Testimony of Beth White Maine Service Employees Association, SEIU Local 1989

On LD 2214, An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2024 and June 30, 2025 (Emergency) (Governor's Bill) Sponsored by Representative Melanie Sachs

Before the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Standing Committee on Environment and Natural Resources 10am Monday, March 4, 2024, State House Room 228 and Electronically

Senator Rotundo, Senator Brenner, Representative Sachs, Representative Gramlich, and members of the Committees on Appropriations and Financial Affairs, and Environment and Natural Resources, I'm Beth White, Director of Politics & Legislation for the Maine Service Employees Association, Local 1989 of the Service Employees International Union. We are a labor union representing over 13,000 Maine workers, including workers at the Department of Environmental Protection and other state environmental agencies.

In the last few years, numerous pieces of substantial environmental legislation have been passed and signed into law. The progress made to begin addressing major issues such as climate change and PFAS contamination is significant and should be celebrated; however, the agencies tasked with this work must be sufficiently staffed. With <u>nearly one in six positions vacant</u> in Maine state government – over 2,100 vacant jobs – the State is struggling to hire essential workers, including in the Department of Environmental Protection (DEP). This is largely due to the state employee pay gap.

We support all proposed reclassifications, reorganizations, and range changes that appear in the proposed supplemental budget. We also support initiatives to continue and make permanent for several positions. However, it's important to note that the current classification and compensation system for state employees was put in place in the late 1970's. When the system was created, the Legislature also included in state law a requirement for the Bureau of Human Resources to provide active reviews, management and oversight of the entire compensation and classification system every 10 years. Each subsequent administration has failed to do this basic maintenance, and both state workers and Mainers who count on state services are paying the price for their intransigence. We need a new classification and compensation system to truly address the issues with the current system, rather than making small-scale changes every budget cycle.

In 2019, the State contracted with Segal Consulting to conduct a classification and compensation study. The compensation study was designed by a joint labor-management committee and utilized a sampling of "benchmark" positions to determine the average compensation of state government positions. The compensation portion of the study was completed in 2020. It showed

state workers were underpaid 15% on average compared to their public and private sector counterparts throughout Maine and New England. Unless the state employee pay gap is addressed, it will continue to be a challenge to recruit and retain qualified workers; that's why we support LD 2121, An Act to Address Chronic Understaffing in Maine State Government, sponsored by Representative Drew Gattine, to proceed as emergency legislation. LD 2121 would:

- Provide \$165 million in funding for a new compensation and classification system that closes the state employee pay gap for Executive Branch workers;
- Require the administration to report annually to the Maine Legislature on all Executive Branch job vacancies, so that the Legislature can adequately assess the ongoing staffing crisis;
- Improve laws relating to recruitment and retention adjustments, making it easier to establish recruitment and retention programs targeting agencies experiencing chronic understaffing;
- Require the Maine Department of Administrative and Financial Services and the Bureau of Human Resources to develop a plan to improve the state government hiring process

Fixing the broken classification and compensation system for state employees, and closing the pay gap, would go a long way towards filling vacant positions and ensuring that all Mainers can access the important public services they deserve. We are fortunate to live in a state with vast natural beauty, and the workers at DEP do critically important work to protect it. We need to ensure that these workers are compensated properly for their work. By investing in our state agencies, we are investing in Maine as a whole. It's past time to close the state employee pay gap and fix our broken classification system.

Thank you for your consideration.