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SERVING THE PUBLIC AND DELIVERING ESSENTIAL SERVICES TO STATE GOVERNMENT

April 29, 2025

Senator Tim Nangle, Chair Representative Lydia Crafts, Chair Members, Joint Standing Committee on Transportation 100 State House Station Augusta, ME 04333-0100

Re: LD 1268 – An Act to Address Employee Recruitment and Retention Issues Within the Maine State Ferry Service by Providing a Yearly Stipend

Senator Nangle, Representative Crafts, and esteemed members of the Joint Standing Committee on Transportation:

I am Margaret Eddy, legislative and policy analyst for the State of Maine Bureau of Human Resources (BHR), and I am writing to testify in opposition to LD 1268, *An Act to Address Employee Recruitment and Retention Issues Within the Maine State Ferry Service by Providing a Yerly Stipend*. The Bureau appreciates and acknowledges the important work that is done by the Ferry Service; our concern rests with the already union negotiated and statutorily created procedure in place by which the ferry service employees may receive an appropriate recruitment and retention stipend, tailored to their specific needs, which this bill seems to circumvent.

This bill proposes that all employees of the Maine State Ferry receive a stipend that is equal to \$5.00 an hour multiplied by the number of hours worked in 2025 and prohibits the ferry service from raising rates to do so. By the Bureau's estimation, there are 107 full-time workers currently employed by the Ferry Service. This stipend would amount to \$10,400 dollars per employee and have a total immediate cost of 1.1 million dollars for the Department of

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Transportation. The Bureau would defer to calculations by DOT on the exact estimates and their ability to fund any such proposed changes.

As stated, the Bureau's chief concern with the bill, however, is that there is already a statutorily required analysis to make sure there is a true recruitment and retention problem in a specific classification. This process is provided in 5 M.R.S. § 7065(2-D) and dictates that the appointing authority first works with BHR to improve recruitment and retention efforts. The Bureau provides ongoing support to all executive branch agencies, including recruitment, workforce engagement, and classification review. The Bureau generally requires appointing authorities to engage with the various services offered by the Bureau before considering whether a stipend is appropriate to address a recruitment and retention issue. This bill appears to require the Ferry Service to legislatively appropriate funds outside of this process, which would set a detrimental precedent for other agencies and departments facing similar retention obstacles and would result in inconsistency across state government.

Importantly, the Bureau would like to clarify that the Ferry Service *has* already gone through this process, and many of their classifications have a recruitment and retention stipend already in place. These stipends have been in place since late 2022. That decision provided stipends for the classifications of Ferry Able Bodied Seaman (30%), the Ferry Ordinary Seman (15%), the Ferry Engineer (21.5%), and others. Since establishing these stipends, the Department has not indicated any concerns with their recruitment and retention efforts.

The Bureau is committed to supporting our partner agencies as they continue to provide crucial services to the people of Maine. The Bureau always stands ready to assist our partners in their recruitment and retention efforts.

Thank you very much for your time and attention, and I would be happy to make myself available for any work session or further information.

Margaret Eddy, Esq.