



**Karen B. Salmon, Ph.D.**  
State Superintendent of Schools

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**TO:** Members of the State Board of Education

**FROM:** Karen B. Salmon, Ph.D.

**DATE:** May 22, 2018

**SUBJECT:** COMAR 13A.14.06.03H  
*Child Care Subsidy Program Income Eligibility Scale*  
**PERMISSION TO PUBLISH – EMERGENCY AND PROPOSED ACTIONS**

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**PURPOSE:**

Request permission to publish emergency and proposed actions for an amendment to COMAR 13A.14.06.03H *Child Care Subsidy Program Income Eligibility Scale*. Emergency actions are effective for 180 days and are published in the Maryland Register with a start and end date, but a public comment period is not included. For the action to not discontinue and revert to the original language at the end of the 180-day period, we are submitting the same request as part of the normal promulgation period during the 180-day period.

The purpose of this action is to amend the section regarding child care subsidy income eligibility so that the income eligibility levels established in 2002 can be revised, resulting in more low-income families and children served and the annual state surplus eliminated. The request for emergency action will immediately address the request and the request for the normal promulgation will permanently change the regulation.

**REGULATION PROMULGATION PROCESS:**

Under Maryland law, a state agency, such as the State Board, may propose a new or amended regulation whenever the circumstances arise to do so. After the State Board votes to propose such a regulation, the proposed regulation is sent to the Administrative, Executive, and Legislative Review Committee (AELR) for a 15-day review period. If the AELR Committee does not hold up the proposed regulation for further review, it is published in the Maryland Register for a 30-day public comment period. At the end of the comment period, the Maryland State Department of Education (MSDE) staff reviews and summarizes the public comments. Thereafter, the MSDE staff will present a recommendation to the State Board of Education to either: (1) adopt the regulation in the form it was proposed; or (2) revise the regulation and adopt it as final because the suggested revision is not a substantive change; or (3) revise the regulation and re-propose it because the suggested revision is a substantive change. At any time during this process, the AELR Committee may stop the promulgation

process and hold a hearing. Thereafter, it may recommend to the Governor that the regulation not be adopted as a final regulation or the AELR Committee may release the regulation for final adoption.

**BACKGROUND:**

The current regulation regarding Child Care Subsidy Program Eligibility Scale was last adjusted in 2002, when the scale was set at 50 percent of State Median Income (SMI). The ten income eligibility tables are set for each family size and at levels of A-J, where A is set at \$0 income, and J is set at the SMI. This gives the State the flexibility to adjust the eligibility levels in response to fluctuations in funding, which comes from the federal government and the State.

The amendment calls for the removal of the outdated income eligibility scale tables and replacing them with a directive for the Department to establish the *Child Care Subsidy Program Income Eligibility Scale* annually, by family size and co-payment amount, guided by income eligibility recommendations from the United States Department of Health and Human Services.

**EXECUTIVE SUMMARY:**

The eligibility tables in COMAR have not been changed since 2002. Rather than being locked into out-of-date income eligibility categories, the emergency and proposed actions to the regulation would allow the Department to establish an income eligibility scale annually to govern eligibility for child care subsidies for that year. This change would allow more families who are working or going to school to qualify to receive a voucher, so their children can attend an early education program or before- and after- school care.

**ACTION:**

Request permission to publish emergency and proposed actions for an amendment to COMAR 13A.14.06.03H *Child Care Subsidy Program Income Eligibility Scale*.



**Karen B. Salmon, Ph.D.**  
State Superintendent of Schools

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May 22, 2018

Dear AELR Committee:

On behalf of the State Board of Education, I am requesting emergency status for Regulation 13A.14.06.03(H), Child Care Subsidy Income Eligibility Scale. The regulation that is currently in place establishes income eligibility at such out-of-date low levels that thousands of low income Maryland families in dire need of childcare cannot meet the income eligibility standards.

For example, because the eligibility scale is limited to 3 percent of State Median Income (SMI), a family of three (e.g., a single mother and two children) may not earn greater than \$30,000 to be eligible to receive a child care subsidy. Maryland's eligibility as a percent of SMI is the lowest in the nation. The United States Department of Health and Services recommends states set eligibility at 85 percent of SMI.

As a result, millions of dollars appropriated for the Child Care Subsidy Program remains unspent each year. In addition, Congress has approved a 2-year budget that nearly doubles the Child Care Development Fund Grant. This year's child care subsidy surplus is estimated to be \$30 million. Without systemic change, we will continue to have large surpluses that should be helping Maryland's families better their lives through work or education and training.

