



**Testimony to the Joint Standing Committee on Innovation, Development, Economic
Advancement and Business**

in support of

LD 1652, An Act To Build a Child Care System by Recruiting and Retaining Maine's Early
Childhood Educators Workforce

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Amy Winston, State Policy Director

CEI, Brunswick, Maine

Amy.Winston@ceimaine.org

Senator Curry, Representative Roberts, and Distinguished Members of the IDEA Committee:

My name is Amy Winston, and I am the State Policy Director at Coastal Enterprises, Inc (CEI). I reside in Edgecomb and am testifying today on behalf of CEI in very strong support of LD 1652, “An Act To Build a Child Care System by Recruiting and Retaining Maine's Early Childhood Educators Workforce.”

CEI integrates financing, industry expertise, and policy solutions to help grow good jobs, environmentally sustainable enterprises, and shared prosperity in Maine and other rural regions. Since 1988, CEI has invested a total of \$12,131,487 to 171 family and center-based and family child-care enterprises. We also made a New Markets Tax Credit investment of over \$12 million in [Educare Central Maine](#) in Waterville. Currently, CEI’s Child Care Business Lab (CCBL) is working with diverse entrepreneurs to increase the number of child-care businesses and care enrollment slots that exist in Maine, particularly in rural areas where access to care is especially acute. The CCBL is an intensive, cohort-based experiential leadership opportunity and learning community which integrates CEI’s traditional small business start-up education, guidance in how to deliver high quality child-care programming, advice on hiring, and coaching through the licensing process.

CEI strongly supports LD 1652, which is a top legislative priority for us. We see investment in early childhood education and child care, specifically, as critical, for both the development of healthy Maine children¹ and for Maine’s workforce and economy. Early Childhood Education

¹ See [Harvard Center on the Developing Child](#).



and expanded child care are integral to the state's [Economic Recovery Plan](#)² and [10-year Economic Strategy](#)³.

Workforce shortages are our biggest immediate barrier to economic development. As this committee is aware, finding workers has been increasingly difficult all over Maine because of our demographic “cliff” - a growing proportion of older adults and declining proportion of young people. Maine's [unemployment rate](#) remained very low at 3.4% in March 2019.⁴ The [labor force participation rate](#) was 63.5% in November 2018, down from its peak of 66.9% in November 2008.

More than a year into the pandemic, the lack of access to affordable quality child care remains a major barrier for parents to participate fully in the labor force⁵ or participate in [workforce development programs](#).⁶ There are many studies that point to the role that child care and early childhood education play in expanding the current labor force⁷, as well as increasing birth rates for developing our future labor force.⁸ The coronavirus pandemic has only exacerbated this issue, especially for women, and proven that the “care economy” is anything but easy or tangential to the health and strength of children, families and the economy.^{9,10} As of 2021, 10

² <https://www.maine.gov/future/initiatives/economy/economic-recovery-committee#:~:text=The%20Governor%27s%20Economic%20Recovery%20Committee.of%20the%20COVID%2D19%20pandemic.>

³ https://www.maine.gov/decd/sites/maine.gov.decd/files/inline-files/DECD_120919_sm.pdf

⁴ It was at 2.9% in Cumberland and Sagadahoc counties.

⁵ The Aspen Institute estimates that 2.5 million or more women were not in the labor force as of 2018, compared to the decade preceding the Great Recession. The average annual labor force participation (LFP) rate for women dropped from 56.7 % in the decade before the recession to 53.8% in the 10 years through 2018. See [Is America Missing 2.5 Million Women Workers?](#)

A 2016 Maine survey found that approximately 5000 Maine workers, representing almost 10% of all surveyed and 20% of women surveyed, reported that child care was a reason why they could not work full time (Maine DOL, *Reasons for Working Part-time by Gender, 2000 to 2016*). DOL did not post studies about whether child care prevented people from working who were not in the labor force, but many community surveys and anecdotal data find that child care is a top employment barrier for immigrants, people with low incomes, and other at-risk populations.

⁶ See *Bridging the Gap: Exploring the Intersection of Workforce Development and Child Care*, Urban Institute, May 2015. I get phone calls every day for new enrollments and can't take them because I don't have the staff.

