Testimony of Jeff McCabe Maine Service Employees Association, SEIU Local 1989

In Regards to the Governor's Proposed Budget Change Package, LD 258 Before the Joint Standing Committee on Appropriations & Financial Affairs, Tuesday, May 16, 2023, State House Room 228

Remarks of Day 1 of the Change Package.

Senator Rotundo, Representative Sachs, and members of the Committee on Appropriations and Financial Affairs, I am Jeff McCabe of the Maine Service Employees Association, Local 1989 of the Service Employees International Union. Our union represents over 13,000 workers, including workers in all three branches of Maine State Government, the Maine Community College System, Maine Maritime Academy, Child Development Services, the Maine Educational Center for the Deaf and Hard of Hearing/Governor Baxter School for the Deaf, as well as public workers for the City of Lewiston, Lewiston Schools, City of Auburn, and York County Government.

Members of our union are encouraged by many initiatives impacting them in the Governor's proposed budget change package, including additional funding for Maine's Judicial System, funding for Maine State Retirees, funding for the Department of Transportation's infrastructure work, and funding to address the housing crisis.

We support all reorganizations and reclassification work in the change package and budget, some of which is outside MSEA bargaining units.

During yesterday's presentation we heard directly from Commissioner Figueroa about ongoing work at the Maine State Library and the importance of that building to the visitors and workers who, typically, would number in the thousands in that building monthly maybe even weekly. We support the ongoing work and applaud the Commissioner and her staff for the building work they have committed to with a focus on health, safety, and efficiency around the state.

Education

The education portion includes many important items. One piece of key language in the change package is associated with ongoing access to Maine Community College for Maine Students, and our members strongly support that initiative. We want to flag and ask the committee to look to the recent work of the education committee and include additional funding for Maine Maritime Academy. (Reference Number #2762) In the Democrats Report Back, an additional \$2 million in each year of the budget was recommended, and in the Republicans Report Back, an additional \$6

million in each year of the budget was recommended (<u>https://legislature.maine.gov/doc/9854</u> Reference Number #2762)

DAFS

Since today includes the DAFS portion of the budget and was stated in the commissioner's presentation on change package yesterday, we are lifting LD 1854, which was referenced but not included in the budget. We have attached the bill language and would like to point out the bipartisan sponsorship. A vibrant public hearing on Friday May 12th drew news coverage: <u>Maine state employees speak out about hiring, pay as legislators consider review of compensation system - CentralMaine.com</u> We will provide a packet of testimony to the committee for you see the workers concerns and lived experiences.

ACF

We strongly support efforts to continue to reorganize and fund long over due reclassifications across our Natural Resource Agencies. We also support the efforts for key equipment replacement. We do however want to make sure that this committee and the legislature is making sure that the ARPA funds are being spent in a timely manner and are encouraged by the work of the ACF committee to monitor these key investments.

We also want to lift up and sound the alarm that we are concerned that staffing levels at Maine State Parks are getting to the point of not just effecting the visitor experience, but could create health and safety concerns for visitors and staff. Please see attached testimony from 5/12/23. Submitted by two dozen Park Managers on LD 1854. It should give all of us pause.

In closing my remarks today, I remind you that we do not have a budget surplus, but rather money that comes from underpaying state employes and by having chronic understaffing in key areas of state government. <u>Maine's budget 'surplus' comes from</u> underpaying state workers (bangordailynews.com)

As Kevin Russell, a West Gardiner resident who works for the state Department of Health and Human Services said Friday:

"We have state workers who have been here for 30 years, and they have to apply for benefits," Russell said. "That should not be a thing. State workers should not have to suffer from food and income insecurities." Maine state employees speak out about hiring, pay as legislators consider review of compensation system - CentralMaine.com

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

To Whom it May Concern,

We, the park managers listed below, are writing to express that the passage of LD 1854 is an absolute necessity if Maine's state parks are going to continue to offer the level of service for which our parks are famous. Over and over, we are told by park visitors, legislators, members of local communities, school groups, nature conservancy groups, and so many others that these parks provide invaluable services. The influence of the parks extends even beyond their immediate borders, as they bring business to surrounding towns and boost the economy, all while helping preserve the natural spaces that have so often defined Maine. For these reasons and more, we consider it our privilege to be able to preserve these lands and aid visitors in their engagement with Maine's parks. Now, by passing LD 1854, we ask you to provide us with the means to not only effectively operate Maine's parks, but to operate them with a level of excellence that assures the health and safety of both visitors and park staff.

