



POSITION STATEMENT

TESTIMONY PRESENTED TO THE SENATE BUDGET AND TAXATION COMMITTEE

**HOUSE BILL 89 – STATE DEPARTMENT OF EDUCATION –
CHILD CARE STABILIZATION – GRANTS
Delegate Queen**

March 29, 2022

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports House Bill 89, which would require the State Department of Education to administer stabilization grants to provide financial support to child care providers that have faced a financial hardship during the COVID-19 pandemic.

The State Department of Education would award \$50 million in grants to child care providers in fiscal year 2022. The criteria for provider preference in order of priority would be those:

- With a significant risk of closing within the next 12 months
- That have not recently received a stabilization grant
- That participate in the Child Care Scholarship Program
- Located in areas lacking child care slots
- That serve primarily low-income populations in areas of high poverty
- That serve children with special needs
- That serve children 2 years old or under.

The GBC COVID-19 Business Recovery Advisory Council, comprised of regional business executives, made a number of recommendations to assist businesses recover from the pandemic, with a particular focus on small and minority-owned businesses. Recognizing both the immediate problems, as well as a systemic shortage of quality licensed child-care options, the council called for state and local governments to address the immediate shortage and to create long-term solutions pertaining to child care through targeted policy or funding initiatives.

There is an urgent need to ensure that adequate high-quality child care is available for the children of Maryland's workforce. Strengthening existing child care providers and supporting an increase in the available number of child care is integral to the state's business ecosystem. Without affordable and dependable child care options, Maryland's workforce is challenged to perform their employment responsibilities and duties to maximum capacity and capabilities resulting in loss of production in business operations. Providing funds to struggling child care providers will have positive economic effects on families, businesses, and the state economy.

GREATER BALTIMORE COMMITTEE

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This bill is consistent with one of the key tenets in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth. The pillar provides:

Government leadership that unites with business as a partner. Maryland leaders must set a welcoming tone that communicates positive support for business, respect for the private sector as a partner, not an adversary, and reflects a strategic plan for business growth and job creation.

For these reasons, the Greater Baltimore Committee urges a favorable report on House Bill 89.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 67-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.