

Testimony in Support of LD 1955, "An Act to Increase Child Care Affordability and Early Childhood Educator Stability"

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Arthur Phillips

Senator Ingwersen, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services. My name is Arthur Phillips. I'm a Policy Analyst at the Maine Center for Economic Policy, and I am testifying in support of LD 1955 to build on the legislature's recent efforts to improve our child care infrastructure.

The past five years have taught us child care and early childhood educators are truly essential. Without them, parents are forced to leave work to care for young children, costing them earnings they need now and the savings to retire with dignity. This burden is felt by families in every corner of our state, but it particularly impacts rural areas and overwhelmingly falls on women to sacrifice their economic autonomy. These educators are in fact the workforce behind the workforce.

Caring for a family member is one of the primary reasons people who wish to enter the labor force are not working or looking for work. Last year approximately 18,000 Mainers cited a lack of available child care as the primary reason they weren't in the labor force.ⁱ While many issues impact access to and availability of child care, the primary factors are low wages for child care workers which restricts supply, and the high cost of child care which makes it unaffordable for working families.

Data from the Bureau of Labor Statistics shows that in recent years the median hourly wage for child care workers in Maine (\$16.69) was lower than that of retail salespeople and food prep workers. Even though many early childhood educators are degree holders and prepare young children for school, they earn around 58% of what kindergarten teachers are paid.ⁱⁱ If we want to attract and retain more people in a career that gives workers in every corner of the state the chance to stay in their jobs, we must pay them a competitive wage.

Meanwhile, child care is among the largest costs young families face. According to the Office of Child and Family Services' 2024 Market Rate Survey, the median cost of full-time center-based infant care in Cumberland, Sagadahoc, and York Counties was \$330 per week, or more than \$17,000 annually. In all other counties, the median cost was \$14,300 per year.ⁱⁱⁱ Based on this most recent market rate survey, a family in York County with two working parents, a pre-school age child and an infant face \$32,760 in child care costs. Without a subsidy, many such families will inevitably decide that one parent, typically a mother, will leave their job instead.

In recent years, many of you have supported critical steps towards the child care system we need, including helping early childhood educators afford care for their own children, expanding

access to subsidies for more working families, and raising the educators' wage supplements. From June 2023 through December 2024, the number of employed early childhood educators increased by 15%.^{iv}

This bill aims to shore up those critical advances and set the system up for further progress. Without these investments, we risk losing the progress we have made, leaving more families stuck on the affordability program waiting list, and leaving educators facing either lower take-home pay or not motivated to continue advancing in their careers.

We know this is a challenging budget with hard choices to make. However, there are common-sense solutions to find the revenue to support these critical investments. Currently, the top 1% of earners in our state pay a smaller percentage of their income in state and local taxes than the middle class. Millionaires pay the same top tax rate as firefighters and teachers.^v In this environment, we urge you to support responsible, fair ways to pay for our state's unmet needs, including to invest in our children and early childhood educators.

Thank you for the opportunity to testify, and I welcome any questions you may have.

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ⁱ MECEP analysis of US Census Bureau, Household Pulse data, 12-period average covering the period August 23, 2023 through September 16, 2024.

ⁱⁱ May 2024 State Occupational Employment and Wage Estimates, <https://data.bls.gov/oes/#/area/23000000>

ⁱⁱⁱ Health Management Associates, "2024 Maine Child Care Market Rate Survey," Prepared for Maine DHHS, OCFS, May 2024, available at <https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/2024%20Maine%20OCFS%20Child%20Care%20Market%20Rate%20Survey%20Final%20Report.pdf>

^{iv} Maine Department of Health and Human Services, ECE Salary Supplement Program Workforce Data, on file.

^v Maura Pillsbury, MECEP, "Tax Policy Solutions for 2025 and Beyond," November 2024, available at <https://www.mecep.org/taxes-and-budget/tax-policy-solutions-for-2025-and-beyond/>