The infrastructure of park staffing, as it exists now, is completely unsustainable. Managers are being asked to devise ways to serve greater numbers of visitors with fewer staff and reduced resources. Already this season, visitor numbers have increased 5% compared to a year ago. Meanwhile, pay rates stagnate. Currently, pay begins at \$15/hour—for Rangers, Assistant Rangers, Laborers, and Customer Representative Assistants alike. As a result of this salary compression, a starting employee now makes nearly as much as an employee with several years of experience. Even then, the salary offered, both for the new employee and the experienced staff member, is often less than the salary offered local fast-food restaurants. When combined with the housing crisis that is already plaguing Maine, the result of this low pay and skewed pay scale is an inability to recruit and retain staff. Staff are, quite understandably, leaving the parks in droves; yet, the members of staff that remain are being asked to not only continue providing the level of service expected when the parks were fully staffed, but are actually being asked to shoulder increased responsibility.

The effect of a decrease in staffing, when coupled with an increase in responsibility, has created an atmosphere of risk within the parks. With staff stretched thin, facilities cannot be maintained to the same level of safety as is possible when parks are fully staffed. It is a matter of time until the facilities deteriorate. Without the workforce necessary to see to their upkeep, visitors will soon begin to encounter parks that are dirtier, less safe, and far below the standard that we, the park staff, want to maintain. Without the resources to rectify this, we fear an increase in accidents and injuries and a general lowered public perception of those spaces that have traditionally been clean, well-kept, and responsible for offering a safe and enjoyable recreational experience to the public.

As existing staff fight to maintain the parks they love in the face of fewer resources, burnout has increased exponentially, and many of us feel we have reached a breaking point. During peak season, work weeks can range from sixty hours a week to, in at least one extreme case, a hundred hour work week. Managers have found themselves taking trips to the hospital for stress-induced heart palpitations or needing anti-depressants and medication for blood pressure. Some express an inability to sleep through the night. Some experience a sense of helplessness at watching their field staff cry on a regular basis. For all, there is a persistent, increasing sense of hopelessness that derives from the realization that, no matter how well we do our jobs or how hard we work, the state parks simply cannot continue to function if pay and staffing remain as they currently are. None of us wants to leave our jobs—we love our parks and the people that visit them—but many of us fear that, for the sake of our health and the health of our families, we can no longer continue if conditions remain unchanged.

Let no longer continue it containes termain unchanged. In sum: if Maine's state parks are to continue retaining healthy staff and providing the positive public experience to which the people of Maine and beyond have become accustomed, the state parks and those who staff them must have better support. We do not say this in reference to our immediate supervisors, who we recognize are also overburdened. Rather, we ask this of you, the legislature: through your support of LD 1854, you can offer us the resources we need to ensure healthy employees; fully-staffed parks; and, ultimately, the protection of those natural spaces that are some of the greatest resources that Maine has to offer.

Sincerely,

Justyles Selelice Scott C. Berns

lam Mar Scott Thomps

a an A But

and Sunshine that

mill Depot Casey Smedling

Bormman ikenous nnifer o

Chub V Alum Ggin

Sandie Aataka

prest in



131st MAINE LEGISLATURE

FIRST SPECIAL SESSION-2023

Legislative Document

No. 1854

H.P. 1184

House of Representatives, May 2, 2023

An Act to Complete and Implement the Comprehensive Review of the Classification and Compensation System for Executive Branch Employees

Reference to the Committee on State and Local Government suggested and ordered printed.