⁷ A 2017 [International Monetary Fund study](#) showed that after Quebec implemented its universal child care program, female labor force participation increased faster than in the rest of Canada despite the fact they did not have sufficient funding to cover all families. Other studies have shown that workforce participation increases particularly for women if they have access to [Pre-K](#).

⁸ See research from Germany <https://www.cesifo-group.de/DocDL/IfoWorkingPaper-158.pdf>) and Norway <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3099220/>.

⁹ <https://www.mckinsey.com/featured-insights/future-of-work/covid-19-and-gender-equality-counteracting-the-regressive-effects>

¹⁰ <https://www.nytimes.com/2021/05/09/business/child-care-infrastructure-biden.html>



million female parents of school-aged children - an increase of 1.4 million from 2020 - found themselves out of the workforce, due in large part to school and child-care closures.¹¹

Access to care for the youngest children (birth to four years) is especially difficult because of the shortage of early childhood educators who are notoriously underpaid – even compared to other educators. Child-care workers have *the lowest pay* in the early childhood education industry. Median hourly wage for all Maine child-care workers in 2018 was \$11.55¹². Child-care providers have difficulty recruiting and retaining workers given acute workforce shortages across many sectors. Without adequate staffing, childcare businesses cannot meet required teacher-to-children ratios and are forced to reduce services. Even if providers are licensed to serve more people, they are unable to do so without enough workers, making the shortage of child care increasingly more severe. Here are a few responses about the impact of workforce shortages from a 2019 survey of early childhood care providers:

- I get phone calls every day for new enrollments and can't take them because I don't have the staff.
- Our enrollment is down by 35-40 children.
- Not able to keep a classroom open. And not consistent staff in each classroom.
- We have decreased enrollment so we can maintain appropriate ratios.
- The administrators cover the classrooms and the work doesn't get done on their end.
- Decreased enrollment fees means we are losing money every year and dipping into our emergency funds.

Like its predecessor, LD 1584, in the 129th Legislature, LD 1652 takes an important step in building tangible career pathways with scholarships, registered apprenticeships, and increased compensation that will help attract and retain quality early childhood workers and enable more parents to work. LD1652 is based on evidence that quality training and quality jobs result in quality care. The new bill, LD 1652, specifically provides support for adult education providers, apprenticeship sponsors, and the University of Maine and Maine Community College Systems to offer foundational language, literacy, numeracy and employability skills to immigrants and other populations lacking experience in Maine's workforce, to encourage them to enter and succeed in early childhood education programs. This is a significant addition to the bill, as we work to ensure that early education jobs are no longer low-paying jobs, as these educators will go on to start their own child-care enterprises and help diversify the staff and enrollment in Maine's early education facilities. Rather than reinforce racial and ethnic or economic inequities, the state Departments tasked with developing this child-care pipeline, and other stakeholders, must work to elevate the status, quality and pay associated with care jobs.

¹¹ <https://www.nytimes.com/2021/05/09/business/child-care-infrastructure-biden.html>

¹² <https://www.careerexplorer.com/careers/childcare-worker/salary/maine/#:~:text=The%20average%20wage%20for%20a,is%20around%20%2411.55%20per%20hour.>



Keith Bisson, CEI's president, serves on the board of Family Focus, a non-profit child-care center in Brunswick that, pre-COVID, served 400 children in six Midcoast communities. Family Focus also supports this legislation. Family Focus sees every day the incredible work that early child-care educators provide, often with limited resources and challenging circumstances and family situations. It is imperative that we invest in the child-care workforce and recognize them as the professionals that they are. In our view, this remains a crisis that we need to tackle. This bill is a step in the right direction. It would help child-care providers like Family Focus build its workforce with apprenticeships and training incentives that recognize the types of credentials needed in the field.

As an aside, I would also note in implementing universal pre-K, it will be important to account for and accommodate the needs and challenges of the childcare system that specifically serves children up to five years of age, the most costly age group to serve. The state needs to make sure it works with the current child-care system in implementing universal pre-K.

In closing, CEI supports improving the quality of jobs of early childhood education workers as a strategic priority for the state as the ERC and 10-year economic development strategy recommends. We make this case as often as we can in any economic development conversations, especially in the context of addressing our workforce challenges now and for the future. We urge you to vote Ought-to-Pass for LD 1652.

Thank you for the opportunity to testify on this bill.