

## Testimony of Heather MardenMaine Association for the Education of Young Children

Neither for nor against LD 258, “An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025”

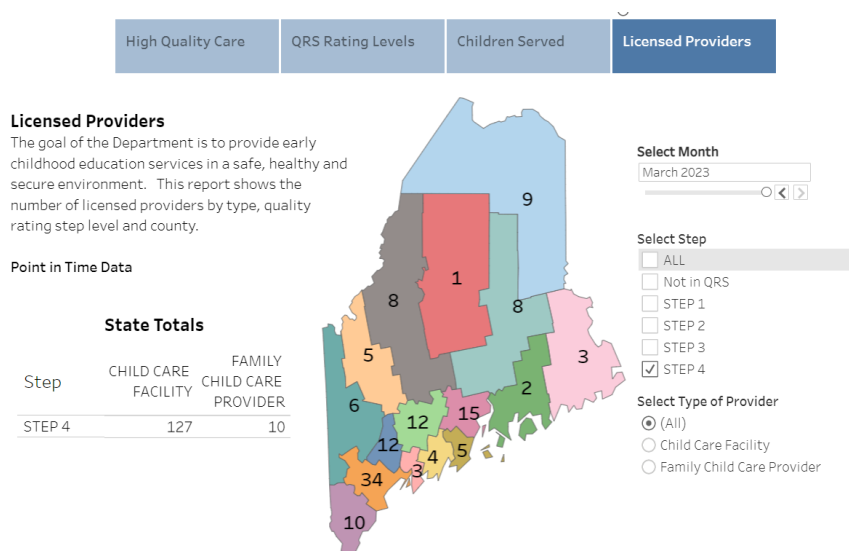
May 17th, 2023

Senator Rotundo, Representative Sachs and distinguished members of the Committee on Appropriations and Financial Affairs my name is Heather Marden and I am the Co-Executive Director of the Maine Association for the Education of Young Children (MaineAEYC). MaineAEYC promotes high-quality early learning for each and every child, birth through age 8, by connecting practice, policy, and research. We advance a diverse, dynamic early childhood profession and support all who care for, educate, and work on behalf of young children.

In the final language of the Governor’s Change package on Page 18-19.

**PART YYY SUMMARY** This Part revises income tax law to increase the base amount of the Child Care Credit (tax credit for child care expenses) from 25% to 50%; and removes references to an outdated applicable percentage.

This tax credit is doubled when families access child care programs rated at the top of the Maine Quality Rating and Improvement Scale.



In Maine only around 9% of child care programs are rated at the highest quality which means the majority of families don't have access to the double tax credit.

While we appreciate the intention of this

initiative to reduce the burden of child care costs, this credit is not available to Maine's lower income families. This is also a small credit in comparison to what families pay for child care costs.

## Price Comparisons



**Center-based  
infant care**  
\$14,248



**Public four-year  
university tuition**  
\$10,230



**Average annual  
mortgage payments**  
\$16,284

## Percent of Income Spent on Child Care

Center		Home
16.5%	Infant child care - married couple family	10.8%
29.5%	Two children - married couple family	20.8%
55.9%	Infant child care - single parent	36.7%
100.0%	Two children - single parent	70.4%
101.5%	Married family with two children at the poverty line	71.5%

[https://info.childcareaware.org/hubfs/2019%20Price%20of%20Care%20State%20Sheets/Maine.pdf?utm\\_campaign=2019%20Cost%20of%20Care&utm\\_source=2019%20COC%20-%20ME](https://info.childcareaware.org/hubfs/2019%20Price%20of%20Care%20State%20Sheets/Maine.pdf?utm_campaign=2019%20Cost%20of%20Care&utm_source=2019%20COC%20-%20ME)

Instead we would ask you to consider investing in more long term, sustainable fixes to promote high quality, affordable child care in Maine.

Investing in increases to the child tax credit which benefits all Maine families with children would have a greater impact in tax policy for families.

Investing in the foundational fixes of child care are also necessary to increase access and affordability. Low wages drive child care educators out of the workforce.

While the child care workforce declined over the pandemic and has yet to recover, turnover and recruitment in the field have been a decades long problem.

There are 220 fewer programs in Maine than in 2020 and while efforts have been made to build back child care capacity, enrollment in child care programs is restricted due to the inability to hire employees. In fact, the Maine Department of Labor statistics indicate that the child care workforce will continue to see an annual decline in employment of 4.4% over the next 7 years. The largest declining workforce employment in the occupation group of Personal Care and Service.

The average hourly wage of child care employees is \$15.42 just slightly more than amusement and recreation attendants and less than nonfarm animal caretakers. Child care educators commit to standards of health and safety and training in quality practices for child development.