K(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative GATTINE of Westbrook.

Cosponsored by Senator BALDACCI of Penobscot and Representatives: ABDI of Lewiston, ANKELES of Brunswick, ARFORD of Brunswick, BELL of Yarmouth, BOYLE of Gorham, BRENNAN of Portland, CLOUTIER of Lewiston, CLUCHEY of Bowdoinham, COLLINGS of Portland, COPELAND of Saco, CRAFTS of Newcastle, CRAVEN of Lewiston, CRAY of Palmyra, CROCKETT of Portland, DANA of the Passamaquoddy Tribe, DHALAC of South Portland, DILL of Old Town, DODGE of Belfast, DOUDERA of Camden, EATON of Deer Isle, FAULKINGHAM of Winter Harbor, FAY of Raymond, GEIGER of Rockland, GERE of Kennebunkport, GOLEK of Harpswell, GRAHAM of North Yarmouth, GRAMLICH of Old Orchard Beach, HASENFUS of Readfield, HEPLER of Woolwich, HOBBS of Wells, JACKSON of Oxford, JAUCH of Topsham, KESSLER of South Portland, KUHN of Falmouth, LANDRY of Farmington, LaROCHELLE of Augusta, LEE of Auburn, LOOKNER of Portland, MADIGAN of Waterville, MALON of Biddeford, MASTRACCIO of Sanford, MATHIESON of Kittery, MATLACK of St. George, MEYER of Eliot, MILLETT of Cape Elizabeth, MILLIKEN of Blue Hill, MONTELL of Gardiner, MOONEN of Portland, MORIARTY of Cumberland, MURPHY of Scarborough, O'CONNELL of Brewer, O'NEIL of Saco, OSHER of Orono, PAULHUS of Bath, PERRY of Calais, PERRY of Bangor, PLUECKER of Warren, POIRIER of Skowhegan, PRINGLE of Windham, RANA of Bangor, RECKITT of South Portland, RIELLY of Westbrook, RISEMAN of Harrison, ROBERTS of South Berwick, ROEDER of Bangor, RUNTE of York, RUSSELL of Verona Island, SACHS of Freeport, SALISBURY of Westbrook, SARGENT of York, SAYRE of Kennebunk, SHAGOURY of Hallowell, SHEEHAN of Biddeford, SKOLD of Portland, SMITH of Palermo, STOVER of Boothbay, SUPICA of Bangor, Speaker TALBOT ROSS of Portland, TERRY of Gorham, WARREN of Scarborough, WHITE of Waterville, WILLIAMS of Bar Harbor, ZAGER of Portland, ZEIGLER of Montville, Senators: BAILEY of York, BEEBE-CENTER of Knox, BLACK of Franklin, BRENNER of Cumberland, CARNEY of Cumberland, CHIPMAN of Cumberland, CURRY of Waldo, DAUGHTRY of Cumberland, GROHOSKI of Hancock, HICKMAN of Kennebec, INGWERSEN of York, President JACKSON of Aroostook, LaFOUNTAIN of Kennebec, LAWRENCE of York, MOORE of Washington, NANGLE of Cumberland, PIERCE of Cumberland, RAFFERTY of York, RENY of Lincoln, ROTUNDO of Androscoggin, TIPPING of Penobscot, VITELLI of Sagadahoc.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 5 MRSA \$1536, sub- \$1, A , as amended by PL 2015, c. 267, Pt. L, \$8, is further amended to read:
4	A. Eighty percent to the stabilization fund; and
5 6	Sec. 2. 5 MRSA §1536, sub-§1, ¶G, as enacted by PL 2021, c. 398, Pt. ZZZ, §3, is amended to read:
7 8	G. Twenty <u>Nineteen</u> percent to the Highway and Bridge Capital program, Other Special Revenue Funds account-; and
9	Sec. 3. 5 MRSA §1536, sub-§1, ¶H is enacted to read:
10 11	H. One percent to the State Employee Compensation Stabilization Fund under section 7061, subsection 8.
12	Sec. 4. 5 MRSA §7061, sub-§4, as enacted by PL 1987, c. 541, is amended to read:
13 14 15	4. Implementation. The procedure established pursuant to this section shall <u>must</u> be implemented by the bureau in conjunction with state agencies. State agencies shall provide sufficient employees and resources to efficiently and effectively implement this section.
16 17 18	A. The procedure shall provide for periodic updating of job descriptions and the <u>compensation plan under section 7065</u> at least every 5 years to accurately reflect current duties and responsibilities of each job classification.
19 20 21 22	B. Beginning in 2024, the procedure must provide a market pay study every 2 years that compares the salaries of state employees with employees performing comparable work for a sampling of private and public employees in the State, other New England states and other states as appropriate.
23 24 25	C. Beginning in 2024, the procedure must provide for a comprehensive review of the classification plan every 10 years to make modifications and improvements as determined necessary.
26	Sec. 5. 5 MRSA §7061, sub-§8 is enacted to read:
27 28 29	8. State Employee Compensation Stabilization Fund. The State Employee Compensation Stabilization Fund, referred to in this subsection as "the fund," is established and administered by the Department of Administrative and Financial Services. Amounts in
30 31	the fund must be expended to augment the salaries of state employees to provide parity between the salaries of state employees and the salaries of comparable positions in the public and private sectors as determined by a market pay study under subsection 4,
32 33	paragraph B or other market pay study conducted, contracted or reviewed by the
34	Department of Administrative and Financial Services and as agreed upon through
35	negotiations with the labor organization that represents state employees. The fund is funded
36	by revenue received pursuant to section 1536, subsection 1, paragraph H. Amounts in the
37	fund may be invested as provided by law, and interest earned by the fund is credited to the
38	fund. The balance of the fund may not lapse but must be carried forward to the next fiscal
39	year. For purposes of this subsection, "state employee" has the same meaning as in Title
40	26, section 979-A, subsection 6.

