





March 23, 2026

**POLICY ANALYSIS AND FISCAL IMPACT STATEMENT**

**TO:** Committee of the Whole

**THRU:** Lavinia Baxter   
Senior Legislative Budget and Policy Analyst

**FROM:** Caleb Callender   
Legislative Budget and Policy Analyst

**RE:** Policy Analysis and Fiscal Impact Statement  
**CB-018-2026** Child Care Consumer Contract Protection Act

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**CB-018-2026** (*Proposed by:* Council Member Oriadha)

Assigned to the Committee of the Whole

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**A AN ACT CONCERNING CHILD CARE CONSUMER CONTRACT PROTECTION ACT OF 2026** for the purpose of mandating childcare consumer contract protection in childcare enrollment contracts; including requiring hardship withdrawal provisions; defining hardship events; and generally relating to childcare consumer contract protection.

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**Fiscal Summary**

**Direct Impact**

*Expenditures:* Enactment of CB-018-2026 has no anticipated impact on expenditures.

*Revenues:* Any anticipated revenues due to the enactment of CB-018-2026 are based upon the enforcement of civil fines.

**Indirect Impact**

Likely Favorable.

### **Legislative Summary:**

CB-018-2026 proposed by Council Member Oriadha would establish provision for parents who are enrolled in childcare contracts to withdraw from their contract due to hardship circumstances. Those hardships include a) a termination notice from an employer b) a death certificate, or official documentation which demonstrates deportation. Childcare providers who violate this provision are subject to civil fines to be authorized by the Office of Human Rights. This bill doesn't apply to preexisting contracts that are signed into effect prior to this bill being enacted.

After speaking with Director of the Children, Youth and Families Division, it was recommended that this legislation should fall under the purview of the Department of Social Services. The Chair expressed openness to this amendment.

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### **Background/Law:**

CB-018-2026 amends the County Code to require childcare providers to include a hardship clause in their contracts, offering Prince George's County residents important protection in cases of unforeseen or extreme circumstances. While the Code of Maryland Regulations<sup>1</sup> (COMAR) requires providers to disclose basic information, such as fee schedules, discipline policies, the presence of pets, use of volunteers, and sleeping arrangements, it fails to address hardship provisions or other consumer protections.

As a result, many critical elements of childcare contracts are left to the discretion of individual providers, resulting in inconsistent protection and limited safeguards for families. Providers who fail to comply with this provision will be subject to a \$1,000 fine. This enforcement mechanism ensures that families have meaningful support and protection during times of hardship.

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### **Resource Personnel:**

- Joseph Hamlin, Legislative Officer
- Tre'von Sawyers, Chief of Staff

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<sup>1</sup> [Maryland Division of State Documents](#)

- Dr. Orethea Mattison, Director of Children, Youth and Families Division

### **Discussion/Policy Analysis:**

Allowing childcare providers, the discretion to independently develop contracts gives them proper autonomy in a largely privatized industry. However, this can place County residents in a position to be subjected to harsh conditions. If a family endures one of the stated hardships, that family is now relying on a single parent household income, completely changing their economic mobility. Tuition for center based infant care is 13% of the median income for married couples vs. 41% of the median income for single parent family household<sup>2</sup>.

This legislation introduces several implementation considerations. While it requires that childcare providers receive notice prior to taking effect, it does not specify which entity will be responsible for providing that notification. This role could be assigned to the proposed childcare navigator position, if established under CB-014-2026, or to an existing agency such as the Department of Family Services or the Office of Human Rights.

### **Points for Considerations**

- The capacity of the designated entity should be taken into account when determining the notification timeline. Depending on available resources, the 45-day notice period may require coordination to ensure all providers are adequately informed. Providing flexibility in the implementation timeline or establishing a clear effective date following the notification period could support a smooth and consistent rollout.
- It may serve useful to clarify to guardians that they are no longer guaranteed a spot in that childcare center in the event they are terminated but are able to find employment rather quickly.

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### **Policy Implementation Resource/Project Timeline:**

At the time of this report, the Department of Family Services was unable to provide a resource/project timeline for this proposed legislation.

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### **Fiscal Impact:**

- *Direct Impact*

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<sup>2</sup> [Maryland Comptroller Report](#)

Enactment of CB-018-2026 may bring in additional revenue to the County to the extent that fines are brought against childcare providers. These fines will only be imposed if a childcare provider is found to be in violation of the provision provided through this bill. Civil fines will not exceed \$1,000 per violation.

- *Indirect Impact*

Enactment of CB-018-2026 will protect Prince George's County citizens who endure hardships that may prevent their financial ability to honor their contract.

- *Appropriated in the Current Fiscal Year Budget*

No.

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**Effective Date of Proposed Legislation:**

The proposed Bill shall be effective forty-five (45) calendar days after it becomes law.

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If you require additional information or have questions about this fiscal impact statement, please reach out to me via phone or email.