

Dear Governor Hogan and Legislative Leadership:

I am your constituent and I run a child care center in, Maryland.

Like so many in our state right now, I am struggling, along with families and children with the impact of the COVID-19 crisis. I wanted to tell you my story and ask that you help ensure the child care providers of Maryland have the resources they need to remain in business until the crisis ends so we can care for the children and do our part in the economic recovery we all hope will be on the other side of this.

As I hope you will agree, child care is an essential function and serves as a backbone of our economy. Without it, too many parents would be kept from working and generating the economic activity to keep the stock market going and tax revenue flowing. There are at least 7,200 licensed and regulated child care providers serving more than 150,000 children annually across Maryland. We are a major employer, a very essential service provider that allows other businesses to flourish and we also educate, nurture and prepare our youngest children with foundations for next steps in life. We are also taxpayers and play a significant role in our communities.

Many businesses in my industry have also stepped up to do their part in this crisis, taking on health risks by keeping their doors open to provide care for the children of frontline health care workers, first responders, and other essential workers –we are serving while making it possible for all brave individuals to help serve Marylanders during this critical time.

In best of times, child care programs like mine operate on razor thin margins and teeter on the edge of financial health. Many in our industry are in fact nonprofits. The federal and state programs announced to date are simply insufficient to help child care businesses. The federal Paycheck Protection Program in the CARES Act only provides eight weeks of payroll assistance, if providers are accepted and the money does not run out. It does not cover 100% of payroll costs, such as FICA, FUTA, and other taxes.

Federal SBA Economic Disaster Loans only provide help for payroll, rent, mortgages and utilities. Those loans will put my business deeper in debt, and doesn't cover all overhead, like insurance, food, supplies, taxes, and curriculum materials. Not all providers are even eligible.

Unfortunately, the Maryland small business assistance program is completely overwhelmed and backlogged. Providers are not receiving any action related to their applications. They've received a single email stating the system has a backlog of 8,000 applications.

Other states have recognized the critical role that child care plays in their states and have stepped up to institute plans which will reimburse child care providers for lost tuition due to this unprecedented event. We urge you to take similar action in Maryland. Without additional support, many child care businesses like mine will close and leave too many parents without child care when they need to get back to work.

Thank you for your leadership in this difficult time. Please help ensure child care for all families and help thousands of small businesses, such as mine stay afloat and continue to be viable after this crisis.

I hope you and your family are staying safe and healthy.