



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

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## **HOUSE BILL 608 Early Childhood Education – Child Care Provider Support Grant Program (Solomon)**

### **STATEMENT OF INFORMATION**

**DATE: February 5, 2021**

**COMMITTEE: House Ways & Means and Appropriations**

**SUMMARY OF BILL:** HB 608 creates a Child Care Provider Support Grant Program in the State Department of Education (MSDE), which is administered by the Department of Commerce (Commerce), in consultation with MSDE. The bill mandates an annual appropriation in the amount of \$25 million for grants to child care centers that meet specific criteria, including: were in operation before March 2020; are open and operational after Sept 30, 2020; are enrolled in EXCELS; can demonstrate loss of at least 20% in enrollment (for a period of at least 2 mos. between March 1, 2020 and June 30, 2021) causing financial distress; and is not currently enrolling children, but can do so within 30 days of receiving a grant. A grant application process is to be established by Commerce and maximum grant awards cannot exceed two months of operating expenses of the grantee.

**EXPLANATION:** In response to the COVID pandemic, in FY 2020, the State dedicated \$95.4 million to the Emergency Personnel Child Care (EPCC) program in FY 2020. In addition, the state continued to pay for children participating in the Child Care Scholarship Program based on enrollment, rather than attendance through the end of FY 2020, to ensure participating providers continued to receive payments when enrollment declined as a result of COVID-19. In FY 2021 (as of 12/21/20), an additional \$3.6 million was spent for EPCC program.

The \$25 million appropriation contained in the bill is a permanent mandate, despite the funding being directed to specific child care providers that experienced a significant, but temporary reduction in enrollment because of COVID-19.

The federal stimulus package passed in December 2020 provides significant funding for the child care program and provider recovery assistance.

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