

Testimony of Jean M. Guzzetti
jmguzzetti@gmail.com
(207) 705-7395

February 20, 2024

**In support of LD 2199: An Act to Ensure Subsidy Reimbursements and Emergency
Financial Assistance for Certain Child Care Providers**

Senator Baldacci, Representative Meyer and distinguished members of the Health and Human Services Committee, my name is Jean Guzzetti, I'm from Bath and am running in the a primary for the democratic nomination for State Senate in my district.

And this is a first for me. Not my first time testifying in front of committee, but my first time having a constituent contact me about a bill - though technically she is not yet my constituent, and that is ultimately what prompted me to be here today. I couldn't help but think about how important this issue must be to her for her reach out to someone that is not her elected representative, but someone who only *might* some day serve in that role.

This constituent is unable to attend today and submitted her testimony in writing. The major component of her testimony is that because this financial assistance is based upon attendance rather than enrollment, a childcare provider, for the stability of their business, may be more likely to accept children whose families do not use this assistance program - because the childcare provider's costs are based on overall, longterm enrollment, not the natural, daily fluctuation of individual attendance. For a heart-centered childcare provider, which we hope they all are, this is an incredibly difficult pill to swallow. Childcare providers don't want to turn away families just because those families use state provided assistance. However, because of the parameters of this program and the economic reality of being a childcare in the current market, they might have to make this difficult choice.

I realize that without sitting where you sit, or sitting where your analyst sits, I most likely do not understand the full complexities of administering and funding this program and I am not cognizant of the history of the attendance-based funding provision.

However, while I haven't sat in this analyst's seat, I did sit in the analyst's seat in the Energy, Utilities and Technology committee from 2010 - 2014, and a commonly held and highly regarded principle was the importance of predictability in regulatory regimes, especially as it

pertains to cash flow and economic impacts. I hope that anyone at any level of government who would publicly support the regulated return on investment guaranteed to our multi-million dollar utilities would understand the importance of a predictable return on investment for our much more vulnerable, often locally-owned childcare providers.

Undoubtedly, there are market factors outside of the purview of the legislature's influence, but this assistance program is a product of your governance, and by its own design — by the Legislature's design — currently infuses uncertainty into the daily operations of a childcare provider's business plan, leaving their income variable despite full, fixed, enrollment. If a child or multiple children call out sick for a day or two days or a week that does not decrease the operating costs of that childcare provider — her staff still must report, she must still pay her rent, and she must still pay her utility bill. She has fixed costs and an uncertain return willfully and knowingly built into state assistance.

Finally, I truly believe one of the greatest successes of this Legislature was the passing of Paid Family Medical Leave because when caring for someone is a necessity for individual or societal survival, it should not result in an inability to pay bills. That concept needs to go both ways. Caring for our children is a societal need, one met by our childcare providers. We should not, by program design, penalize them when a child absent. Nor should this program be designed in such a way that families seeking this assistance may remain at the bottom of a childcare provider's list when the entire purpose of this program is help those families secure childcare.

I urge the committee to vote ought to pass.