

This Testimony Replaces Previously Submitted Testimony

Testimony of Simon West for The Maine State Chamber of Commerce in support of
L.D. 1726 An Act to Build Maine's Economy by Supporting Child Care for Working Families

Chairs Baldacci and Meyer, and esteemed members of the Committee on Health and Human Services, my name is Simon West. I reside in Gardiner and I represent the Maine State Chamber of Commerce, a statewide business association made up of both large and small businesses, here to provide you with my testimony in support LD 1726.

The Maine State Chamber and our partners support investing in the health, safety, and education of its people. Child care and early education in Maine has grown considerably as a business concern over the last decade. This growth in concern can be seen by changes in priorities outlined in the latest issue of *Making Maine Work*. This survey, conducted collaboratively by the Maine State Chamber of Commerce, Educate Maine, and Maine Development Foundation shows childcare and education skyrocketing in priority and carving out its own space in the strategy to move Maine's economy forward.

Expanding Maine's workforce and its capabilities at all levels is part of the state strategic plan and is the number two objective of Maine's business community behind implementing the strategic plan. Providing safe and quality childcare is a pursuit worthy in and of itself. Aside from the skill building and social merits childcare brings to young children, it also allows parents to work. Engaging Maine's existing population of workforce age parents is a must if we intend to increase our workforce participation rate.

In the spring of 2022, 34,000 Mainers with children ages 5 and under reported childcare disruption that forced them to cut hours or leave the workforce. The lack of available child care is hindering many families in their economic recovery journey, continuing to create unplanned work absences, and creates employee retention issues for businesses. Maine has the opportunity to help reduce this type of disruption and keep our prime working age people engaged in the workforce by increasing pathways to access affordable childcare as well as increasing the number of available child care slots. Beyond critical efforts to engage our current workforce, new Mainers are an important demographic to growing our economy. Social and environmental trends are helping people from other parts of the country view Maine as more than Vacation Land. People want to move here to work and build a life for their families. What is a large barrier they are running into? Lack of available childcare. Uncertainty and long

waiting lists are causing families to rethink their move to Maine. We have for some time understood the inadequacy of our birthrate to grow our population. Our state is dependent on in migration and expanding child care is a fundamental pillar in our strategy to attract talent to our workforce.

This legislation uses a multi-prong approach to addressing the issues that are creating this child care shortage. The bill changes subsidy eligibility requirements for families, reimburses child care providers that accept subsidies based on enrollment, and doubles the monthly wage supplement for child care educators. Child care educators earn on average \$20K less than their kindergarten teacher counterparts. There is a significant wage disparity that is not reflective of differences in training or education. This wage disparity is cited as the number one reason for the industry's retention issue and has been seen through the common practice of early childhood educators migrating to Prek-second grade for higher wages. Since the pandemic there has been a 19% decline in child care workers. This decline has put significant stress on an already strained industry. We are in need of 1100 new child care workers in order to fill current program capacity.

Early child care educators are the workforce behind our workforce. In order to expand Maine's workforce participation rate, increase employee retention, and reduce workplace disruption, we must act to expand the early child care workforce.

Thank you for the opportunity to present this testimony.