

Testimony of Lisa Jones
In support of
***LD 1726: An Act to Build Maine's Economy by Supporting Child Care for Working Families
sponsored by Senate President Troy Jackson***

Senator Baldacci, Representative Meyer, and distinguished members of the Health and Human Services Committee, my name is Lisa Jones. I am a waitress who is building a childcare center, and I live in Lewiston. I'm testifying in support of LD 1726 An Act to Build Maine's Economy by Supporting Child Care and Working Families.

I have completed the CEI childcare business lab and have been working with CEI and AVCOG for the past two years to try to build a childcare center here in Lewiston. I'm currently budgeting to pay my staff \$16/hour and will not be able to offer any insurance benefits. Childcare workers are essential to making sure everyone is able to work, and any help businesses can get with compensating their workers will have a chain reaction benefit to families and employers statewide, which is why I support raising child care educator wages.

I support Maine developing a cost model tool that better supports our understanding of what it costs to provide quality care and education because the model of parents' tuition covering ALL operating expenses for a business makes it nearly impossible to adequately compensate employees (unless the center houses 2-3x more children than I'm going to have!). In addition, DHHS subsidy will not reimburse anywhere near the actual market rate for childcare services, which makes many providers reluctant to/limit accepting subsidy. I'll gladly share my business plan and spreadsheets with any legislator who is interested in seeing real time challenges being faced by someone actively working to combat this crisis.

I support raising subsidy reimbursement rates because quality child care costs money! In addition to paying staff/payroll fees, providers must pay for the space (mortgage/rent), insurance, security systems, in/outdoor maintenance, utilities (water, heat, phone, internet), waste removal, professional development, food, consumable supplies like paper, and professional memberships. Currently the ONLY way to pay for all of this is the tuition that is paid by parents. DHHS subsidy reimburses at a significantly lower rate than parents private pay, and as providers raise their rates to try to recoup funds, it only causes a greater disparity between parent-pay and subsidy families.

Providers' bills/expenses are the same when a child is absent. It doesn't cost less to run the program and the staff is still required to be there, which is why I support ensuring that subsidy reimbursement covers days when children are absent from their program.

Providing funding to pay for child care for child care employees would help both providers and staff! Providers cannot afford to give slots away at a discounted rate but often do so as a benefit" because they truly cannot afford to offer insurance benefits. Ensuring that providers for a full rate for their employees' children would take that financial burden off the small business owner.

I support shortened time periods for determining subsidy eligibility because families lose childcare spots and job opportunities when they have to wait a month for subsidy approval. I also support shortened time periods for child care programs receiving subsidy reimbursement because small business owners cannot function without money to pay their bills.

Please vote in support of LD 1726,
Lisa Jones