

Testimony of Jennifer Michaud

Before the Innovation, Development, Economic Advancement, and Business Committee, in support of
*LD 1652: An Act To Build a Child Care System by Recruiting and Retaining Maine's Early Childhood
Educators Workforce*

May 11th, 2021

Senator Curry, Representative Roberts, and honorable members of the Joint Standing Committee on Innovation, Development, Economic Advancement, and Business, my name is Jennifer Michaud. I am a resident of Sanford and owner of Kids Cove Childcare and Learning Center. I am here today to testify in favor of LD 1652.

Owning a child care business has many challenges, but recruiting and retaining a child care workforce rises to the top of the list. Below, I have outlined how the current sole reliance on family tuition to fund the child care system is one that does not hold up well.

- 1. Wages-Child care is a fragile system, with expectations to serve communities as a public good, but in practice most operate as small businesses barely surviving under miniscule margins.

With an annual operating budget of \$545,000 annually, 69% of that budget goes directly to paying the early childhood educator salaries and taxes. This figure does not include the funds necessary to provide the yearly trainings and ongoing educational requirements to fulfill and maintain our high-quality practices. The average Early Childhood Educator in Maine makes \$12.80 an hour. Most professionals in the childcare industry qualify for some public assistance to meet their daily needs to raise their own families. This means that a large majority of the educated and experienced professionals who are currently teaching the future of our State, are living at or below the poverty level. In my program 80% of my employees access public assistance.

Early Child Educators who have obtained a substantial amount of higher education whether in college or continuing education courses and still receive wages that are significantly below that of a Public-School Teacher. The wages we can afford to pay early educators do not meet the level of compensation that values their experience, skills, credentials, and degrees.

- 2. Employee Retention- why do staff members leave childcare and where do they go?

The cost of employee retention can be high for any business, but in an industry with very slim margins, it proves to be a difficult challenge. In a typical career, one would expect some type of benefit package attached to a salary. For many employees in the childcare industry, they will not find a benefit package. It is too costly. This is another major reason employees leave the childcare field in addition to the low wages.

- 3. Who are the early childhood educators we employ and what impact do the services they provide to our families make in our community?

Early childhood educators are the backbone of the childcare industry. The ability for a childcare center program to provide quality childcare services requires well trained, educated, and compassionate individuals. The more quality you provide, the stronger early childhood experiences there are for children. To provide quality care to children you must have teachers who have been properly educated in the field of brain development, cognitive, social, and emotional development of young children. It will also require on-going education in all these areas on a year-to-year basis. An average educator will work 8-10 hours a day. Directors/Assistant Teachers/Lead educators work 45-55 hours a week. As many public-school teachers do, early childhood educators often invest their personal time in curriculum development. I have heard countless times of my educators shopping/planning/cleaning during the weekend when they should be resting and spending time with their own families. They are so invested in the work they do; they make this work part of their life.

- 4. Where do funds come from to operate a quality childcare program?

We are solely funded by the tuition paid by families and the families who cannot afford childcare. We assist them in applying for the Child Care Subsidy Program (CCSP). 32% of children enrolled in Kids Kove, receive funding from CCSP. The rates from this program help families, but do not cover the full payment necessary to cover tuition cost. In most cases, the childcare program will lose a portion of tuition due to this discrepancy. In our experience we have lost thousands of dollars over the course of three years. We have made a conscious decision to continue to serve families who utilize this program with the understanding that we do not receive appropriate funding, because we see value in investing in these families regardless of their potential to pay full tuition. To protect our slim margin line, we are diligent in finding a balance in the number of children we accept in the program.

I hope this gives you insight to why it is necessary we begin to make state investments in Maine's childcare programs. Maine needs child and children deserve high quality early learning experiences so that they receive the best foundation possible for their lifelong learning.

The early childhood workforce is the lifeline of keeping childcare in business and keeping children safe, nurtured, and educated. Please show the child care workforce that you recognize their value in our economy, please support LD 1652.