

Testimony of Beth White

Maine Service Employees Association, SEIU Local 1989

**Before the Joint Standing Committee on Appropriations and Financial Affairs
and the Joint Standing Committee on Labor,**

1pm Monday, February 10, 2025, State House Room 228 and Electronically

**LD 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds
for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to
the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026
and June 30, 2027, (Emergency) (Governor's Bill),
Sponsored by Representative Drew Gattine**

Senator Rotundo, Representative Gattine and members of the Committee on Appropriations and Financial Affairs, and Senator Tipping, Representative Roeder, and members of the Committee on Labor, I'm Beth White, director of politics and 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 Maine Department of Labor and throughout all three branches of Maine State Government. We also represent many of the retirees covered by the Maine Public Employees Retirement System (MainePERS).

Workers at Maine DOL provide critical services for Maine people – services for workers, job applicants, employers, students and schools, veterans, older adults, and others. Workers at Maine DOL are the go-to people on jobs, training, unemployment insurance, disability services, workplace safety, labor laws, labor statistics, workforce development, wage and hour complaints, apprenticeships and work permits. They do invaluable work at Maine's CareerCenters – which are statewide with many offices, including Augusta, Bangor, Brunswick, Hinckley, Lewiston, Machias, Greater Portland, Presque Isle, Rockland, Springvale and Wilton.

Yet the services at Maine DOL are being jeopardized by a longstanding rash of job vacancies throughout the Department. It's our understanding that as of November of 2024, the job vacancy rate at Maine DOL was approaching 30% -- with 171 positions vacant compared to 412 filled. This is a real problem and it needs to be solved immediately. Many of these vacancies are in Maine's CareerCenters, where state employees work to help Mainers, including veterans, reenter the workforce, develop meaningful careers and work toward financial independence. The CareerCenter workers often partner with Maine DHHS offices, which also are experiencing understaffing, to help Mainers get jobs so they can support themselves and their families without the need for public assistance. This important work is hindered when state jobs don't provide fair wages for the valuable services provided.

As you consider the proposed state budget, we believe that much more must be done systemically and in support of the Maine DOL by both the Maine Legislature and the Mills administration. More must be done to ensure that the Maine DOL has the staffing and resources necessary to carry out its legislatively mandated mission of serving Maine workers and businesses by helping employers recruit and train a talented workforce; providing workers with the skills they need to be competitive in the economy; assisting individuals when jobs are lost; aiding people with disabilities reach career goals; ensuring safe

and fair workplaces for people on the job; and, providing research and analysis of employment data to support job growth.

Specifically, we are extremely concerned about the Governor's proposal (Part R) to remove nearly \$44 million from the State's personnel budget and transfer that amount into the General Fund, where it would be used for other purposes. The administration proposes to more than triple the state employee attrition rate, from 1.6% to 5%, in both the Executive and Judicial branches of Maine State Government, in order to justify this proposed financial maneuver. Understaffing throughout Maine DOL and all other departments of state government remains a serious problem often with devastating consequences on both state workers and Maine people who rely on their services. The State's own studies show that state workers remain substantially underpaid compared to their public and private sector counterparts throughout Maine and New England. [Please see the related memo](#) that we presented to the Appropriations Committee on Oct. 8, 2024, detailing our response to the State's Market Pay Report dated Sept. 30, 2024.

The money in the State's Salary Plan is there to fund budgeted positions and to close the state employee pay gap, and it shouldn't be used as a piggybank to fund other priorities. We'd like to respectfully remind you that Part PPP of the Supplemental Budget passed by the Legislature and signed into law on April 22, 2024, expressly authorizes the administration to use all funds in the State's Salary Plan to negotiate with us over the implementation of a new compensation and classification system for Executive Branch workers—and those negotiations are ongoing. The administration's proposal to transfer nearly \$44 million from the State's personnel budget into the General Fund appears to be an attempt to end run Part PPP. We ask that you reject this change and ensure these resources are used to address these serious recruitment and retention issues.

We respectfully ask that you address the state employee pay gap so that the state can recruit and retain workers, including those at Maine DOL, whose work is so essential and beneficial to Maine's working families, our communities and our economy.

We would also like to point out that the Governor's proposed budget does not include any provisions to work toward restoring the devastating pension cuts of 2011. Restoring the cuts of 2011 would help many of our retiree members who are struggling to make ends meet on a fixed income, especially as inflation has risen post-pandemic. Cost of living adjustments (COLAs) for MainePERS retirees are capped at 3% and only apply to the first [\\$26,428.98](#) of pension income. While we appreciate and thank you for the work done during past legislative sessions to make progress on this issue, there is much more to be done. We know the cost of restoring these devastating cuts in their entirety is difficult, so we ask you to be creative and work with MSEA, MAR, MEA and MainePERS. There are a number of bills that will be coming before the Labor Committee this session related to this issue. It's past time to right the wrongs that were inflicted on these Mainers who dedicated their careers to serving our great state. They deserve to enjoy their retirement with stability, dignity and comfort after everything they have done for Maine.

We look forward to working with you, your fellow members of the 132nd Legislature and the administration to develop and pass a two-year State Budget that truly meets the needs of all Maine people. Thank you and I'd be glad to answer any questions.