



## **Maryland State Child Care Association 2022 Sine Die Report**

### **A Hybrid Session**

Maryland's 90-day legislative session began with a lot of uncertainty due to the continuation of the Covid-19 pandemic. Our presiding officers, Senate President Bill Ferguson and House Speaker Adrienne Jones worked all interim on health and safety protocols, incredible technology upgrades and some significant tweaks to the legislative process. This session saw historic changes and a divergent approach – the session started virtually and eventually the Senate of Maryland moved to in-person meetings and bill hearings. For the House of Delegates, members of the public were required to zoom in to testify in bill hearings, attend work sessions, and meet with legislators for all 90 days.

### **Big Issues Leading Up to Election Season**

The Maryland General Assembly had a busy session which included re-drawing and approving redistricting maps, enacting landmark greenhouse gas emissions goals, passing a ballot initiative that will ask voters if they support recreational cannabis, creating a program and framework to give all Marylanders access to twelve weeks of paid family leave, enacted tax relief for retirees, and provided record funding for education.

With 3,114 bills introduced over the course of the session, it was a busy final year before election season. Governor Larry Hogan is term limited and cannot run again, but tough primary fights are shaping up for both the Democratic and Republican contenders. The Maryland General Assembly is up for election too, and between retirements and redistricting, we anticipate some significant turnover in both chambers.

### **Legislative Summary**

#### **HB 89/SB 480 (Queen/Hester) – State Department of Education – Child Care Stabilization Grants**

This emergency bill requires MSDE, in fiscal 2022 and 2023, to administer child care stabilization grants to provide financial support to child care providers that have faced a financial hardship or suffered an operational burden during the COVID-19 pandemic. MSDE must award \$50 million in grants to child care providers in accordance with the bill and the fiscal 2023 operating budget. In awarding the grants, MSDE must give preference to child care providers based on criteria including demonstrated hardship and those providers serving low-income communities, areas that lack child care slots and providers that serve children with special needs.

*MSCCA was the catalyst for the bill and met with Governor's office and write to Secretary Brinkley to request \$50 million dollars of state funds immediately due to surplus and to increase the child care scholarship reimbursement rates to align more closely with the national recommendations of 75<sup>th</sup> %. MSCCA strongly supported this legislation which passed the General Assembly and the Governor signed into law and supported.*

**HB 513 (Ebersole) – Infant and Early Childhood Mental Health Support Services Program – Established**

This bill establishes the Infant and Early Childhood Mental Health (IECMH) Support Services Program within the Division of Early Childhood at MSDE. The program is intended to promote positive mental and behavioral health practices for young children. Beginning in fiscal 2024, the Governor must include an appropriation of \$3.0 million in the annual State budget for the program. The bill takes effect July 1, 2022.

*MSCCA testified and strongly supported the bill. Governor signed into law.*

**HB 664 – Child Care Programs – Maryland Infants and Toddlers Program – Information and Assistance**

This bill requires, beginning July 1, 2023, a child care program to make information regarding the Infants and Toddlers program (including contact information for the local lead agency responsible for administering the program) available to the parent or guardian of each child younger than age three. The information must be made available at least annually. On request of a parent or guardian, a child care program must assist with scheduling a time and convenient location for the local lead agency to provide the appropriate screening. MSDE must provide each child care program with information about the Infants and Toddlers program sufficient for the child care program to carry out the requirements of the bill, including local lead agency contact information. The bill takes effect July 1, 2022.

*MSCCA strongly supported the legislation after working closely with the sponsor to amend the legislation to meet the needs of families and providers. Governor signed into law.*

**HB 933 (Queen) – Child Care Scholarship Program – Alterations (Maryland Child Care Working Families Act**

This bill generally expands upon statutory provisions relating to the Child Care Scholarship Program administered by MSDE. Among other things, the bill would specifies criteria that MSDE must use and consider when determining a child's initial eligibility for subsidized child care under the program, including establishing that a child residing with a parent whose gross annual household income is up to 85% of the State's median income is eligible; specifies that a child who is determined to be eligible for subsidized child care under the program must remain eligible for the following 12 months, regardless of specified changes in circumstances; and eliminates copayments for families whose income is less than 75% of SMI.

