
TO: House Ways and Means Committee

BILL: House Bill (HB) 1574 – Child Care Providers - Licensing and Registration Alterations and Workgroup to Study Illegally Provided Child Care

DATE: March 12, 2026

POSITION: Information Only

The Maryland State Department of Education (MSDE) offers the following information regarding House Bill House Bill (HB) 1574 – Child Care Providers - Licensing and Registration Alterations and Workgroup to Study Illegally Provided Child Care. HB 1574 seeks to require MSDE to:

- Adhere to a one-year grace period for new regulations;
- Implement new definition of “applicant” for individuals working in child care settings;
- Establish a centralized unit for criminal history record checks;
- Differentiate child care complaints by seriousness of issue raised;
- Revise processes for adjusting Maryland EXCELS quality ratings provide providers who violate certain provisions of law or regulation;
- Create and maintain a list of individuals who are prohibited from employment by child care centers due to a failure-to-supervise violation;
- Modify experiential and educational workforce requirements; and
- Establish a workgroup to study illegally provided child care.

MSDE appreciates the overall intent of HB 1574 to minimize unnecessary burdens on child care providers, including streamlining regulatory barriers, providing providers with more time to implement regulatory changes without licensing penalties, providing more flexibility and minimizing penalties for EXCELS providers who have licensing infractions, and streamlining experiential requirements for child care center employees. MSDE is actively working with the sponsor and interest holders on implementation pathways that achieve these aims while maintaining clear, enforceable health and safety standards and practical timelines for the child care community and MSDE.

Grace Period for New Regulations

HB 1574 proposes a one-year grace period for new regulations, where the first violation results only in a warning, however it does not differentiate between major and minor violations, and as a result, MSDE would be prohibited from taking enforcement action even if a violation impacts the health and safety of children in care. MSDE must comply with all federal requirements, including those under the Child Care and Development Fund (CCDF), such as the health and safety standards outlined in 45 CFR § 98.41. Automatically granting child care providers a lengthy grace period to comply with mandatory regulatory changes required by federal law could place MSDE at risk of noncompliance. Such delays may leave the agency vulnerable to

sanctions for failing to promptly enforce federal health and safety requirements once a regulation is enacted.

MSDE supports providing reasonable transition periods for new regulations. To avoid unintended risks to children and ensure CCDF compliance, MSDE recommends a risk-tiered grace period that differentiates administrative issues from high-risk health and safety violations to ensure that MSDE retains authority to take enforcement actions for any violations that impact children’s health and safety violations (e.g., supervision, child protection, emergency preparedness), whereas minor violations may receive warnings during the first inspection cycle after the effective date.

Definition of “Applicant”

To maintain uniformity with COMAR and federal background check expectations across Centers, Family Child Care, Large Family Child Care, and Letters of Compliance (LOC), MSDE recommends clarifying that “applicant” includes staff, volunteers, and individuals with direct contact with children in all regulated settings, including LOCs. This avoids creating two standards in statute and regulation.

Centralized Unit for Criminal History Records Checks

MSDE strongly supports centralizing criminal history records checks for individuals with direct contact with children and supports advancing legislation to establish a centralized unit and clarify timeframes and confidentiality.

Differentiate Child Care Complaint Process By Seriousness of Issue Raised

A recent OPEGA evaluation of MSDE’s Division of Early Childhood (DEC) recommended more nuanced complaint priority levels and standardized assignment guidance. MSDE supports HB 1574’s intent and recommends a phased implementation through July 2027 to complete systems updates, staff training, and provider communication while other critical initiatives are underway.

Revise processes for adjusting Maryland EXCELS Quality Ratings

EXCELS ratings are only lowered when a program has multiple violations across two inspection dates within a 12-month period, and only for violations related to Injurious Treatment, Child Protection, Supervision, and Capacity, Group Size, and Staffing. MSDE understands and appreciates the bill’s intent to avoid overly punitive consequences for programs that are making good faith efforts to correct issues and improve quality. However, these categories represent core health and safety standards—nonnegotiable indicators of a program’s ability to provide safe, developmentally appropriate care. Repeated violations in these areas across separate inspections typically signal deeper, systemic challenges within a program. Maryland EXCELS is a critical tool for ensuring program quality and accountability. As MSDE works to revise Maryland EXCELS quality standards under our Preschool Development Grant, MSDE will explore avenues to provide flexibility for minor, non-safety issues while maintaining the existing safeguards for core health and safety standards.