Sec. 6. Commissioner of Administrative and Financial Services to complete review. The Commissioner of Administrative and Financial Services shall complete a comprehensive review of the classification and compensation system for employees of the executive branch of the State performed pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019, including a recalculation of the market salary report using current salary data.

Sec. 7. Report to Legislature. By January 31, 2024, the Commissioner of Administrative and Financial Services shall submit a report based upon recommendations made by a consultant commissioned by the commissioner to perform a comprehensive review of the classification and compensation system for employees of the executive branch of the State performed pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019.

Sec. 8. Implementation; automatic increase. By July 1, 2024, the Commissioner of Administrative and Financial Services shall implement the recommendations to fund the closing of the pay gap between employees of the State and public and private employees performing comparable work in the State, other New England states and other states as appropriate. If the recommendations under section 7 are not implemented by July 1, 2024, the salary of every employee of the executive branch must increase by 5%. The commissioner shall pay for salary increases under this section from the State Employee Compensation Stabilization Fund established in the Maine Revised Statutes, Title 5, section 7061, subsection 8.

22 Sec. 9. Appropriations and allocations. The following appropriations and 23 allocations are made.

24 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

25 Administration - Human Resources 0038

Initiative: Provides one-time funding to the Department of Administrative and Financial Services to commission a comprehensive study of the classification and compensation system for employees of the executive branch of State Government pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019.

