

2022 Session Priority Child Care Legislation

Bill 1 – Improving Child Care Scholarship System *(Bill is currently in drafting)*

Part 1: Presumptive Eligibility

- Families are “presumed” eligible for the Maryland the child care scholarship and can immediately enroll their children in care while the Maryland State Department of Education (MSDE) reviews their paperwork and formal approval is pending.

Part 2: Expanding “Express Lane” & Dual Eligibility

- Maryland families who qualify for Temporary Cash Assistance and Supplemental Security Income automatically qualify for the child care scholarship. Our legislation will expand that automatic access to additional benefits like Supplemental Nutrition Assistance Program, Special Supplemental Nutrition Program for Women, Infants, and Children, housing vouchers, and Guaranteed Access.

Part 3: Provider Payment Timeline

- The Maryland State Department of Education is required to pay child care providers participating in the child care scholarship program within 10 business days of receiving a full invoice.

Part 4: Simplifying the Child Care Scholarship Application

- The Maryland State Department of Education is required to work with national experts to review, update, streamline, and simplify the child care scholarship application to ensure it is accessible, clear, and easily completed by all families.

Bill 2 – Capital Support Revolving Loan Fund *(Bill is currently in drafting)*

- This legislation creates a \$35 million revolving loan fund available to any and all child care providers as long as they accept children who use the child care scholarship.
- Loans can be used for expansion, new construction/acquisition, and renovations of child care facilities – including center based and family child care providers. The loan program will be administered by MSDE in partnership with the Dept. of Commerce for outreach.
- Priority will be given to providers who:
 - Are located in rural, underserved communities, or areas designated as child care deserts/or lacking adequate child care slots
 - Serve primarily low income populations and are located in areas of high poverty
 - Serve children with special needs
 - Serve infants and toddlers (0 to age 2)
- The loans will be at no interest, repayable over 5 years, with flexibility for financial hardship exceptions.

- The \$35 million for the fund is seeded over three fiscal years - \$15 million the first year, \$10 million in the second year, and \$5 million in the third year. Then the loan fund will be revolving and self-sustaining.

Bill 3 – Supporting Child Care Providers *(Bill is currently in drafting)*

- For child care providers accepting the child care scholarship, this bill will provide:
 - A \$1000 retention bonus to all current licensed and credentialed staff as well as staff entering into the state credentialing system.
 - A total of a \$1000 new hire bonus available to all hired staff from one year of the date of enactment. This bonus is paid out in two pieces – the first is an initial \$500 bonus and the second \$500 is paid after six months, if the staff person chooses to enter into the state personnel credential system.
 - A \$500 new hire assistance fund payable to the child care provider/facility to cover the costs of advertising a position, licensure and certification costs, background check processing, or first month's salary. Fund is available for one year from enactment.
- The total size of this legislation is \$16 million: \$10 million for retention bonuses, \$4 million for new hire bonuses, and \$2 million for new hire assistance funding.