

Our team is struggling to onboard quality candidates. The qualifications required for these positions do not realistically correlate with the pay range that is offered. This shortfall in compensation is a weakness the state must recognize to achieve sustainability in its workforce.

We offered a Staff Accountant position to someone with 15+ years' experience in advanced accounting. They had glowing professional references, a wonderful (well documented) work ethic and strong leadership skills. They would truly be an asset to our team and the State. However, they currently make \$7.06 more an hour in the private sector than they would here at Step 1.

Our team did its best to advocate for this prospective candidate, requesting a higher pay step in the hopes of closing the deficit by \$2-\$3 dollars (which in retrospect would have put them higher than myself as their supervisor).

HR approved a rate of pay that is \$5.27 less than they currently make, \$1.87 more than the minimum pay rate offered, and \$.97 less than me. Unfortunately, they will not be accepting the position and rightfully so.

Like most of us, I feel the full effect of the economic downturn. The cost of living has skyrocketed. At the beginning of COVID (I wasn't working for the State at that time) I had to rely heavily on credit to get by as hours were cut at my job and I am a single mother. A year after working for the state, I am still not bringing home enough to realistically survive and have had to sell paintings to get by. For prospective-- I'll share some of my financials with you.

I take home \$1,215 every other week \$2,430 monthly:

Rent/Mortgage: \$800

Heat: \$400

Electricity: \$180

Insurance: \$80

Phone: \$45

Car: \$250

Credit Card: \$140

Medical: \$375 (medications/co-pays/collections)

Total: \$2,270

$\$2,270 - \$2,430 = \$160$ left over (\$80 each week)

I didn't include gas, groceries, child care expenses or the small amount I would like to tuck into savings.

As a Senior Staff Accountant, with a college degree, 10+ years' experience in Accounting, I should not be struggling this badly. I chose to work for the state because of the endless opportunities it has to offer, the uncontested health insurance and the impeccable work/life balance. It's disheartening that we are not being compensated fairly or reasonably.

One of the accounting techs (testimony attached) on our team took a pay cut from his job at a well known restaurant chain in order to join us in November of 2022. He lost \$1.30/hr. He is a college graduate with a bachelor's degree that he completed in May of 2021. Like most people his reasoning for obtaining a higher education was to improve his economic situation, but with the current wage gap between the public and private sector he has not accomplished that goal. As he pointed out in my discussion with him, it is absurd that a position which has specific minimum requirements for education and work experience

pays less than entry level positions with none of those requirements. He also observed that the pay disparity makes it exceedingly difficult to hire and retain staff and these gaps in our team leave the rest of us picking up duties that don't necessarily fall under the normal scope of our positions. If we continue to lose employees without being able to replace them, I fear we will reach a point where there is more slack than we are capable of taking in.

Please support LD 1854, Thank you.

In November of 2022, I was hired as an Accounting Technician for the State of Maine in DAFS. I left my previous position as Assistant Manager at GreyHawk/Mainsusa LLC (a franchisee of the Subway corporation) in Winthrop, ME, after six years of employment and climbing the career ladder at Subway.

Since completing my undergraduate degree in May of 2021, I struggled to find the next step in my career path while also being mindful of my personal finances and career goals. Though I received my degree, I also began to receive bills for my private student loans. My income from Subway as an Assistant Manager was more than the market average due to performance-based pay raises in combination with a company culture that was adamant on paying their employees more than the market average/minimum wage. Due to this, and financial strategies that include me living at home with family to reduce living expenses, I was able to complete my monthly student loan payments in full and remain in good-standing with my loan provider. Unfortunately, a wage of \$17.50/hr as a restaurant employee and paying \$1235.00 per month in student loan payments did not leave much income for other expenses such as rent, groceries, and other utilities. With the variability in hours worked each week and extremely limited benefits, my income was not stable. Even with one of the company's higher-paid positions, I was still struggling financially. Though I loved the company I worked for, I was forced to look for work that had greater opportunities that suited my career goals.

After learning about a position being open from a state employee, I applied, interviewed, and was offered the position. The hiring process was much longer than I had expected (over a month), but I was not actively applying to any other positions at that time so I did not have any additional employment offers to consider. Upon accepting the position being hired, I was informed of the benefits that are given to State Employees; all of which are highly competitive and have improved my performance greatly. I was very satisfied with my transition to this career and feel honored to do work on behalf of Maine's communities each day. I've also noticed a number of financial benefits in just changing my location where I work. As a remote worker, I have been able to reduce the cost of transportation to work, as well as reduce the cost in maintenance on my vehicle. This was an added value to changing my employment, while also reducing my overall cost of living. I was also guaranteed to work 40 hours each workweek, meaning I had a stable income that would not variate. These were all reasons that I justified taking a pay-cut with my transition from Subway to the State of Maine from \$17.50/hr to \$16.20/hr, respectively.

