

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

H.P. 1335 - L.D. 1987

**An Act to Fund Collective Bargaining Agreements with Executive Branch
Employees and Continue the Voluntary Employee Incentive Program**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. Adjustment of salary schedules for fiscal years 2025-26 and 2026-27.

The salary schedules for the executive branch employees in bargaining units represented by the American Federation of State, County and Municipal Employees, the Maine State Troopers Association, the Maine State Law Enforcement Association, the Maine Service Employees Association, the Fraternal Order of Police and any other certified bargaining representative for an executive branch bargaining unit must be adjusted consistent with the terms of any collective bargaining agreements ratified by December 31, 2025.

Sec. 2. Adjustment of salary schedules for fiscal year 2026-27. The salary schedules for the executive branch employees in bargaining units represented by the American Federation of State, County and Municipal Employees, the Maine State Troopers Association, the Maine State Law Enforcement Association, the Maine Service Employees Association, the Fraternal Order of Police and any other certified bargaining representative for an executive branch bargaining unit must be adjusted consistent with the terms of any agreements made between May 1, 2026 and December 31, 2026, including any collective bargaining agreement achieved through the process outlined in the agreement for resolution between the State of Maine and the Maine Service Employees Association, SEIU Local 1989 effective August 29, 2024, regarding the study of the classification system for the executive branch of the State of Maine. This section does not apply to any successor collective bargaining agreement with a term beginning on or after July 1, 2025.

Sec. 3. Costs associated with the \$2,000 lump-sum payment made in October 2024 per the agreement for resolution between the State of Maine and the Maine Service Employees Association, SEIU Local 1989 effective August 29, 2024.

1. An amount not to exceed \$9,132,794 in the Salary Plan program, General Fund account in the Department of Administrative and Financial Services may be transferred, by financial order upon the recommendation of the State Budget Officer and approval of the Governor, to fund the \$2,000 lump-sum payment made in October 2024 from non-General

Fund and non-Highway Fund accounts per the agreement for resolution between the State of Maine and the Maine Service Employees Association, SEIU Local 1989 effective August 29, 2024. Funds must be transferred to the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services.

2. Notwithstanding any provision of law to the contrary, the State Controller may authorize the transfer, in an amount not to exceed \$9,132,794, of Personal Services expenditures associated with the \$2,000 lump-sum payment made in October 2024 per the agreement for resolution between the State of Maine and the Maine Service Employees Association, SEIU Local 1989 effective August 29, 2024 from any non-General Fund and non-Highway Fund account to the Departments and Agencies - Statewide program, General Fund account within the Department of Administrative and Financial Services.

3. Notwithstanding any provision of law to the contrary, the State Controller on or before July 31, 2025 shall transfer the unobligated balance from the Departments and Agencies - Statewide program, General Fund account to the Salary Plan program, General Fund account within the Department of Administrative and Financial Services.

Sec. 4. New, temporary and seasonal employees; similar and equitable treatment. The Governor is authorized to grant similar and equitable treatment consistent with this Act for employees in classifications included in bargaining units subject to collective bargaining agreements described in section 7 of this Act who are excluded from collective bargaining pursuant to the Maine Revised Statutes, Title 26, section 979-A, subsection 6, paragraph F.

Sec. 5. Confidential employees; similar and equitable treatment. The Governor is authorized to grant similar and equitable treatment consistent with this Act for confidential employees. For the purposes of this section, "confidential employees" means those employees within the executive branch, including probationary employees, who are in positions excluded from collective bargaining units pursuant to the Maine Revised Statutes, Title 26, section 979-A, subsection 6, paragraphs B, C, D, I and J.

Sec. 6. Employee salaries subject to Governor's adjustment or approval. The Governor is authorized to grant similar and equitable treatment consistent with this Act for those unclassified employees whose salaries are subject to the Governor's adjustment or approval.

