

Manufacturers Association of Maine

2025 Executive BOARD

13 February 2025

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Senator Rotundo, Senator Ingwersen, Representative Gattine, Representative Meyer, and distinguished members of the Health and Human Services Committee, thank you for hearing the following testimony on behalf of the Manufacturers Association of Maine.

The Manufacturers Association of Maine (MAME) is a non-partisan 501(c)6 non-profit grounded in service to its membership, providing a network of resources designed to support the strategic business growth needs of Maine manufacturing entrepreneurs. Maine's manufacturing businesses are diverse, employing almost 60,000 individuals in military and defense, aerospace, metal fabrication, paper, boat building, semi-conductor, wood products, aquaculture and biotech, medical device, composites, and bioplastics, as well as the food and beverage industries. These businesses represent almost 10% of Maine's annual GDP and 14.5% of all the wages paid in the state on a weekly basis. MAME's mission is to help manufacturing grow and succeed and supports Maine's development of future manufacturing assets through a variety of programs.

We share the concerns expressed by the Right from the Start Coalition. Access to affordable childcare, whose lack of availability stifles workforce expansion. Childcare can cost even more than tuition at the University of Maine. For most working families, that cost often results in one parent staying home, particularly if there is more than one child in the home.

Our members are also quite cognizant of the challenges presented in the current budget. We simply believe that if there is indeed one case to be made for an increase in the budget, it would be for the children and childcare workers in the state. Without this support, the unintended consequences of the cuts will further strain the state's economic position, as workers step away from the workforce and lose the very income that drives tax revenue, when childcare operations cut back due to funding shortfalls.

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MAME Childcare budaet 021325

87 Winthrop Street.
Augusta, ME 04330
info@mainemfg.com
P: 207-747-4406
www.mainemfg.com

Satellite office: 2 Portland Fish Pier
Maine International Trade Center
Suite 211
Portland, ME 04101



One way to fund the add-back would be to redirect the currently budgeted contribution to the state employees' PFML (Paid Family Medical Leave) premiums. While the exact amount of this discretionary subsidy is unclear in the publicly available documents, our assessment is that the cost to the state for the additional 0.5% premium would more than offset the restitution of the childcare funding in the budget.

Part of our strategy to expand the available workforce includes broadening access to childcare. The childcare cuts proposed in the biennial budget will contribute to increased costs in childcare, or alternatively fewer childcare workers, which will limit available childcare slots, or both. The net result not only adds more stress to incumbent workers who utilize childcare, it further reduces available workers for Maine's employers. Taking this kind of logical but misplaced action is clearly the wrong direction.

