



Seven Islands Land Company

Testimony in Support of LD 1222

An Act to Expand Child Care Services Through an Employer-supported Tax Credit

April 11, 2023

Senator Grohoski, Representative Perry, and distinguished members of the Taxation Committee, my name is Hannah Stevens, a resident of Glenburn and Land Use Director at Seven Islands Land Company. I am testifying today in support of LD 1222.

Seven Islands Land Company manages approximately 820,000 acres of family-owned forestland in Maine. We have offices in Bangor, Ashland, and Rangeley, as well as a lumber mill and chip mill in the town of Portage Lake. Due to the nature of our work, the majority of our employees live in rural areas where childcare options are limited and when available, are very expensive. Together, our family of companies directly employs approximately 90 individuals and contracts with dozens of other Maine businesses who have their own employees and subcontractors. We supply wood to Maine mills around the state who employ hundreds of other workers.

Workforce recruitment and retention is challenging for Maine businesses, including those in the forest products industry, and limited access to affordable, quality childcare is an obstacle that many parents and working families face. It is an obstacle great enough that some parents find it difficult to retain employment because an affordable option cannot be found. According to the 2021 Maine Child Care Market Rate Survey prepared for the Maine Department of Health and Human Services, rates for child care in the state range from \$6,500 to over \$14,000 annually depending on location and the age of the child. LD 1222 proposes an important tool that would encourage employers to provide assistance with childcare costs to their employees, increasing the likelihood that they can remain employed and fully participating in Maine's economy, while their children receive quality care.

The tax credit described in LD 1222 would allow businesses and the state to share some of the costs associated with securing childcare, a crucial factor in attracting and retaining a workforce that is so vital to rural communities and economies. The tax credit would not only help with workforce recruitment and retention, but it would help existing childcare facilities to continue operation, expand their services, and allow new facilities to open, closing the gap between available services and demand. It would provide more stability in funding for childcare businesses as they look to meet the needs of their communities.

Affordable, quality, local childcare is a necessity for Maine families *and* businesses, and access to it is in short supply in many places. Please help us meet this challenge and vote Ought To Pass on LD 1222. Thank you for your time and consideration.

Hannah Stevens
Seven Islands Land Company