



FOR YOUTH DEVELOPMENT®
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Testimony of Helen L. Breña before
the Committee on Health and Human Services
in support of

**LD 2199: An Act To Ensure Subsidy Reimbursements And Emergency Financial Assistance For
Certain Child Care Providers**

February 20, 2024

Senator Baldacci, Representative Meyer, and honorable members of the Committee on Health and Human Services, my name is Helen Breña and I'm the President & CEO of the YMCA of Southern Maine. I support LD 2199: *An Act To Ensure Subsidy Reimbursements And Emergency Financial Assistance For Certain Child Care Providers*.

Collectively, the 15 YMCAs in Maine are the largest childcare provider in the state. We serve thousands of children in our early childhood education programs, before/after school programs, and summer camp. These programs provide children with safe, nurturing and enriching care, and are a critical component of our state's infrastructure to support working parents and our economy.

The shift from attendance-based to enrollment-based reimbursement for childcare subsidy is an important step in making this critical program work for families and providers. Enrollment-based reimbursement is a more stable and sustainable funding mechanism for providers, meaning we will be better equipped to meet the needs of our communities.

This is critical for the well-being of Maine families and children. In the last decade, Maine has experienced a nearly 20% reduction in childcare providers, and 40% of childcare centers in Maine are understaff, limiting enrollment according to the Portland Press Herald. Statewide, centers are now serving 10,000 fewer children than they are licensed for, leaving many families without needed care. We are experiencing this at ourselves.

Why? The childcare financial model is broken. A solid and consistent financial foundation is critical in order to hire and retain highly qualified childcare professionals. LD 2199 will address a small but critical piece of this.

Operational budgets are built on enrollment, not attendance. Ratios, curriculum, supplies, educational plans, and families' ability to rely on us for care are dictated by enrollment. Each enrolled child has a dedicated space on our classroom roster – our expenses don't decrease when a child is absent.

The YMCA of Southern Maine does all that it can to encourage consistent attendance. Finances are often the biggest barrier. We support families to apply for childcare subsidy. The process is long, confusing and cumbersome. While families wait for subsidy, they face disruption in care and lost wages. We fill this gap with Y Financial Assistance, absorbing a portion of the expense, with impacts on our budget and our ability to offer care to more families. Many families get discouraged by the process and may drop out of childcare altogether.

Additionally, we face significant challenges in hiring and retaining staff, who face their own childcare challenges. We recently lost a full-time teacher due to childcare for her newborn. Other potential hires have backed out when they couldn't find care.

Contact: Helen L. Breña, YMCA of Southern Maine
P: [207-874-1111 **E:** hbrena@ymcaofsouthernmaine.org



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Switching to an enrollment based reimbursement model will provide a measure of stability to our industry that we need. We estimate it would recover approximately \$30,000 of resources with this change.

This bill also establishes an emergency fund for childcare providers to help providers meet an urgent need to support their operations and continue serving families. We see this as an important lifeline for providers that are meeting a critical community need, but forced to operate with razor-thin margins. This important support could mean the difference between a program closing its doors permanently or remaining open to serve families.

Respectfully submitted,

Helen L. Breña
President & CEO
YMCA of Southern Maine

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