

May 10, 2023

Dear Senator Baldacci, Representative Meyer, and distinguished members of the Health and Human Services Committee:

My name is Amanda Hatch and I join you on behalf of YWCA Central Maine in Lewiston, Maine. **I am here to offer YWCA Central Maine’s support of LD 1726, “An Act to Build Maine’s Economy by Supporting Child Care and Working Families.”** Thank you to President Jackson for sponsoring this important bill.

YWCA Central Maine is a non-profit that provides programming and advocacy in service of our mission to eliminate racism and empower women. Our largest program is childcare, through which we operate an early learning center that served more than 60 children in 2022. Of these 60 children, about 50% utilized the Maine Child Care Subsidy Program, 20% utilized external support services such as case management or Child Development Services (CDS), and 60% identified as race other than white alone. We currently serve families with at least nine different home languages.

I share these statistics because, despite the volume and diversity of children in our center, prior investments in the childcare sector have not always impacted the YWCA—and ultimately the families we serve—to the extent the investments were designed. **YWCA Central Maine supports this bill for its clear strategies to reach more childcare centers of varied sizes and operational structures, ultimately impacting more children, families, and childcare employees in Maine.** LD 1726 is comprehensive in its strategies to make the greatest impact on the childcare sector, meeting immediate needs like providing living wages to childcare employees via monthly stipends and making scholarships available to more families, but also addressing the **longer-term implementation of a sustainable, accessible, and equitable early childhood education sector in Maine.**

YWCA Central Maine is committed to continuing to find ways to offer accessible, affordable, and culturally and linguistically supportive childcare to the families we serve because we know this is both a women’s empowerment and racial justice issue. Unsurprisingly, multiple studies have noted the disproportionate impact a lack of childcare has on women and low wage workers, roles that are in

turn disproportionately held by people identifying with a race or ethnicity other than white alone.<sup>1</sup> A 2022 survey on impacts of COVID-19 reported that 45% of mothers with children five years old or younger who left the workforce during the pandemic cited childcare as a major reason, whereas only 14% of men said the same.<sup>2</sup> This survey isn't an outlier: other reports show that having children lowers women's employment rates, with the highest impact felt by women with children not yet eligible for public school – those requiring an accessible, quality early childcare program.<sup>3</sup>

However, we also know that *providing* the care is only one part of the current crisis in our sector: **affordability continues to be cited as the number one challenge among parents seeking care.**<sup>4</sup> *Investments* in childcare, such as those made available through state subsidy or scholarship, are also required to keep women and caregivers in the workforce. Yet many childcare programs in Maine do not accept subsidies or limit the number of subsidized spots available in their programs. **For this reason, LD 1726's focus on improving the accessibility of the Child Care Subsidy – now Scholarship – program for both families and providers is central to our support of this bill.**

As a non-profit that does not limit the number of subsidized families we enroll, our budget is significantly impacted by the lower-than-market-rate subsidy reimbursement rates and higher-than-average administrative burden when compared to private pay families. In turn, this drastically impacts our program resources, including the quality of care and additional supports we are resourced to provide, what we can afford to pay our staff, and more. As an equity organization, we are also concerned with the de-facto segregation this ultimately creates among early learning centers, with disproportionate numbers of subsidized families attending the same, under-resourced centers.

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<sup>1</sup> Pew Research Center (2015). Women more than men adjust their careers for family life. Retrieved from: <https://www.pewresearch.org/short-reads/2015/10/01/women-more-than-men-adjust-their-careers-for-family-life/>

<sup>2</sup> McKinsey & Company (2022). The childcare conundrum: How can companies ease working parents' return to the office? Retrieved from: <https://www.mckinsey.com/featured-insights/sustainable-inclusive-growth/future-of-america/the-childcare-conundrum-how-can-companies-ease-working-parents-return-to-the-office>

<sup>3</sup> Center for American Progress (2023). Fact Sheet: The State of Women in the Labor Market in 2023. Retrieved from: <https://www.americanprogress.org/article/fact-sheet-the-state-of-women-in-the-labor-market-in-2023/>

<sup>4</sup> Center for American Progress (2019). The Child Care Crisis Is Keeping Women Out of the Workforce. Retrieved from: <https://www.americanprogress.org/article/child-care-crisis-keeping-women-workforce/>

**YWCA Central Maine also strongly supports LD 1726’s implementation strategies including the care costs estimator tool, integrated data system, and the establishment of a well-rounded and comprehensive child care task force that is representative of varied providers and experts.**

As a non-profit operating many programs – many providing additional support services to the early childcare family – in a large, aging building in Lewiston, our organizational operational costs are certainly different than childcare centers of different sizes or those operating single programs. This disparity naturally widens in other geographic markets. Due to our mission-based commitment to keeping care both accessible and culturally / linguistically supportive, our program budgets and mission-based measurements of quality do not always directly align with other non-profit childcare centers, let alone private and family providers. LD 1726 addresses these concerns in its implementation plans, strategies for measuring costs and quality, and systems for collecting and sharing data. **YWCA Central Maine therefore supports the full bill and all sections therein to ensure this plan is accurately reflective and supportive of the sector.**

While the YWCA Central Maine will *always* support investments in the childcare sector that improve wages and increase eligibility for subsidy, some investments meant to address challenges or barriers have not directly supported our organization or the families we serve—and we know we are not alone in this. LD 1726 is an exception. **With this bill, there is an opportunity to make meaningful, multi-generational change that will impact children, families, providers, staff, and overall workforce development in every part of Maine.**

We hope you will vote ‘ought to pass’ on LD 1726.

Thank you.

Amanda Hatch | Chief Program & Impact Officer | YWCA Central Maine