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Senator Rotundo, Representative Gattine, Senator Ingwersen, Representative Meyer, and distinguished members of the Appropriations and Financial Affairs Committee and Health and Human Services Committee, my name is Seth Holt. I am a childcare provider and live in Exeter.

I am opposed to the proposed \$15 million annual/\$30 million biennial cuts to the Child Care Wage Supplement Program. The cost of childcare to most Maine families is one of their most significant expenses. Child care providers are among some of the lowest paid, often very close to, if not minimum wage. This wage supplement increases a full time employee's hourly wage by \$1.50 at the lowest level making a significant impact to their wages. The higher tiers of wage supplement require a degree and many years of experience and are also much deserved to offset the cost of schooling as they are still paid relatively low wages compared to other industries requiring a degree. If these supplements are cut, it is highly likely that child care providers will lose staff to other industries that can offer higher wages. These wages would require a 10% increase in payroll budgets if the provider were to continue them without state assistance. As a provider that serves the entire community, including those who require subsidy, we would be forced to increase our private pay tuition rates by 15% just to offset these cost, without regard to a typical cost of living wage increase and tuition increase. This would push our infant care to nearly \$400 per week, more than most peoples mortgage, and significantly higher than the state subsidy rates. Many parents already struggle to pay for childcare and this is only going to push it further out of reach simply to keep the staff available to offer care. The alternative is we lose staff resulting in decreased availability to provide care and a reduction of the general workforce as parents will need to stay at home to watch their children instead of entering the workforce. Quite simply put, cutting these funds are a bad idea, not only for the childcare providers but for the families that we serve.

I am opposed to the proposed \$3.6 million annual/\$7.2 million biennial cuts to general funds for Head Start. All children in the state of Maine deserve quality care regardless of their social economic status. The future of society depends on the proper guidance of our youth.

I am opposed to the proposed \$2.5 million annually/\$5 million biennial cuts and elimination of the Child Care Employment Award. Nothing like taking a program that is clearly so needed, widely wanted, and extremely beneficial to those who are using it and turning around 8 months later and making cuts to it. There are already so many people who would benefit from the program that are on the waitlist and unable to use it and this is only going to put them further from it. The industry doesn't pay enough for parent to afford the care that they provide. In order for staff to be able to afford tuition, their wages would need to increase. In order for wages to increase, tuition needs to increase. This is not a sustainable model. Wages are roughly 80% of a providers budget. Most providers income is probably close to 5% of annual sales. There is simply no room to increase wages, sustain a business, and keep tuition affordable. In order for this model of business to work, providers needs assistance for their programs and staff. The alternative is \$750 per week tuition, limited pool of potential employees (no children, or spouse with above average income to afford tuition), and providers would be able to provide decent wages and benefits to the child care workforce.