Though I have transitioned to a position/career that offers incredible benefits and a comfortable work/life balance that also allows me the privilege to take pride in my work, my financial position has not changed whatsoever. I am still living paycheck to paycheck, contributing nothing to very little to a rainy-day savings. While I take full financial responsibility for my education choices and the hefty price tag that was attached to it, an employee that works on behalf of the state they reside in, and conducts the work of a position that requires a minimum work experience or degree, should not be compensated less than entry-level positions that require no education or previous experience in terms of base hourly wage. Differentiating and setting wages above the market average, in combination with providing other benefits, is how GreyHawk/Mainsusa LLC (Subway) was able to navigate a challenging labor market and stay competitive against its main competitors in attracting and retaining employees.

In my five months of employment at the state, I have learned that we are paid on average 15% less than the private sector would for the same positions/work that is required. Shortly after my start date, a long-time employee on our team retired after working on behalf of the State for many years. With this, our team has dispersed the workload amongst everyone to reduce the impact of having one less person employed on our team. As a new-hire, the impact of this did not seem out of the ordinary as I had no

previous experience to compare it to. However, I have learned that a number of people on our team are doing tasks that their position would not normally require. Due to lack of staff, we are essentially forced to take on additional tasks to make sure our job is completed and the team maintains the same level of productivity and efficiency as it did prior to their retirement. Five months after their departure, we have still not filled this position. Through extensive requirements on behalf of Human Resources and a lack of qualified candidates applying for the position, this has made it increasingly difficult to find a suitable applicant to offer employment to. On one occasion, we were able to select a candidate and offer employment, however, due to an extensive hiring justification process causing a longer hiring process, we lost the ability to hire this candidate as they had accepted a position elsewhere before we were ready to offer the position to them. This made me think back to when I was going through the hiring justification process; had I received another offer more quickly, with a potentially higher pay, would I have accepted that position over the one I have now? If my financial situation was more dire and I needed employment sooner than later, I likely would not be where I am today. With myself being familiar with the workload required on behalf of my team, this feeling is shared across nearly every department in the State, with Human Resources being no exception. Though employees are working tirelessly to meet increasing work load requirements, current staff productivity can only be maximized to a certain potential without increasing the number of staff currently working. With base hourly pay/salary becoming an increasingly competitive factor for a potential applicant's motivation to apply for an open position, and rising cost of living, below market average wages negatively affect the State of Maine's ability to not only attract potential applicants, but also to retain current employees over competitive offers they may receive elsewhere.

In combination with below market average wages and the current workload strain that each department is facing, this has left the State of Maine at a disadvantage when attracting qualified candidates and competing with other places of employment in the current labor shortage. By closing the severe pay gap that State Employees currently face, and increasing the current wages for Maine's largest employer, this will not only improve the wealth of state employees and increase the State of Maine's competitiveness of attracting qualified candidates for its positions, it will also improve the retention of its current employees and improve the quality of service that its employees can provide. As the State continues to provide more service on behalf of its residents, it also needs to compensate its employees for the level of work provided on behalf of its employees. While I am extremely happy with my position and am passionate about the work I do on behalf of a state that I am proud of, and have not searched elsewhere for employment since being hired, I must be mindful of my finances if an opportunity were to arise in the future that would provide more discretionary income for myself. With high levels of student debt being prevalent across today's graduating classes, this is an important factor in deciding whether or not a place of employment is the right fit for someone. How can the State of Maine prepare for an exodus of employees leaving for retirement and attract younger employees to plant their roots in public service and start their careers here when it can't offer competitive wages and struggles to attract qualified candidates for anticipated vacancies?

Closing the pay gap for State of Maine employees will not only increase its competitiveness in attracting qualified candidates, but it will also provide intrinsic rewards for current employees through paying them a wage that is suitable for the quality of work required and improve the quality of that work through increasing potential productivity with a lower amount of vacancies in each department. I love my current job and am honored to provide work on behalf of my community and the state I live in, but I would also like to one day be able to afford to buy a home of my own and establish wealth of my own in the state I work for. Currently, this does not seem feasible with the income I am receiving. I fear that one day I will be forced to leave my current position in search of a higher wage to achieve my financial

goals. If I had a higher base hourly wage, one that is at least at market average, this concern would not weigh so heavily on my mind and I could continue my employment without temptation to leave for potential competitive job offers. Most importantly, appreciation for state employees starts with the wage at which you compensate them for. A wage that is 15% below market average does not extend any sort of appreciation, and lack of negotiation to improve these wages is being met with despondence among staff. It is in the State of Maine's best interest to provide better wages and close the pay gap for its employees in order to maintain and exceed the quality of services that we provide for Maine, while also preparing for impending future labor market struggles so that this business can continue to meet its goals and objectives.