TO: Members of the State Board of Education
FROM: Mohammed Choudhury
DATE: April 26, 2022
SUBJECT: 2022 Legislative Session Review

PURPOSE:
The purpose of this item is to provide a review on the 2022 Legislative Session and the Child Care related bills that have passed the Maryland General Assembly.

EXECUTIVE SUMMARY:
Members of the State Board of Education will receive a high level overview on four pieces of legislation that passed the Maryland General Assembly related to Child Care.

ACTION:
For information only. No action required.

ATTACHMENTS:
2022 Legislative Session – Review PowerPoint
2022 Legislative Session - Review
PRESENTATION OUTLINE

- Legislative Session - By the Numbers

- Child Care Package
  - HB 89 / SB 480 - State Department of Education - Stabilization Grants
  - HB 993 / SB 919 - Child Care Capital Support Revolving Loan Fund - Established
  - HB 995 / SB 920 - Early Childhood Development - Child Care Scholarship Program - Alterations and Study
  - HB 1100 - Child Care Providers and Employees - Bonuses
Overview of Statistics from Legislative Session
Session 2022 Statistics

• **1,011** Senate bills introduced / **1,487** House bills introduced

• **261** bills tracked by MSDE, **76** of those passed

• **257** fiscal and policy notes completed, as requested by DLS

• Testimony or letters of information submitted on **61** bills
Legislative Review of the Passed Child Care Package

Child Care Package

1. House Bill 89/Senate Bill 480 - State Department of Education - Stabilization Grants
2. House Bill 1100 - Child Care Providers and Employees - Bonuses
3. House Bill 993/Senate Bill 919 - Child Care Capital Support Revolving Loan Fund - Established
4. House Bill 995/Senate Bill 920 - Early Childhood Development - Child Care Scholarship Program - Alterations and Study
House Bill 89/Senate Bill 480 - State Department of Education - Stabilization Grants

- The bill requires that MSDE distribute the $50 million for child care stabilization grants allocated by the Governor in the FY 2023 budget to child care providers that faced financial hardship during COVID-19.

- Providers who demonstrate a financial hardship, have not received stabilization grants, and are participants in the Child Care Scholarship Program shall be given initial preference.

- From there, MSDE must give preference for grants to providers that serve low-income families, students with disabilities, and areas identified as child care deserts.
House Bill 1100 - Child Care Providers and Employees - Bonuses

- In FY 2023, MSDE must distribute **$16 million** in bonuses to child care providers and their employees.
  - **$10 million** for retention bonuses
  - **$4 million** for new hire bonuses
  - **$2 million** for hiring assistance bonuses to providers
- Funding allocated for the bonuses is **one-time**, but the program can continue with available funds.
- Some criteria is set in the bill in order to receive a bonus (e.g. employee must work an average of 20 hours a week).
## House Bill 1100 - Child Care Providers and Employees - Bonuses

**Award** | **Retention Bonus** | **New Hire Bonus** | **Hiring Assistance Bonus**  
---|---|---|---  
**Amount** | $1,000 | Up to $1,000 total (two separate $500 awards) | $500 for each employee hired by a provider in FY 23 to work at least 30 hours for three months  
**Criteria to Receive (not all inclusive)**  
- Must be employed by a provider on June 30, 2022  
- Work 20 hours a week  
- Hold a child care credential or;  
- Earn a child care credential during FY 23  
- $500 for individuals beginning work with a provider for 20 hours a week for 3 months  
- Additional $500 for initial recipients who remain with the provider for 6 months or provide proof of the attainment of a child care credential  
- A child care provider may use funds received:  
  - to advertise a position  
  - for licensure or certification costs  
  - to cover background check fees  
  - to pay the first month of salary to a new employee
House Bill 993/Senate Bill 919- Child Care Capital Support Revolving Loan Fund - Established

- Establishes a Child Care Capital Support Revolving Loan Fund for the purpose of providing no-interest loans for capital expenses to child care providers who already participate in the Child Care Scholarship Program.
  - Administered by the Department of Commerce, with support from MSDE.
- **The Revolving Loan Fund must give priority to child care providers in the following order:**
  - Located in underserved communities or areas lacking child care slots;
  - are located in rural communities;
  - serve primarily low-income populations in areas of high poverty;
  - serve children with special needs; and
  - serve children ages 2 and younger.
- The Governor must include a total appropriation of $30 million in general funds from FY23-FY25 to support the Revolving Loan Fund.
House Bill 995/Senate Bill 920 - Early Childhood Development - Child Care Scholarship Program - Alterations and Study

- **Presumptive eligibility:**
  - All applicants shall receive a minimum of 60 days of child care subsidy for a period beginning on the day on which the individual submits a form;

- **Process for presumptive eligibility:**
  - MSDE to conduct a study with stakeholders and national recognized experts, and report the results of the study to the Governor and General Assembly by December 1st, 2022;
  - MSDE will establish and implement a process that grants presumptive eligibility for a subsidy by **July 1st, 2023**;
  - The program will be funded by a **new Child Care Scholarship Presumptive Eligibility Fund**, which shall be included in the budget beginning in Fiscal Year 2024.
Child Care Package

Child Care Scholarship Program Updates, cont’d

• New alterations in the payment **timeline**. MSDE must complete its processes within 10 days, and the comptroller within 5 days.

• **Copays** will now be waived for applicants participating in certain programs by July 1st, 2022.
  o Federal Special Supplemental Food Program for Women, Infants, and Children;
  o Federal Supplemental Nutrition Assistance Program;
  o Federal Housing Act Housing Voucher Program;
  o Supplemental Security Income Benefits;
  o Temporary Cash Assistance; and
  o Employment or enrollment in an education or career training program.