Sec. 7. Costs to General Fund and Highway Fund. Costs to the General Fund and Highway Fund must be provided wholly or in part through a transfer of Personal Services appropriations within and between departments and agencies from the Salary Plan program, General Fund account in the Department of Administrative and Financial Services in an amount up to the full amount the Salary Plan program, General Fund account has accrued as of the date an agreement is reached with the respective bargaining agents to implement the economic terms of the most recent collective bargaining agreements, as specified in sections 1, 2 and 3 of this Act, entered into by the State and the American Federation of State, County and Municipal Employees, the Maine State Troopers Association, the Maine State Law Enforcement Association, the Maine Service Employees Association, the Fraternal Order of Police and any other certified bargaining representative for an executive branch bargaining unit to provide equitable treatment of employees excluded from collective bargaining pursuant to the Maine Revised Statutes, Title 26,

section 979-A, subsection 6, paragraph F and, notwithstanding Title 26, section 979-D, subsection 1, paragraph E, subparagraph (3), to implement equitable adjustments for confidential employees.

Sec. 8. Transfer of Personal Services appropriations between programs and departments; General Fund. Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law to the contrary, available balances in the General Fund for Personal Services in fiscal year 2025-26 and fiscal year 2026-27 may be transferred by financial order between programs and departments within the General Fund upon recommendation of the State Budget Officer and approval of the Governor to be used for costs associated with collective bargaining agreements for state employees, as specified in sections 1, 2 and 3 of this Act.

Sec. 9. Transfer from Salary Plan program and special account funding. The Salary Plan program, General Fund account in the Department of Administrative and Financial Services may be made available as needed in allotment by financial order upon the recommendation of the State Budget Officer and approval of the Governor to be used for the implementation of the collective bargaining agreements for state employees, as specified in sections 1, 2 and 3 of this Act, and for other economic items contained in this Act in fiscal year 2025-26 and fiscal year 2026-27. Except as outlined in section 3 of this Act, positions supported from sources of funding other than the General Fund and the Highway Fund must be funded from those other sources.

Sec. 10. Transfer of Personal Services allocations between programs and departments; Highway Fund. Notwithstanding the Maine Revised Statutes, Title 5, section 1585 or any other provision of law to the contrary, available balances in the Highway Fund for Personal Services in fiscal year 2025-26 and fiscal year 2026-27 may be transferred by financial order between programs and departments within the Highway Fund upon recommendation of the State Budget Officer and approval of the Governor to be used for costs associated with collective bargaining agreements for state employees, as specified in sections 1, 2 and 3 of this Act.

Sec. 11. Authorization for reimbursement of costs associated with study of classification system for executive branch. The Department of Administrative and Financial Services may be reimbursed up to \$1,000,000 from the Salary Plan program, General Fund account in the Department of Administrative and Financial Services for resources necessary to conduct a study of the classification system for the executive branch of State Government, to be prepared and submitted by a consultant by December 31, 2025, as outlined in the agreement for resolution between the State of Maine and the Maine Service Employees Association, SEIU Local 1989 effective August 29, 2024.

Sec. 12. Authorization for reimbursement of costs associated with contract resolution. The Department of Administrative and Financial Services may be reimbursed from the Salary Plan program, General Fund account in the Department of Administrative and Financial Services for the costs of contract resolution, administration and implementation and other costs required by the process of collective bargaining and negotiation procedures.

Sec. 13. Voluntary employee incentive programs.

1. Notwithstanding the Maine Revised Statutes, Title 5, section 903, subsections 1 and 2, the Commissioner of Administrative and Financial Services shall offer for use special voluntary employee incentive programs for state employees, including a 50% workweek, flexible position staffing and time off without pay. Employee participation in a voluntary employee incentive program is subject to the approval of the employee's appointing authority.

2. Notwithstanding the Maine Revised Statutes, Title 5, section 285, subsection 7 and Title 5, section 903, the State shall continue to pay health and dental insurance benefits for a state employee who applies and is approved to participate in a voluntary employee incentive program under subsection 1 based upon the scheduled workweek in effect prior to the employee's participation in the voluntary employee incentive program.

3. Notwithstanding the Maine Revised Statutes, Title 5, sections 903 and 18056 and any other provision of law to the contrary, the life, accidental death and dismemberment, supplemental and dependent insurance amounts for a state employee who applies and is approved to participate in a voluntary employee incentive program under subsection 1 are based upon the scheduled hours of the employee prior to the employee's participation in the voluntary employee incentive program.