

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

**In Support of LD 874, An Act to Provide Relief to Federal or State Employees Affected by a
Federal Government or State Government Shutdown**
Sponsored by Representative Kristi Mathieson

Before the Joint Standing Committee on Health Coverage, Insurance and Financial Services
1pm Tuesday, April 8, 2025, Cross Office Building Room 220 and Electronically

Senator Bailey, Representative Mathieson, and members of the Committee on Health Coverage, Insurance and Financial Affairs, 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 across all three branches of state government.

We're here today in support of LD 874, which would allow state government employees to access no-interest loans in the event of a partial or full state government shutdown lasting longer than seven consecutive days. Under the bill, affected employees would be eligible for up to three loans during a shutdown, each equal to their monthly after-tax pay, minus unemployment benefits, up to a maximum of \$6,000.

A state budgetary shutdown occurs when one budget expires and no new budget has been enacted to replace it; without a budget, the government has no authority to operate, with the exception of the Governor's emergency authority to operate essential functions. Employees who are deemed non-essential are prohibited from working. This occurred in 1991, when the state was shut down for 16 days over a 19-day period, and again in 2017, when the state shut down from July 1 through 1:15am on the Fourth of July, locking workers out of their jobs.

Fortunately, state government shutdowns are uncommon. However, when they do occur, it is due to conditions completely outside of state workers' control. Yet state workers are the ones who have to struggle and bear the burden of any shutdowns that do occur. If a state shutdown occurs, workers still need to pay their bills, feed themselves and their families, and find a way to stay afloat until a budget is passed and the shutdown ends. Even if a worker is deemed essential and is required to report to work during a shutdown, they are not being paid during that time.

Passing and funding LD 874 would ease some suffering that state and federal employees incur during shutdowns. It would protect their ability to provide for themselves and their families and

prevent people from falling into financial hardship due to situations outside of their control. Maine state employees dedicate their lives to serving our great state and its citizens; making sure they have a safety net during government shutdown is the right thing to do.

Thank you and I would be happy to answer any questions.