31	GENERAL FUND	2023-24	2024-25
32	All Other	\$1,000,000	\$0
33 34	GENERAL FUND TOTAL	\$1,000,000	\$0

35 SUMMARY

36 This bill requires:

1

2

3

4

5

6

7 8

9

10

11

12

13 14

15

16

17

18

19

20

21

37

1. A periodic updating of the compensation plan for classified state employees;

2. A market pay study every 2 years comparing the salaries of classified state
 employees with salaries of employees performing comparable work;

40 3. A comprehensive review of the classification plan every 10 years to make 41 modifications and improvements as determined necessary;

- 4. The establishment of the State Employee Compensation Stabilization Fund to pay
 for the increase of state employee salaries as determined by market pay studies conducted,
 contracted or reviewed by the Department of Administrative and Financial Services and as
 agreed upon through negotiations with the labor organization representing state employees.
 Funding for the State Employee Compensation Stabilization Fund comes from 1% of the
 unappropriated General Fund surplus at the close of each fiscal year;
- 5. The Commissioner of Administrative and Financial Services to complete a comprehensive review of the classification and compensation system for employees of the executive branch of the State performed pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019, including a recalculation of the market salary report using current salary data;
- 6. The Commissioner of Administrative and Financial Services to submit a report based
 upon recommendations made by a consultant commissioned by the commissioner to
 perform a comprehensive review of the classification and compensation system for
 employees of the executive branch of the State;
- 7. The implementation, by July 1, 2024, of the recommendations to close the pay gap.
 If the Commissioner of Administrative and Financial Services fails to implement the
 recommendations by July 1, 2024, the salaries of all state employees is increased by 5%;
 and
- 8. One-time funding to the Department of Administrative and Financial Services to
 commission the comprehensive review.



131st MAINE LEGISLATURE

FIRST SPECIAL SESSION-2023

Legislative Document

No. 1854

H.P. 1184

House of Representatives, May 2, 2023

An Act to Complete and Implement the Comprehensive Review of the Classification and Compensation System for Executive Branch Employees

Reference to the Committee on State and Local Government suggested and ordered printed.

R(+ B. Hunt ROBERT B. HUNT

ERT B. HUNT Clerk

Presented by Representative GATTINE of Westbrook.

