



Maryland's Response to COVID-19: Child Care Actions

Fact Sheet | January 2021

On March 27, 2020, the CARES Act was signed into law, including \$3.5 billion in supplemental appropriations for the Child Care and Development Block Grant to prevent, prepare for, and respond to the coronavirus. This funding represents a 60% increase in total discretionary appropriations for fiscal year 2020, which amounts to \$9.326 billion. States were given broad flexibility for how to use this funding and have therefore taken a variety of approaches to help address needs of working families and providers through COVID-19. However, as the funds ran out during the ongoing crisis, many states began pulling from other sources to continue supporting parents and providers alike. This fact sheet explains the actions Maryland took to support the child care industry and working parents through 2020.

Maryland received \$45 million in supplemental CCDBG funds through the CARES Act. The state deemed child care an essential service, and obligated 100% of its supplemental CCDBG funds by June.

The state used three-quarters of its supplemental funds to cover the costs of child care for essential workers and about a quarter to increase payments rates for providers that were open and serving frontline and essential workers. Maryland also offered payments through the state's subsidy system based on enrollment rather than attendance.

On June 8, the state announced it would no longer cover child care for essential workers because the program had run out of funding quicker than anticipated.

On September 1, Maryland announced that it would dedicate funds from the state's Preschool Development Grant Birth through Five to offer Family Child Care Start-up Grants of \$800 to home-based providers and \$1,600 to center-based providers. These one-time grants were intended to assist new providers with the start-up costs of opening child care programs amid the ongoing

pandemic, which threatened the viability of the child care market. This program ended on October 31.

By the beginning of the school year in September, 78% of the states' child care centers had reopened. However, Maryland parents called for the state to support more spots for school-age children in child care programs during remote learning days and virtual instruction.

On October 1, child care providers were permitted to return to their full licensed capacities. At the beginning of October, 82% of providers had reopened. The Maryland State Department of Education also announced that it would provide \$1,000 in start-up grants to eligible, new child care providers in an effort to bolster new small businesses.

At the time of publication, Maryland had not announced new plans to support child care providers, or expand access to care for parents with school-aged children during the 2020-2021 school year.