



Troy D. Jackson  
President of the Senate

**THE MAINE SENATE**  
**131st Legislature**

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Augusta, Maine 04333

**Testimony in Support of LD 2199**  
**An Act to Ensure Subsidy Reimbursements and Emergency Financial Assistance for Certain**  
**Child Care Providers**  
***Presented to the Joint Standing Committee on Health and Human Services***  
**February 20, 2024**

Senator Baldacci, Representative Meyer and members of the Joint Standing Committee on Health and Human Services, my name is Troy Jackson. I serve as President of the Maine Senate and have the great honor of representing Aroostook County in the Legislature. I am here today to introduce an amended version of LD 2199, "An Act to Ensure Subsidy Reimbursements and Emergency Financial Assistance for Certain Child Care Providers."

The child care crisis is an issue faced by every county in our state. Despite the good work done by this committee and the Legislature at large last session, this crisis continues to present challenges to working families, employers, providers and our economy. In order to fix our system and ensure that child care is affordable and accessible to families while still being sustainable for providers, the state needs to better support child care providers. This bill would help by requiring DHHS to reimburse providers for subsidies based on enrollment rather than attendance.

As the system is now, child care providers that care for children whose families participate in the Maine Child Care Affordability Program are only reimbursed on the days the child attends the child care program. This does not align with how child care providers must operate. For example, when a child enrolled in a child care program misses a day because they are sick, that slot remains open for the sick child upon their return. This means that a provider caring for children who use the subsidy program loses income days when children miss child care.

When you're operating on a thin margin, that loss in compensation adds up. Most for-profit providers have margins of less than 1 percent. As a result, this loss in income can mean the difference between staying open and shutting their doors for good. This simply doesn't make sense to me. It seems that all this reimbursement policy does is disincentivizes providers from accepting children from working families that qualify for critical child care assistance.

Passing this bill will fix this issue in the system and make it more sustainable for providers to accept children whose care is paid for using subsidies. This will make it easier for working families to find care for their children and allow them to pursue careers in industries throughout our state that are in need of workers. Strengthening our child care system will not only improve the lives of parents and providers, but of all Mainers.

Thank you for your time and attention. I urge you to pass this bill and I would be happy to answer any questions.