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Testimony of Tina Jennings 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 Tina Jennings and I'm the Association Director of Community & Youth Engagement for the YMCA of Auburn-Lewiston. 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.

The revenue loss of attendance-based reimbursement is an unfair burden on childcare providers across the state. Every day that a family on subsidy decides not to send their child to care, we take a financial hit, despite having no control over the decision or any ability to recoup the expenses related to that absence. Providers are losing money by taking subsidy slots as we cannot simply pull in a random child to fill that day's empty slot on little to no notice. Further, the administrative burden associated with tracking, tallying hours, calling and following up with families regarding absences also has an adverse effect on our staff's time, relationships with families, and our budget.

The majority of our childcare slots at the YMCA of Auburn-Lewiston are subsidy based and if we limited our allowable slots, it would have a significant impact on our community. We have seriously considered limiting the number of subsidy slots that we allow due to the loss in revenue year after year. We have not done this, YET, as this goes against the core values and mission of the YMCA, but we may be forced to do this as costs rise, wages need to be competitive, and our workforce continues to face challenges.

We cannot continue to go on this way. The current reimbursement system is a deterrent for providers to offer subsidized slots. Maine needs subsidized care! In short, reimbursing based on enrollment instead of attendance would allow us to continue providing high quality care to the many members of our community that receive the childcare subsidy.

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. Childcare is not a "money making" business by any means, and emergency situations can cripple a provider if they are unable to cover the costs right away. This state is already experiencing significant closures of childcare providers and the workforce cannot be sustained without them. 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,
Tina M. Jennings

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