

Testimony of Keith Mestrich before the Committee on Appropriations and Financial Affairs and the Committee on Health and Human Services in opposition to

LD 210, the Governor's proposed Biennial Budget

February 7, 2025

Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, and distinguished members of the Committees On Appropriations and Financial Affairs and Health and Human Services, my name is Keith Mestrich, and I serve as a Board member and the Chair of the Child Care Task Force for the Central Lincoln County YMCA. I am here today because I am deeply concerned about the devastating impact that the proposed budget cuts will have on Maine's working families, our childcare providers, and the already fragile childcare infrastructure in Lincoln County.

The Governor's proposed elimination of the **Childcare Employment Award program** and the drastic reduction in **Childcare Worker Stipends** from \$30 million to \$15 million per year will only exacerbate an already dire situation. These programs are fully utilized because they are essential and cutting them will deepen the crisis rather than solve it.

A Child Care Crisis in Lincoln County

In Lincoln County, we do not have enough licensed childcare providers or facilities to meet the needs of working families. Parents are already struggling to find available slots for their children, and for many, the search for reliable childcare is a months-long, stressful ordeal.

In 2023, we saw the impact that cutting federal funding for childcare had, leaving many families without care. There is an urgent need for early childcare (ages 6-weeks to 4 years) in Lincoln County. This need corresponds with the overwhelming shortage of childcare options throughout Maine and the United States. As of this writing, the CLC YMCA has a wait list of more than 40 children whose parents are seeking care to enable parents to work. Other Lincoln County providers are seeing the same size waitlists.

The Impact on our Employees

The elimination of these programs will only worsen an already acute shortage. If providers lose access to stipends and financial support, we will see even more early childhood educators leave the profession, leading to additional closures and fewer available slots for families. With workforce shortages already plaguing the field, these cuts will accelerate the decline of an essential service in our county.

In 2023, there was a 9,442 gap between licensed capacity and enrollment with 1,090 childcare teachers needing to be hired. If childcare providers cannot sustain the pay of their childcare teachers, we will see this type of gap return.

The salary stipends have been a critical tool in helping us attract and retain dedicated early childhood educators at the Central Lincoln County YMCA. These stipends provide much-needed financial relief for our staff, many of whom are deeply committed to this work but struggle to make ends meet on traditionally low wages. Without

this support, we risk losing talented educators to higher-paying industries, further destabilizing an already fragile workforce. The demands of early childhood education are complex—our teachers are not simply caregivers; they are educators, mentors, and essential figures in child development. Yet, the compensation for this highly skilled work does not reflect its importance. Recruiting and retaining qualified staff is a persistent challenge, as potential hires often leave for jobs with better pay and benefits. If the stipends are reduced, more educators will be forced to leave the field, leading to increased turnover, staffing shortages, and ultimately, fewer available childcare slots for families in our community.

The Impact on Lincoln County Families

Staff turnover and vacancies have a profound impact on our childcare program at the Central Lincoln County YMCA. When we lose educators, it disrupts the continuity of care that young children rely on for stability and learning. High turnover means children must constantly adjust to new caregivers, which can affect their emotional security and developmental progress. Vacant positions often lead to classroom closures or reductions in enrollment, forcing families onto already long waitlists and leaving parents scrambling for alternative care. In some cases, parents are left with no choice but to reduce their work hours or leave the workforce entirely. This staffing instability not only undermines the quality of early childhood education but also puts additional strain on the remaining staff, increasing burnout and making retention even more difficult. Without adequate support and compensation, we risk a cycle of workforce shortages that ultimately harms children, families, and our local economy.

The consequences of these cuts will hit working families the hardest. For many parents in Lincoln County, especially those already struggling to make ends meet, the inability to find or afford childcare means making an impossible choice:

- Leaving the workforce entirely, sacrificing income and long-term career prospects to stay home with their children.
- Cutting back on hours, which reduces household earnings and pushes families further into financial precarity.
- Piecing together unreliable and often unlicensed care, which is neither sustainable nor beneficial for children's development.

We know that the cost of living in Maine is already a challenge for many families. Housing costs have risen, grocery bills are higher than ever, and wages have not kept pace with inflation. Removing these crucial childcare supports will push many parents over the edge, forcing them out of the workforce and compounding their financial struggles. In the long run, this weakens our local economy, reduces tax revenue, and places even greater strain on social services.

This Doesn't Have to Happen

None of this is inevitable. We have programs in place that work—programs that ease the burden on working families, stabilize our childcare workforce, and ensure that parents can continue contributing to our economy.

Cutting them back now is not just a policy misstep; it is wrong-headed and harmful to the very people who are already struggling the most.

We all know that Mainers are hurting right now. Why take steps to make their lives even harder? Instead of dismantling the progress we've made, we should be doubling down on investments in childcare—supporting parents, retaining educators, and ensuring that every child has access to quality early education. I urge you to oppose these harmful budget cuts and protect the programs that are keeping Maine families afloat.