



**Testimony to the Joint Standing Committee on Health & Human Services in Support of:  
LD 1955, *An Act to Stabilize Child Care Affordability and Early Childhood Educator Stability*  
5-15-25**

Dear Senator Ingwersen, Representative Meyer, and Members of the Health & Human Services Committee:

My name is Amy Winston. I live in Edgecomb and am Senior Director of State Policy at [Coastal Enterprises, Inc. \(CEI\)](#), a Community Development Financial Institution (CDFI) based in Brunswick. My colleague Cynthia Murphy is Senior Director of Workforce Programs at CEI and leads our Child Care Business Lab. She lives in Blue Hill.

Together we are testifying on behalf of CEI, in **strong support of LD 1955, *An Act to Stabilize Child Care Affordability and Early Childhood Educator Stability***.

Founded in 1977, CEI's mission is to build a just, vibrant and climate resilient future for people and communities in Maine and rural regions. We do this by integrating finance, business expertise, and policy solutions. CEI prioritizes investment in critical sectors of our economy – like childcare – and in businesses located in rural areas and undercapitalized communities.

**Since 1987, CEI has invested \$19m to help start and grow 308 child care businesses, creating more than 6,200 slots or seats for children.** Along the way, we've learned that child care is THE issue that holds parents back from working. Last year, when we surveyed parents with children enrolled at child care businesses we helped start, 38% of them said they were able to start a job. For example, Gabriela, a single mom in Lewiston who is on the CCAP waiting list. When her Fedcap child care benefits expire in 2 weeks, she will need to leave her job and return to receiving a full complement of state financial benefits – from Maine Care to Snap to Housing assistance. Gabriela would prefer to work full time. And, she's not alone. There are 629 more stories like Gabriela's – all parents whose children are on the CCAP waiting list.

Maine ranks in the bottom 10 states for workforce participation. What if we could help bring parents of the 630 children on the CCAP waiting list back into the workforce? From the US Census to the US Department of Health and Human Services to the Center for American Progress, studies show that reducing the cost of child care delivers outsized results: increasing workforce participation especially for low-income moms and longer-term workforce retention.

You are hearing a suite of important bills on this very important economic issue today. This bill is a priority because it directly **addresses the wait list restricting the CCAP**, makes **CCAP-eligible child care professionals a priority status** for the program, and establishes a **strategy for its long-term sustainability**. We thank Senator Daughtry for bringing this bill forward (and for working with Senator Ingwersen to incorporate into this important bill the contents of LD 1728, to **adequately fund the CCAP and eliminate this bottleneck**.

LD 1955 provides \$4.8 million in immediate relief to support the child care needs of more than 550 CCAP-eligible families. CCAP reimburses child care businesses for the care needs of working families,



including those who are just above the poverty line while prioritizing the poorest and most vulnerable children. It is not an understatement to state that **CCAP is the heartbeat of the lifeline that is Maine's childcare system**. For this reason, this provision of the bill represents a fiscal priority for our state. Currently, there are 630 eligible children who are unable to access child care due to a CCAP funding shortfall.

The shortage of child care in our state makes this log jam at CCAP an **economic crisis** that not only prevents CCAP-eligible families from realizing developmental opportunities and going to work, but it also affects their employers and the state's ability to build a workforce. Families across the income spectrum need reliable care. Whether a family receives tuition assistance or can afford market-rate tuition, they all rely on the child care businesses that anchor our communities. **Without CCAP child care businesses cannot afford to provide quality care**. Without the reimbursements that they are eligible for under existing state law the very viability of these businesses is at stake.

CCAP serves the children of income eligible child care workers. **By making child care professionals a CCAP priority population, this bill helps to stabilize the sector's workforce to help grow Maine's workforce**. Maine's early childhood educators remain among the lowest-paid workers in our state. They are doing work that is essential to our economy – under unsustainable conditions. Low wages continue to drive high turnover in this sector. According to national data, roughly one-third of early educators leaves the profession each year. In Maine, many educators just cannot afford to stay in a field with hourly wages averaging \$16.40. This turnover disrupts care for children, causes stress for working parents and undercuts stability for providers.

Therefore, LD 1955 also funds the Salary Sustainability Program for Child Care Professionals, the state's system of tiered salary supplements – which when combined with the CCAP Child Care Award helps to stabilize the care workforce. Current research shows that predictable, recurring wage supplements are one of the most effective tools for retaining early childhood educators<sup>1</sup>. **If we want to grow Maine's child care workforce, we must increase state investment in this program**. The demand is there: participation in Maine's program has been rising, and there are still more eligible educators than current funding can support. Importantly there is a plan for the department to evaluate this program's impact and efficacy with authority for the committee to report out a bill related to recommendations made in that 5-year (2030) assessment. A final provision of the bill implements **apprenticeships and scholarships to early care professionals who are committed to working in this field** to build on this momentum and develop a pipeline for early care professionals.

In closing, child care is a small business issue, it is a workforce issue and, ultimately, an economic issue. Thank you for the opportunity to provide testimony on this bill. We encourage you to **invest in Maine's families, businesses and the economy by passing this bill**. Please vote Ought to Pass on LD 1955.

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<sup>1</sup> For example, Washington D.C.'s *Pay Equity Fund* has helped to stabilize the workforce and reduce lead teacher turnover by 21%. See [Early Childhood Educator Pay Equity Fund. DC's Office of the State Superintendent of Education](#) and [Belfield, C & Schochet, O. \(2024\). Early Childhood Educator Pay Equity Fund: Benefits, Costs and Economic Returns. Mathematica.](#)