

May 10, 2023

Re: LD 1726 “AN ACT TO BUILD MAINE’S ECONOMY BY SUPPORTING CHILD CARE FOR WORKING FAMILIES”

Dear Chairs Baldacci, Meyer, and distinguished members of the Health and Human Services Committees,

Please accept my written testimony in support of the child care wage supplements within LD 1726 before you today.

I offer my comments as a business leader, as a member of Educate Maine’s Board of Directors, and as a member of the business organization ReadyNation. Gorham Saving Bank and these organizations are working to support the MaineSpark Coalition’s work toward achieving Maine’s educational attainment goal that 60 percent of Maine adults have a credential of value by 2025.

I believe that the lack of access to the quality early learning found in child care is an economic issue for Maine.

Over the course of the last few years there has been an increasing number of news reports and editorials commenting on the fragility of the child care sector, how that was made worse by the pandemic, and the ongoing struggles within the child care workforce plagued by low wages, long hours, and high turnover. And the fact that all of these issues are challenging every sector of Maine’s economy, especially in rural Maine, has been highlighted.

For industries like mine and many others, many of my employees rely on child care so they can work with the peace of mind that their children are safe and nurtured. The stark reality is that child care is the workforce that supports all other workforces in Maine.

Without affordable and accessible child care, Maine’s economy suffers.

From a business perspective, the lack of access to child care programs, especially that faced by rural children and their families, is a real economic challenge for Maine.

As policymakers know well, Maine is the most rural state in our nation. Nearly a quarter – [23 percent](#) – of kids in rural Maine live in poverty. They often lack access to resources, including early education programs and child care. In fact, 2021 and 2023 reports by Council for a Strong America indicate that [26 percent](#) of Maine’s rural children today live in “child care deserts,” where three times more kids are age- eligible for child care than there are licensed slots.

Quality early learning and child care programs significantly help kids build a strong foundation for success [throughout their school years](#) and [as adults](#). They are a key part of the solution to increasing both the number of people in Maine’s workforce and their skill level, two of Maine’s biggest economic challenges. These programs can also serve to attract new families to our state, helping to grow Maine’s workforce.

For all of these reasons, I am pleased to support the bipartisan LD 1726 proposal that seeks to increase wage supplements for child care workers by an additional \$200 per month, and thus raise



the average hourly wage to about \$17.20, or \$35,700 annually. It is my hope that all of you will work in a bipartisan fashion to support this important proposal for a critically vital sector of Maine's economy.

It is an economic imperative that Maine prioritize investments that improve access to quality child care for our kids. It also is our responsibility to make sure every child – regardless of where they live – has access to the resources and supports that will help them succeed in life.

Thank you for your consideration of my comments and your work and dedication to building a strong economy for Maine.

Sincerely,

Steve deCastro

Steve deCastro
*President and CEO, Gorham Savings Bank
Gorham*