

**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 Labor and Housing
11am Monday, March 4, 2024, State House Room 228 and Electronically**

Senator Rotundo, Senator Tipping, Representative Sachs, Representative Roeder and members of the Committees on Appropriations and Financial Affairs, and Labor and Housing, 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 Labor (DOL).

First, we support Part ZZ of the governor's proposed supplemental budget, which would create a new fund to facilitate the recovery of lost wages for Maine workers. Wage theft is an issue here in Maine and nationally. The Maine Department of Labor has been working to strongly enforce these laws and bring relief to impacted workers, and we support their efforts. We encourage this body to work with the Commissioner and her staff to ensure that DOL has enough well-paid workers and resources to do this important work as well.

We also 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

During the pandemic, workers at the Department of Labor were inundated with unemployment claims, requiring them to pivot quickly. They took on enormous workloads to ensure Mainers were able to get the financial support they needed following thousands of unexpected layoffs. The importance of the work they did then, and now, cannot be overstated. These workers deserve to be properly compensated for their work. Closing the state employee pay gap and passing LD 2121 are essential to recruit and retain qualified workers at DOL and across state government.

Thank you for your consideration.