
TO: Ways and Means Committee

BILL: House Bill (HB) 849 - Child Care Scholarship Program - Freeze in Enrollment - Exceptions

DATE: March 4, 2026

POSITION: Letter of Information

The Maryland State Department of Education (MSDE) is providing information for consideration regarding House Bill (HB) 849 - Child Care Scholarship Program - Freeze in Enrollment - Exceptions. MSDE appreciates the intent of the bill sponsor to explore ways to expand access to the Child Care Scholarship (CCS) Program for Maryland families. The legislation proposes prohibiting a freeze in CCS Program enrollment for families receiving Temporary Cash Assistance (TCA), families participating in the federal TANF program, children receiving Social Security Income (SSI), siblings of children already enrolled, individuals who have recently become unemployed, those employed by a child care provider, and individuals involuntarily furloughed due to a federal government shutdown, thereby ensuring continued access to the program for these populations regardless of program capacity.

While MSDE supports prioritizing low-income and vulnerable families, extending eligibility to all of these groups could significantly increase demand on the program, making it difficult to manage enrollment under current funding constraints. MSDE recognizes the intent of the bill to support families recently facing employment hardships and the children of child care workers, whose work helps strengthen Maryland's economy. The Department supports efforts to expand the program to reach as many children as possible. However, current funding levels have necessitated a partial program freeze and have limited the CCS Program's service capacity. Without a permanent and meaningful increase in appropriations, the mandates in HB 849 would exacerbate existing waitlists and lead to deficit spending.

Additionally, the bill's proposed exemptions may not align with the practical realities of emergency assistance. Due to the time required to complete applications and verify documentation, furloughed government employees or recently unemployed individuals may no longer require emergency child care support by the time their applications are approved. As a result, the bill could inadvertently award two-year scholarships to families with less acute need than others who remain on the waitlist.

MSDE acknowledges the difficult decisions involved in prioritizing families for child care scholarships, given the current fiscal environment. With limited resources, MSDE supports approaches that focus on Maryland's most vulnerable families, particularly those experiencing homelessness, living at very low incomes, or currently exempt from the waitlist, such as families receiving SSI or TCA.

The State Board and the Department request that the committee consider this information as it deliberates **HB 849**. Please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at Laurel.cratsley@maryland.gov, if you would like any additional information.