

NANCY J. KING
Legislative District 39
Montgomery County

MAJORITY LEADER



James Senate Office Building
11 Bladen Street, Room 121
Annapolis, Maryland 21401
301-858-3686 · 410-841-3686
800-492-7122 Ext. 3686
Fax 301-858-3670 · 410-841-3670
Nancy.King@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Senate Bill 890 – Early Childhood Education – Child Care Provider Support Grant

February 25, 2021

Mister Chairman and Members of the Education, Health and Environmental Affairs and Budget and Taxation Committees:

The COVID-19 pandemic has taken a devastating toll on our state's child care providers. According to a recent study by Maryland Family Network, 51% of the 8,000 child care programs in the state may close if families continue to keep children home during the pandemic. The study also indicated that overall, 67% of child care business owners have experienced a loss in revenue due to closures and reduced attendance and 60% of child care centers reported that they need financial support to survive.

The child care industry is critical to our state's recovery and to family financial stability. The U.S. Chamber of Commerce reports that from June to October of 2020, two out of three working parents changed their child care arrangements due to COVID-19. 23% of currently employed parents reported that they will likely have to quit their job if adequate child care arrangements cannot be made; 34% reported that they will need to reduce hours and 26% said they will need to find a new job. All of these statistics disproportionately effect women.

Senate Bill 890 will establish a grant program in the Department of Commerce (in consultation with the State Department of Education) to provide funds to support the development and expansion of child care programs. To be eligible for a grant, a child care provider must:

- Be in operation before March 2020;
- Be open and operational on or after September 30, 2020;
- Have a certificate of good standing in the state;
- Accept state scholarship vouchers; or
- Can demonstrate financial stress of disruption in operation, including the loss of 20% of enrollment for a period of at least 2 months from March 1, 2020 through June 30, 2021

Grant awards may be used by eligible grantees only for the following purposes:

- Payroll expenses
- Rent or mortgage expenses
- Utility expenses; and
- Other similar expenses necessary for the operation of child care programs

I am also offering amendments to clarify that the child care provider support grant is available to all child care providers including center-based and family child care programs and to programs who have closed or struggle to remain open due to the pandemic.

The child care industry needs support to survive this economic crisis. Providing financial and other supports for child care will stabilize the system, allow the industry to recover and rebuild, and ensure working parents can continue working thus helping our state's economy to recover and so I respectfully request a favorable report on Senate Bill 890.