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January 25, 2024

Testimony of Rep. Kristen Cloutier in support of
LD 1891, An Act to Support Maine Businesses Through a Child Care Tax Credit and a Pass-through Entity Tax
Before the Joint Standing Committee on Taxation

Good afternoon, Senator Grohoski, Representative Perry and honorable members of the Joint Standing Committee on Taxation. My name is Kristen Cloutier, and I represent House District 94, part of my hometown of Lewiston. I am pleased to cosponsor **LD 1891, An Act to Support Maine Businesses Through a Child Care Tax Credit and a Pass-through Entity Tax.**

Our state has an opportunity to strengthen Maine's workforce and become an enticing place for young families to live and work.

When adequate child care is not available, there is little to no opportunity for working parents to continue their employment. Further, children lose out on the early childhood education and socialization that daycares provide, potentially setting them back from their peers. On the flip side, when parents are offered the help they need to continue working, there is a high likelihood that they will remain employed and stay in Maine's workforce.

LD 1891 would allow Maine businesses to support their specific child care needs. This includes contracting with licensed child care programs, including home-based providers, in addition to operating on-site child care facilities for their employees. The Child Care Tax Credit could be used for acquiring, constructing, rehabilitating or expanding property for an onsite child care facility and be used for operating costs including supporting child care workers through training, scholarships and wages.

This bill offers a solution to workplaces looking to retain employees and provide them with a much needed child care benefit.

Thank you for your consideration of this bill.

District 94: Part of Lewiston