



Montgomery County

Office of Intergovernmental Relations

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HB 89

DATE: March 29, 2022

SPONSOR: Delegate Queen

ASSIGNED TO: Budget & Taxation and Education, Health & Environmental Affairs

CONTACT PERSON: Leslie Frey (leslie.frey@montgomerycountymd.gov)

POSITION: SUPPORT

Child Care Stabilization Grant Program and Child Care Expansion Grant Program – Established

House Bill 89 is an emergency bill that would require the Maryland State Department of Education (MSDE) to administer \$50M in child care stabilization grants during FY22 to child care providers who have faced a financial hardship or suffered an operational burden during the COVID-19 pandemic. Under the bill, priority would be given to providers who: demonstrate that they are in danger of closing within twelve months due to financial hardship; did not receive a stabilization grant in the prior application cycle; participate in the Child Care Scholarship Program; are located in areas designated by MSDE as lacking child care slots; serve primarily low-income populations in areas of high poverty; serve children with special needs; and serve children two years old and younger.

If enacted, House Bill 89 would aid child care providers at a critical time when recovery from the economic impacts of COVID-19 has not fully been realized for many providers who are still struggling to keep their doors open. When surveyed by the County in the fall of 2021, nearly one third of child care providers who responded said that they were unlikely to be able to continue operating in 6 months if conditions remained the same as they were at the time. Fifty-seven percent of survey respondents indicated capital costs such as rent and facility maintenance costs were the largest burden on their finances. The grants created by the Program under House Bill 89 could directly assist providers with costs such as these.

Since the onset of the pandemic, Montgomery County has allocated over \$21M to supporting child care programs in an effort to maintain an adequate supply of child care providers while parents balanced work, virtual learning for school-aged children, and other uncertainties during the pandemic. Despite these efforts, child care providers across the state remain in need of the financial support offered by House Bill 89; Montgomery County respectfully urges the committees to issue a favorable report.