Rather than being locked into out-of-date income eligibility categories, the proposed emergency regulations would allow the Department to establish an income eligibility scale on a yearly basis to govern eligibility for childcare subsidies for that year.

It is critical for the health and welfare of low income families in need of child care to revise the regulation immediately to provide subsidies to families who could qualify under current United States Department of Health and Human Services income eligibility guidelines reflecting the economic reality of 2018.

Therefore, I am submitting COMAR 13A.14.06.03(H) for approval and publication as an emergency regulation with a requested effective date of the date of publication in the *Maryland Register*.

Thank you for your attention to this critical matter.

Best Regards,

Karen B. Salmon, Ph.D.  
State Superintendent of Schools

# Title 13A STATE BOARD OF EDUCATION

## Subtitle 14 LOCAL SCHOOL ADMINISTRATION

### Chapter 06 Child Care Subsidy Program

Authority: Family Law Article, §§5-550, 5-561, and 5-570, Annotated Code of Maryland Agency Note: Federal Regulatory Reference - Child Care and Development Fund 45 CFR 98.50

#### .03 Eligibility

(A) – (G). (text unchanged)

(H). *Income Eligibility Scale. On or before July 1 of each fiscal year, the Department shall establish the Child Care Subsidy Program Income Eligibility Scale for that year, by family size and co-payment amount, guided by income eligibility recommendations from the United States Department of Health and Human Services.*

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Family Size	Gross Income	Copayment Level
1	\$ 0—6,797	A
	6,797—8,496	B
	8,496—9,346	C
	9,346—10,195	D
	10,195—11,045	E
	11,045—11,895	F
	11,895—12,745	G
	12,745—14,656	H
	14,656—16,568	I
	16,568—18,565	J
2	\$ 0—8,889	A
	8,889—11,111	B
	11,111—12,222	C
	12,222—13,332	D
	13,332—14,444	E
	14,444—15,555	F
	15,555—16,666	G
	16,666—19,166	H
	19,166—21,666	I
	21,666—24,277	J
3	\$ 0—10,980	A
	10,980—13,725	B
	13,725—15,098	C
	15,098—16,470	D
	16,470—17,842	E

	17,842—19,215	F
	19,215—20,588	G
	20,588—23,676	H
	23,676—26,764	I
	26,764—29,990	J
4	\$ 0—13,072	A
	13,072—16,339	B
	16,339—17,974	C
	17,974—19,607	D
	19,607—21,241	E
	21,241—22,875	F
	22,875—24,509	G
	24,509—28,185	H
	28,185—31,861	I
	31,861—35,702	J
5	\$ 0—15,163	A
	15,163—18,954	B
	18,954—20,849	C
	20,849—22,744	D
	22,744—24,639	E
	24,639—26,535	F
	26,535—28,431	G
	28,431—32,695	H
	32,695—36,959	I
	36,959—41,414	J
6	\$ 0—17,255	A
	17,255—21,568	B
	21,568—23,725	C
	23,725—25,881	D
	25,881—28,038	E
	28,038—30,195	F
	30,195—32,352	G
	32,352—37,205	H
	37,205—42,057	I
	42,057—47,127	J
7	\$ 0—17,647	A
	17,647—22,058	B
	22,058—24,264	C
	24,264—26,469	D
	26,469—28,675	E

	28,675—30,881	F
	30,881—33,088	G
	33,088—38,050	H
	38,050—43,013	I
	43,013—48,198	J
8	\$ 0—18,039	A
	18,039—22,548	B
	22,548—24,803	C
	24,803—27,057	D
	27,057—29,312	E
	29,312—31,568	F
	31,568—33,823	G
	33,823—38,896	H
	38,896—43,969	I
	43,969—49,269	J
9	\$ 0—18,431	A
	18,431—23,038	B
	23,038—25,343	C
	25,343—27,645	D
	27,645—29,950	E
	29,950—32,254	F
	32,254—34,558	G
	34,558—39,741	H
	39,741—44,924	I
	44,924—50,340	J
10	\$ 0—18,823	A
	18,823—23,528	B
	23,528—25,882	C
	25,882—28,234	D
	28,234—30,587	E
	30,587—32,940	F
	32,940—35,294	G
	35,294—40,587	H
	40,587—45,880	I
	45,880—51,411	J

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