

**LD 1726: An Act to Build Maine's Economy by Supporting Child Care and Working Families**

Senator Baldacci,

Representative Meyers

Member of the Committee

My name is Bill Hager, I am a resident of Wells Maine and am employed by Catholic Charities Maine as the Director of the St Louis and St Elizabeth Child Care programs located in Biddeford and Portland Maine, respectively

I am here to speak in strong support of L D 1726, An Act to Build Maine's Economy by Supporting Child Care and Working Families, most specifically, those components of this bill that deal with the Maine Child Care Subsidy Program (CCSP )

We, see this legislation as a unique opportunity to improve the lives of literally thousands of Maine children We see this as both good governance and no less than a moral imperative

Earlier this year, I spoke before this committee to explain that most of the basic structures of the CCSP were put in place more than 30 years ago, and at their point of origin, these policies were based upon the flawed premises that our children were to be seen only and exclusively as a barrier to their parent's employment A barrier that needed to be eliminated for the maximum number of families possible

The extension of this premise was that the quality of care these children received did not matter As long the kids were somewhere, it was acceptable for our youngest and most vulnerable children to be served by our least trained and poorly paid workers

There are others who can speak more eloquently than I as to why this kind of thinking is problematic, so in my limited time, I would like to focus on two of specif policies this legislation would address

- 1 Per the proposal to expand income eligibility for families using the CCSP I have attached a chart that demonstrates the "cliff effect" families face when they make just slightly more than the allowable amount A family could see a "net negative impact" of over \$150 00 per week if they barely exceed this CCCP income limit (the amount their child care costs would increase over the "co-payment" required by the CCSP ) I have worked directly with families who have pleaded with their employers to not give them a promotion, because they could not afford the raise (I might also note that, even the top end of this income eligibility is well below the "living wage" for Maine families )
- 2 Per the proposal to alter the process for how provider reimbursements are determined Currently, this rate is determined by a "Market Rate" study There is no connection to the cost of care, only what parents can afford to pay in any given region So, even though licensing standards are consistent county to county Even though Definitions of "Quality" of care are consistent county to county Even though State Minimum Wage is

consistent county to county, reimbursement rates for childcare can differ by over \$100 00 per week per child for the very same form of care, based exclusively on where you live. If you are interested in seeing how these rates differ and what the reimbursement rates are for the community you serve, I have attached a chart with some of that information as well.

- 3 Per the proposals to increase the pool of qualified staff I cannot overstate the value of doing this. Not only has the science affirmed just how essential these early years are for our children, I can tell you from the perspective of someone who has done this work for over 45 years, families today are facing unprecedented stress and challenges, and the children we are seeing reflect that stress. We will only be able to help these children if we have a qualified and dedicated workforce in the field.

Before I wrap up, just one more quick note per the CCSP.

Even with these changes, the CCSP is still used to keep Mainers employed, and it is used exclusively for those Maine families who are either not eligible or chose to not enroll in the TANF program. When walking through this building, I often hear legislators say “what are we doing for working families in Maine?” Fixing the CCSP would be one of the most effective ways to respond to these families.

I would like to leave you with this thought. The natural state of the young child is one of joy. After all, who ever thinks about a sad puppy? I tell you with all honesty, we are seeing a lot of sad puppies in our programs. You have an opportunity, through this legislation, to help these kids, and I urge you to do just that.

I hope this testimony has been helpful, and I would be happy to provide any additional information or in clarification you might find helpful.

Sincerely,

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	2 Person Family (Single Parent, 1 child)	3 Person Family (2 Parent, 1 Children)	3 Person Family (1 Parent 2 Children)	4 Person Family (2 Parents, 2 Children)	4 Person Family (1 Parent 3 Children)
<b>The Highest Weekly Income you can earn to be eligible for the CCSP (1)</b>	<b>\$880.29</b>	<b>\$1,107.21</b>	<b>\$1,107.21</b>	<b>\$1,334.13</b>	<b>\$1,334.13</b>
Family Weekly "Co- Payment" (if they are earning this maximum amount) (2)	\$88 03	\$110 72	\$110 72	\$133 41	\$133 41
Family Weekly Fee if they need full time care and are just over the income eligibility for CCSP (3)	\$240 00	\$240 00	\$480 00	\$480 00	\$720 00
<b>The "Net Impact" on Family Income from this increase (4)</b>	<b>-\$151.97</b>	<b>-\$129.28</b>	<b>-\$369.28</b>	<b>-\$346.59</b>	<b>-\$586.59</b>
"Livable Wage" (5)	\$1,394 00	\$1,320 00	\$1,516 00	\$1,967 00	\$2,369 00
<b>(1) Using the Maine DHHS CCSP Fee Assessment Chart, Effective 3/05/22</b>					
(2) A the "top allowable income tier," families are required to pay 10% of family income towards their childcare					
(3) This rate could be higher or lower, depending upon the child's age, schedule and quality of care					
(4) The difference between the CCSP "Co-Payment" and the cost of full fee childcare in most of the state					
(5) "Livable Wage" study done by MIT reflecting real costs for Maine families in, 2022, based upon average cost of those expenses needed for family survival, i e Food, Housing, Health Care, Transportation, Taxes and Child Care					

<b>County</b>	<b>Center Based Child Care</b>		<b>Licensed Family Child Care</b>	
	<b>Full Time Infant Care</b>	<b>Full Time Pre-School Care</b>	<b>Full Time Infant Care</b>	<b>Full Time Pre-School Care</b>
Androscoggin	\$215.00	\$165 00	\$170 00	\$150 00
Aroostook	\$185 00	\$148 00	\$150 00	\$125 00
Cumberland	\$303 00	\$263 00	\$225 00	\$225 00
Franklin	\$205 00	\$182 00	\$193 00	\$150 00
Hancock	\$227 00	\$197 00	\$157 00	\$155 00
Kennebec	\$220 00	\$267 00	\$175 00	\$150 00
Knox	\$219 00	\$209 00	\$175 00	\$150 00
Lincoln	\$210 00	\$200 00	\$185 00	\$180 00
Oxford	\$205 00	\$182 00	\$193 00	\$150 00
Penobscot	\$255 00	\$205 00	\$185 00	\$175 00
Piscataquis	\$185 00	\$148 00	\$175 00	\$150 00
Somerset	\$185 00	\$148 00	\$175 00	\$150 00
Waldo	\$219 00	\$209 00	\$175.00	\$150 00
Washington	\$227 00	\$197 00	\$157 00	\$155 00
York	\$270 00	\$240 00	\$210 00	\$185 00