility, allowing the Department to provide the best available data on prekindergarten availability to families until the real-time enrollment system is functional. MSDE also acknowledges the need for improved information sharing about assistance programs and tax credits, and will seek opportunities to partner with community members to implement this provision.

The Department appreciates the flexibility included in the proposed copayment framework of HB1321. This flexibility will allow MSDE to research and implement a copayment structure that best serves the needs of families and the State. Analysis of several models that adhere to the requirements in this provision have shown the potential to increase the number of children receiving scholarships by reducing the State’s per child expenditure and reallocating that funding to support additional families across the state. The requirement to gradually increase family copayments based on income above the Federal Poverty Line will minimize abrupt benefits cliffs, promoting stability and economic mobility for participating families.

As the Department strives to make further improvements to strengthen the CCS Program, this legislation will have a meaningful impact on expanding access to CCS for more families in Maryland. 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).