Failure-to-Supervise Individual List

MSDE supports the goal of strengthening accountability for individuals responsible for serious violations. However, establishing and maintaining a statewide “failure-to-supervise” list raises several additional concerns. Creating an individually identifiable registry would significantly expand MSDE’s legal exposure, including the risk of increased litigation from affected individuals. To administer such a system safely, MSDE would require substantial new resources for legal review, appeals management, data-privacy safeguards, and IT system development. These system changes are complex and would require several years to implement.

MSDE also notes that our current enforcement framework is built around actions linked to facilities, not individual staff members. Shifting to an individual-based enforcement model would require new workflows, cross-agency data protocols, and dedicated personnel to manage accuracy, privacy, and due-process requirements. Without additional staffing and funding, MSDE would not have the capacity to implement this provision without diverting resources away from critical health and safety functions.

Active Supervision Training

MSDE is fully supportive of the bill's active supervision training requirement. In order to support implementation of the provision requiring child care teachers to complete active supervision training within 90 days of hire, MSDE and its training partners will need time to assess whether sufficient training courses and qualified trainers are available to meet demand. If gaps exist, additional time will be required to develop and implement a specialized training program or modify existing training to meet the requirement. MSDE respectfully requests that the bill specify a longer implementation runway to establish this training by January 1, 2027. This timeline allows MSDE and partners to integrate national best-practice content into Maryland's Training Clearinghouse and build sufficient trainer capacity across all regions.

Modified Experiential and Educational Workforce Requirements

MSDE agrees that Maryland's experiential and educational workforce requirements should be reviewed to ensure they reflect current knowledge and best practices, are not unnecessarily burdensome or restrictive to expanding the state's child care supply, and still ensure that early educators are well prepared to deliver high-quality early learning and care in Maryland's ECE programs. Removing current standards could unintentionally lead to teacher burnout due to insufficient preparation for managing a classroom, which in turn increases the likelihood of poor decision-making and inappropriate behaviors when faced with the challenges commonly associated with child care.

MSDE requests additional time to study national trends and align Maryland's approach with the emerging ECE Career Lattice and existing programs like the Child Care Career and Professional Development Fund, and the Child Care Credential Program. Further, MSDE is currently engaged in an analysis required under Chapter 287 (HB 477), Acts of 2025, which is examining Maryland's current regulatory framework for child care facilities, including experiential and educational workforce requirements across child care settings, which will result in recommendations for changes to COMAR.

Workgroup to Study Illegally Provided Child Care

MSDE recognizes the intent of the proposed Workgroup to Study Illegally Provided Child Care, and acknowledges the risks that illegally provided child care presents to children. MSDE is committed to participating and sharing data from our Licensing Branch. However, the Department has limited authority over unlicensed providers: these individuals are not required to cooperate with MSDE investigations, and enforcement authority rests primarily with law enforcement, local prosecutors, and the Department of Human Services. Meaningful solutions to this challenge will require a multi-agency approach.

MSDE currently does not have the staff capacity required to support a newly proposed Workgroup. DEC already facilitates multiple legislatively mandated workgroups to ensure that early care and education providers have a meaningful voice in program implementation. To ensure MSDE can participate fully and constructively—without compromising essential licensing operations—we respectfully request modest,

dedicated support for Workgroup coordination, stakeholder engagement, and data activities.

The State Board and the Department respectfully request that the Committee consider this information as it deliberates HB 1574. For further information, please contact Laurel Cratsley, Interim Executive Director of Government Affairs, at 443-571-5461 or Laurel.Cratsley@maryland.gov.