



**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: Ways and Means and Appropriations Committees

March 4, 2026

Chairs, Vice Chairs, and Members of the Committees,

Thank you for the opportunity to submit testimony in support of **House Bill 849**, legislation that makes targeted, responsible, and urgently needed improvements to Maryland's Child Care Scholarship Program during periods of enrollment freeze.

HB 849 recognizes a simple but critical reality: **a freeze in child care assistance does not affect all families equally**, and without clear statutory exceptions, it risks harming the very workforce and families Maryland depend on to function.

Why HB 849 Matters

The Child Care Scholarship Program is a cornerstone of Maryland's economic and 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 exceptions, the result is cascading harm—to children, families, employers, and the broader economy.

HB 849 creates common sense exceptions to a program enrollment freeze for:

- Families receiving Temporary Cash Assistance or TANF
- Children receiving Supplemental Security Income
- Siblings of children already enrolled in the program
- Parents who recently became unemployed or were involuntarily furloughed due to government shutdowns
- **Individuals employed by child care providers**

These exceptions are not expansions of eligibility; they are **protections against unintended harm** during fiscal constraints.

The Child Care Workforce Is Already in Crisis

According to the **Maryland Family Network Demographics Report (2025)**, wages in the child care field remain extremely low:

- 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 roles far exceed the wages paid**. As a result, many child care workers themselves qualify for child care scholarships.

Excluding or deprioritizing the child care workforce from assistance during a freeze directly undermines program goals. **Without child care workers, there is no child care system**, and without child care, parents across all sectors cannot remain employed.

The Impact of the Current Freeze

The current Child Care Scholarship freeze has resulted in:

- **Over 5,100 families on a waitlist** for child care scholarship assistance
- Ongoing and worsening workforce shortages in child care, both in Maryland and nationally
- Increased pressure on small child care businesses already operating on razor-thin margins

Child care businesses cannot afford to provide free or discounted care to employees. The business model is deeply constrained, with **most revenue consumed by staffing costs** and often **less than 1% in operating margin**, leaving programs struggling to survive rather than thrive.

HB 849 Is a Practical Step Forward

While other states—such as Kentucky—have implemented successful models that guarantee child care assistance for the child care workforce regardless of income, Maryland's current budget deficit limits our ability to adopt such comprehensive reforms immediately.

HB 849 offers a realistic and fiscally responsible alternative. It does not eliminate enrollment freezes, but it ensures that CCSP freezes do not:

- Separate siblings
- Punish 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 continue to face cuts, HB 849 provides a necessary safeguard to prevent further erosion of Maryland's child care system.

Conclusion

HB 849 is a step in the right direction. It protects vulnerable families, supports working parents, stabilizes the child care workforce, and strengthens Maryland's economy—all while respecting fiscal realities.

MSCCA respectfully urges a **Favorable Report on House Bill 849**.