*MSCCA strongly supported the legislation which failed to gain traction in the Maryland General Assembly.*

### **HB993/SB919 (Ebersole/King) – Child Care Capital Support Revolving Loan Fund**

HB 993 provides interest-free loans to childcare providers for capital expenses related to childcare facilities, taking much of the financial weight off the backs of childcare providers and allowing them to focus on other pressing expenses related to providing higher-quality care to children in their communities. HB 993 will also help close the childcare access gap in regard to economic status and race by ensuring only facilities who participate in the Child Care Scholarship Program are able to receive these loans. This specific focus helps to eliminate childcare deserts and brings access to affordable childcare to many more families across the state. SEIU supports this legislation because working families deserve reliable access to childcare services and many providers need financial assistance to start a child care program.

*MSCCA initiated and strongly supported this legislation. The program created by this legislation requires funding of \$15 million for FY 2023 and \$10 million for FY 2024. The \$5 million appropriation for FY 2025 was amended out of the bill. The bill was passed by the Maryland General Assembly and approved by the Governor, now law.*

### **HB 995/SB 920 (Solomon/King) – Early Childhood Development – Child Care Scholarship Program – Alterations**

This bill requires the Maryland State Department of Education (MSDE) to establish a process for granting presumptive eligibility for a subsidy under the Child Care Scholarship (CCS) Program by July 1, 2023. Additionally, the bill establishes requirements for MSDE to notify the Comptroller within 10 days of receiving an invoice from a child care provider and 5 days for the Comptroller to process and distribute payments. It also requires MSDE to award a subsidy to an individual in an amount sufficient to ensure that an individual will not have to pay a copay for child care if the individual provides proof of (1) participation in one of several specified programs and (2) employment or enrollment in an education or career training program.

*MSCCA initiated and strongly supported this legislation that was passed by the Maryland General Assembly and Governor accepted, now law.*

### **HB1100/SB 806 (Queen/King) – Child Care Providers and Employee Bonuses**

This bill requires the Governor to include \$16 million appropriation to MSDE for bonuses for child care providers and employees. In addition to these funds, MSDE may use any other funds, including federal funding, to award bonuses. MSDE must establish a process for awarding bonuses, must award funds under a first-come, first-served basis, and may continue to award bonuses on or after July 1, 2024, with funds other than the required \$16.0 million. The bill takes effect July 1, 2022 and terminates December 31, 2024.

*MSCCA initiated and strongly supported this legislation which was passed by the Maryland General Assembly and Governor accepted, now law.*

## **HB 1382 (Hornberger) – Children - Family Child Care Homes and the Chief Medical Examiner - Use of Video Recording Devices and Reports (Bexley's Law)**

This bill would have required each family child care home or large family child care home, as a condition of registration, to install at least one video recording device in each room where child care is provided, provide notification of these recordings, and store the recordings on cloud-based storage available for parent and/or law enforcement review.

*MSCCA strongly opposed this legislation, testified against and the proposed bill never received a vote in the House Committee.*

## **State of Maryland Operating Budget - Fiscal Year 2023**

Governor Hogan introduced a \$58.2 billion state operating budget. During session, the state budget oversight body, the Board of Revenue Estimates, announced that the Maryland budget surplus has climbed to \$7.5 billion over two years. Together, Governor Hogan, Speaker Jones, and Senate President Ferguson agreed to an additional \$1.4 billion in spending this year, bringing our operating total close to \$61 billion and setting records for state spending.

On K-12 education, State support for public schools will exceed \$7.9 billion. Direct aid to local school systems will increase an estimated \$459.2 million, or 6.8%, including full funding of all fiscal 2023 Blueprint for Maryland's Future mandates. The budget plan also allocates \$800 million of fiscal 2023 revenues to the Blueprint for Maryland's Future Fund to cover the out-year costs of Blueprint implementation.

This session marked record investment in child care support, too. The Maryland State Department of Education has administered two rounds of stabilization grants utilizing \$285 million of federal funding. With federal funds exhausted, the governor added an additional \$50 million dollars in support to his initial budget. Following the budget's introduction, the Governor provided an additional \$31 million for child care providers, certifications, and a loan program for facility upgrades. Included in the \$31 million is \$16 million to provide funds for retention and recruitment bonuses for child care providers and employees, to be administered by the Maryland State Department of Education. Future supplemental budgets included an additional \$2 million for the childcare scholarship program and an additional \$3.2 million for providers.