



Montgomery County Community Action Board Testimony
Special Appropriation – Early Care and Education Recovery Fund
Tuesday, June 16, 2020

The Montgomery County Community Action Board (CAB) strongly supports the County Council’s proposed Special Appropriation of \$10,000,000 for grants to assist child care providers. CAB also thanks the Council for ensuring priority for child care providers that serve lower-income families and children with special needs, as well as those serving particular higher needs zip codes with fewer child care options.

As the governing body for Head Start, along with the Head Start Parents Policy Council, CAB is keenly aware of the critical role child care providers play in our local economy. We are also well-aware of the current challenges facing early care and education programs, many of which were struggling to remain in business long before the current crisis. Since provider revenues come primarily from parent payments, the closure of so many providers has had a devastating impact. With child care providers not receiving the same level of financial assistance provided to other types of businesses during the COVID-19 emergency, grant programs like the one established by this Special Appropriation can play a vital role in the life of our local child care providers.

According to a recent Maryland Family Network survey, 51% of child care providers reported that they may close as a result of families having to keep children home during the pandemic and 60% reported that they need financial assistance.¹ The prospect of half of child care providers closing is especially troubling considering the fact that many areas of the County already lacked sufficient early care and education programs to meet the needs.² If child care

¹ <https://www.marylandfamilynetwork.org/news/over-half-marylands-child-care-programs-may-close-due-covid-19-pandemic>

² <https://www.marylandfamilynetwork.org/sites/default/files/2020-03/Montgomery.pdf>

providers are forced to close, this could lead to a crisis situation where availability is drastically limited as more parents return to their offices.

The fact that the cost of living in Montgomery County is higher than anywhere else in the state only adds to the challenges facing child care providers, many of which are owned and operated by just one person. Those that employ people with the required qualifications often struggle to pay a decent wage. As noted in a 2018 OLO report, 31% of center-based and 35% of family-based childcare providers are low-income, earning less than 200% of the Federal Poverty Level.³ This was the case well before the current public health emergency. The loss of revenue and the added costs associated with reopening will only add to the challenges providers face in trying to pay a living wage to their employees, 95% of whom are women and a disproportionate number of whom are women of color.⁴

The grants created through this Special Appropriation will provide critical support to these local businesses, all of which will have to make adjustments to their child care facilities in order to comply with new requirements and restrictions. We ask the Council to support this Special Appropriation and to consider additional financial relief and technical assistance for child care providers, including training on the new MSDE guidelines so that both children and staff will remain safe.

³ [https://www.montgomerycountymd.gov/OLO/Resources/Files/2018%20Reports/OLORReport2018-6\(Revised\).pdf](https://www.montgomerycountymd.gov/OLO/Resources/Files/2018%20Reports/OLORReport2018-6(Revised).pdf)

⁴ <https://www.epi.org/publication/child-care-workers-arent-paid-enough-to-make-ends-meet/#epi-toc-2>