



Maine Women's Lobby

February 3, 2025

Senator Rotundo, Representative Gattine, and Honorable Members of the Joint Standing Committee on Appropriations and Financial Affairs; and Grohoski, Representative Cloutier, and Honorable Members of the Joint Standing Committee on Taxation;

I join you today on behalf of the Maine Women's Lobby. For over forty years, the Maine Women's Lobby has advocated for gender-responsive and gender-equitable public policies, with a focus on those most affected by misogyny, sexism, and other forms of oppression.

Gender-based disparities in Maine are structural and persistent. For instance, older women are twice as likely to live in poverty as older men¹. Maine women are far more likely than men to cite childcare or other family or personal obligations as the reason for working part-time – which has lifelong effects on retirement savings and economic security.² **There is no single driver for these problems, but we know that there are a range of solutions, and they begin in the budget-making process.**

Unfortunately, the budget before you undermines some of the most powerful ways to build gender equity. Just one example is the rollback to childcare workforce stipends. The 131st Legislature chose to expand these stipends because they ensure that this women-led and historically under-valued workforce receives fair compensation, which bolsters the workforce and creates stability in the availability of childcare, which in turn will support women's engagement in the workforce. *This budget cuts \$30 million from childcare worker stipends – this will reduce the average earnings for nearly 7,500 child care workers by \$4,000 over two years, and reduce the overall access to childcare in Maine, slowing our economy.*

At the same time, it misses an opportunity to fund these critical services by creating a more fair revenue structure. Tax cuts a decade ago that primarily benefit the wealthy are the underlying driver for our funding challenges.

Right now, our tax code is treating Mainers earning \$60,000 the same way it treats Mainers earning \$600,000 per year. That is simply not fair, and it amounts to a double hit on middle-wage workers. The people who are struggling to afford childcare - or to be a childcare worker - are paying the same rates as people making three or four times the income.

¹ Cutler Institute of Health. (2022). The Economic Security of Older Women in Maine. Retrieved from <https://www.mainewomen.org/s/EconomicSecurityOlderWomeninMaineReport-FINAL2.pdf>

² Ibid.

Income taxes are among the most equitable ways to raise money for state operations. By accounting for ability to pay, unlike sales and property taxes, the income tax has a less harmful effect on lower income Mainers. But it works best when it truly accounts for that ability to pay. Restoring estate taxes on the wealthy, raising the income tax bracket, or other solutions (all before the Legislature this year!) will ensure that we meet our state's critical needs such as care infrastructure, without undermining the systems that the Legislature has already put into place.

As you know, your two committees work in tandem to put our values into budgetary action. **Together, your work can help move us toward a more gender-just Maine. We hope you will work together to build a budget that centers fairness in revenue, and justice and care in expenditures.** Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Destie", with a long, sweeping horizontal line extending to the right.

Destie Hohman Sprague, Executive Director