

Testimony of Sue Powers
On behalf of
Maine Community Action Partnership and Maine Head Start Directors

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, and members of the Appropriations and Financial Affairs and Health and Human Services Committees, my name is Sue Powers, Director of Strategic Initiatives for Maine Community Action Partnership and Early Childhood Consultant for Maine Head Start Directors.

I'm testifying in favor of Part N Sec. N-1 in the Supplemental Budget.

PART N Sec. N-1. 22 MRSA §3731-A, sub-§1 as enacted by PL 2023, c. 643, Pt. RRR, §1 is amended to read: 1. State funding to support eligible families. Other Special Revenue Funds and General Funds allocated for the purposes of supporting the Maine Child Care Affordability Program may be used to support any eligible family.

I strongly urge you to support the allocation of Maine state general funds to cover **any eligible family earning up to 125% of the State Median Income (SMI)** for child care assistance. This investment is essential to ensure that more working families, especially those at the greatest economic disadvantage, can access affordable and quality child care. This access is critical for their ability to work and support their families.

Additionally, I encourage the Committee to consider providing **increased funding** to address the current shortfall in Maine's Child Care Affordability Program and the Child Care Employee Award. As it stands, **over 170 families are on the waitlist for the Child Care Affordability Program**, and more than **400 child care employees are waiting for the Child Care Employment Award**, which helps them pay for their own child care so they can continue to work in this vital industry. These waitlists are unacceptable, and without additional funding, we risk further strain on Maine's child care system and workforce.

Investing in child care today is an investment in Maine's future. By supporting these programs, you will help ensure that families have the resources they need to thrive, and that Maine's child care providers can continue to support our economy and the next generation.

While many critical programs supporting child care, Head Start, and Early Childhood Education continue to be significantly underfunded in the current budget, we are deeply concerned that the proposed budget cuts in the Governor's 2026-2027 biennium budget will devastate these essential services beyond repair. As you review this Supplemental Budget, it is crucial to recognize that the decisions you make regarding this budget will directly impact the forthcoming biennium budget. With families in Head Start anxiously awaiting clarity on their continued access to services amidst the proposed **\$3.6 million cut** to these vital resources, it is important to note that Maine is still only able to serve around 30-40% of eligible Head Start families. This continued underfunding will only widen the gap, leaving countless children without the support they need for a strong educational foundation. This funding is specifically identified to serve families just over the Federal Head Start eligibility guideline of 100% of poverty and struggling with addiction, disabilities, homelessness and other barriers that stand in the way of a stable homelife. In addition, these funds are supporting full day working day child care for families that are just over the guidelines because they make Maine's minimum wage and are working full time to make a living for their families.

Furthermore, **increasing funding for Maine's Child Care Educators Wage Supplement Program** in the 2025 Supplemental Budget is crucial to restoring the monthly wage support that child care educators

previously received. This program plays a vital role in addressing the significant challenges faced by the child care workforce, including low wages and high turnover rates. However, due to the capped funding amount invested in the program, **when the child care workforce grew by around 900 educators, everyone's monthly wage support decreased in July 2024.** These monthly stipends are **NOT** bonuses, these are intended to invest in the base wages of educators that programs can only maintain through raising tuition on families. The average Maine child care professional makes around \$16.40 per hour or around \$34,000 annually. The program helps retain experienced and qualified educators, growing the quality and care for Maine's children. Additionally, restoring the wage support will help alleviate some of the financial stress for educators. **Ultimately, investing in this program supports the well-being of both educators and the families they serve, contributing to a stronger, more stable child care system in Maine.**

In Aroostook specifically, they have increased the workforce to a level where they experience fewer closures due to providers being out of ratio and this allows the workforce in general to stabilize by allowing families to be at work. The Child Care Educator Salary Supplement is accessed by 67 licensed programs in Aroostook which distribute the salary supplement to 253 child care educators. The proposed reduction in the salary supplement will be devastating to one of the already lowest paid workforces in The County, reducing the monthly income between \$40 - \$340 per month. This decrease would make working at Walmart, Dunkin Donuts and Tim Hortons more beneficial to their family income.

The long-term benefits of this investment are substantial. **Access to affordable and reliable child care enables parents to participate in the workforce, increasing their productivity and earning potential, which boosts the overall economy.** High-quality early childhood education programs help close the achievement gap between children from low- and high-income families, leading to better academic performance, higher graduation rates, and increased pursuit of higher education. By providing competitive wages and support to child care educators, we can reduce turnover rates and retain experienced professionals, ensuring consistent, high-quality care and education for children. Early childhood education programs also promote long-term health benefits, including reduced rates of depression, substance abuse, and chronic diseases, and foster better parenting practices. Investing in early childhood education creates upward mobility, providing all children with a solid foundation for long-term success and fostering a more equitable society.