Filter Major Group

Detailed Occupations Only

Major Groups Only

Select an Occupational Group

Personal Care and Service

Select a Detailed Occupation

All

Education/Training Required

All

SOC Code

All

Employment and Job Openings in Maine in 2020 and Projected 2030

Occupation Group: **Personal Care and Service**

Education/Training Required: **All**

Job Title	2020 Employment	2030 Employment	Net Growth	Percent Change	Annual Growth Openings	Annual Exits & Transfers	Annual Total Openings	Annual Openings Rate	Average Wage (Hourly)	Median Wage (Hourly)
Childcare Workers	4,310	4,119	-191	-4.4%	-19	578	559	13.0%	\$15.42	\$14.84
Hairdressers, Hairstylists, and Cosmetologists	1,881	2,064	183	9.7%	18	214	232	12.3%	\$22.74	\$20.58
Recreation Workers	1,602	1,694	92	5.7%	9	252	261	16.3%	\$17.20	\$15.63
Fitness Trainers and Aerobics Instructors	1,601	1,866	265	16.6%	27	267	293	18.3%	\$22.25	\$19.44
Nonfarm Animal Caretakers	1,515	1,705	190	12.5%	19	237	256	16.9%	\$16.56	\$14.86
Amusement and Recreation Attendants	621	662	41	6.6%	4	135	139	22.4%	\$14.64	\$13.91
Crematory Operators and Personal Care and Service Workers, All ..	521	568	47	9.0%	5	72	77	14.8%		
Ushers, Lobby Attendants, and Ticket Takers	371	464	93	25.1%	9	95	104	28.0%	\$13.76	\$13.44
Funeral Attendants	279	275	-4	-1.4%	0	37	37	13.3%	\$16.92	\$16.93
Locker Room, Coatroom, and Dressing Room Attendants	238	254	16	6.7%	2	52	54	22.7%	\$14.30	\$14.25
Residential Advisors	230	235	5	2.2%	1	33	33	14.3%	\$19.24	\$18.14
Manicurists and Pedicurists	191	222	31	16.2%	3	21	24	12.6%	\$16.93	\$15.73
Skincare Specialists	164	193	29	17.7%	3	18	21	12.8%	\$22.62	\$21.03
Animal Trainers	125	146	21	16.8%	2	16	18	14.4%	\$18.19	\$15.84
Morticians, Undertakers, and Funeral Directors	111	110	-1	-0.9%	0	13	13	11.7%	\$27.84	\$29.02
Tour and Travel Guides	97	118	21	21.7%	2	17	19	19.6%	\$19.03	\$17.32
Motion Picture Projectionists	15	16	1	6.7%	0	4	4	26.7%	\$15.30	\$15.07

**Note:** Average/median wages are for wage and salary workers from the 2022 Occupational Employment and Wage estimates for Maine and do not include the self-employed.

They often do not have access to benefits such as health care, paid time off, retirement, etc.

With a declining child care workforce, programs are met with challenges such as reducing hours of operation, closing classrooms, lack of subs for staff sick days leading to closures for illness, and even closing all together. 30% of centers in a survey conducted by MaineAEYC indicated that they are not at full capacity of children due to staffing shortages.

Of the programs lost during the pandemic, family child care has seen a significant decline which has continued a decades long loss of family child care providers. These programs are a lifeline for many communities, and are often more flexible to offer non-traditional hours to meet the working needs of their families. While family child care educators retire or close businesses, not enough new family child care programs are opening. In a survey conducted in 2019, wages were among the top 3 challenges for family child care providers to sustain their business.

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**Table 3: Barriers / challenges to starting and sustaining an FCC program in Maine**

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Answer Choices	Responses	Percentages
A.) Long Hours	33	61%
B.) Space usage in my private home	21	43%
C.) Low wages	25	46%
D.) Balancing work and family commitments	29	54%
E.) Constructively dealing with families	19	35%
F.) Challenging behaviors	20	37%

In order to build child care back in Maine, we have to address the foundational issues that have plagued the industry for decades. Until the workforce is provided with professional compensation for the very skilled and crucial work they do, child care will continue to face constant staff shortages and turnover. We must recognize, as stated by the U.S. Treasury, that child care is a failed market. In order for Maine's economy to thrive and grow, then we need to further invest in the workforce behind the workforce.

We also need to invest in affordability for families by increasing eligibility for families to access the Child Care Subsidy Program.

By increasing subsidy eligibility for families from 85% SMI to 125% SMI, families who often feel the most struggles and leave the workforce, the lower middle class families, would have access to support for paying for child care.

LD 1726 An Act to Build Maine's Economy by Supporting Child Care for Working Families includes these foundational fixes of wages for educators and affordability for families. If we want to really address child care this session and make it work better for all Maine families than LD 1726 should be included in this change package.

Thank you and we are happy to answer any questions from members of the committees.

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