Cosponsored by Senator BALDACCI of Penobscot and

Representatives: ABDI of Lewiston, ANKELES of Brunswick, ARFORD of Brunswick, BELL of Yarmouth. BOYLE of Gorham, BRENNAN of Portland, CLOUTIER of Lewiston, CLUCHEY of Bowdoinham, COLLINGS of Portland, COPELAND of Saco, CRAFTS of Newcastle, CRAVEN of Lewiston, CRAY of Palmyra, CROCKETT of Portland, DANA of the Passamaquoddy Tribe, DHALAC of South Portland, DILL of Old Town, DODGE of Belfast, DOUDERA of Camden, EATON of Deer Isle, FAULKINGHAM of Winter Harbor, FAY of Raymond, GEIGER of Rockland, GERE of Kennebunkport, GOLEK of Harpswell, GRAHAM of North Yarmouth, GRAMLICH of Old Orchard Beach, HASENFUS of Readfield, HEPLER of Woolwich, HOBBS of Wells, JACKSON of Oxford, JAUCH of Topsham, KESSLER of South Portland, KUHN of Falmouth, LANDRY of Farmington, LaROCHELLE of Augusta, LEE of Auburn, LOOKNER of Portland, MADIGAN of Waterville, MALON of Biddeford, MASTRACCIO of Sanford, MATHIESON of Kittery, MATLACK of St. George, MEYER of Eliot, MILLETT of Cape Elizabeth, MILLIKEN of Blue Hill, MONTELL of Gardiner, MOONEN of Portland, MORIARTY of Cumberland, MURPHY of Scarborough, O'CONNELL of Brewer, O'NEIL of Saco, OSHER of Orono, PAULHUS of Bath, PERRY of Calais, PERRY of Bangor, PLUECKER of Warren, POIRIER of Skowhegan, PRINGLE of Windham, RANA of Bangor, RECKITT of South Portland, RIELLY of Westbrook, RISEMAN of Harrison, ROBERTS of South Berwick, ROEDER of Bangor, RUNTE of York, RUSSELL of Verona Island, SACHS of Freeport, SALISBURY of Westbrook, SARGENT of York, SAYRE of Kennebunk, SHAGOURY of Hallowell, SHEEHAN of Biddeford, SKOLD of Portland, SMITH of Palermo, STOVER of Boothbay, SUPICA of Bangor, Speaker TALBOT ROSS of Portland, TERRY of Gorham, WARREN of Scarborough, WHITE of Waterville, WILLIAMS of Bar Harbor, ZAGER of Portland, ZEIGLER of Montville, Senators: BAILEY of York, BEEBE-CENTER of Knox, BLACK of Franklin, BRENNER of Cumberland, CARNEY of Cumberland, CHIPMAN of Cumberland, CURRY of Waldo, DAUGHTRY of Cumberland, GROHOSKI of Hancock, HICKMAN of Kennebec, INGWERSEN of York, President JACKSON of Aroostook, LaFOUNTAIN of Kennebec, LAWRENCE of York, MOORE of Washington, NANGLE of Cumberland. PIERCE of Cumberland, RAFFERTY of York, RENY of Lincoln, ROTUNDO of Androscoggin, TIPPING of Penobscot, VITELLI of Sagadahoc.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 5 MRSA \$1536, sub- \$1, A , as amended by PL 2015, c. 267, Pt. L, \$8, is further amended to read:
4	A. Eighty percent to the stabilization fund; and
5 6	Sec. 2. 5 MRSA §1536, sub-§1, ¶G, as enacted by PL 2021, c. 398, Pt. ZZZ, §3, is amended to read:
7 8	G. Twenty <u>Nineteen</u> percent to the Highway and Bridge Capital program, Other Special Revenue Funds account-; and
9	Sec. 3. 5 MRSA §1536, sub-§1, ¶H is enacted to read:
10 11	H. One percent to the State Employee Compensation Stabilization Fund under section 7061, subsection 8.
12	Sec. 4. 5 MRSA §7061, sub-§4, as enacted by PL 1987, c. 541, is amended to read:
13 14 15	4. Implementation. The procedure established pursuant to this section shall <u>must</u> be implemented by the bureau in conjunction with state agencies. State agencies shall provide sufficient employees and resources to efficiently and effectively implement this section.
16 17 18	A. The procedure shall provide for periodic updating of job descriptions and the <u>compensation plan under section 7065</u> at least every 5 years to accurately reflect current duties and responsibilities of each job classification.
19 20 21 22	B. Beginning in 2024, the procedure must provide a market pay study every 2 years that compares the salaries of state employees with employees performing comparable work for a sampling of private and public employees in the State, other New England states and other states as appropriate.
23 24 25	C. Beginning in 2024, the procedure must provide for a comprehensive review of the classification plan every 10 years to make modifications and improvements as determined necessary.
26	Sec. 5. 5 MRSA §7061, sub-§8 is enacted to read:
27 28 29 30	8. State Employee Compensation Stabilization Fund. The State Employee Compensation Stabilization Fund, referred to in this subsection as "the fund," is established and administered by the Department of Administrative and Financial Services. Amounts in the fund must be expended to augment the salaries of state employees to provide parity
31 32	between the salaries of state employees and the salaries of comparable positions in the public and private sectors as determined by a market pay study under subsection 4,
32 33	paragraph B or other market pay study conducted, contracted or reviewed by the
34	Department of Administrative and Financial Services and as agreed upon through
35	negotiations with the labor organization that represents state employees. The fund is funded
36	by revenue received pursuant to section 1536, subsection 1, paragraph H. Amounts in the
37	fund may be invested as provided by law, and interest earned by the fund is credited to the
38	fund. The balance of the fund may not lapse but must be carried forward to the next fiscal
39 40	year. For purposes of this subsection, "state employee" has the same meaning as in Title
40	26, section 979-A, subsection 6.

.

1 Sec. 6. Commissioner of Administrative and Financial Services to complete 2 review. The Commissioner of Administrative and Financial Services shall complete a 3 comprehensive review of the classification and compensation system for employees of the 4 executive branch of the State performed pursuant to a memorandum of agreement executed 5 with the Maine State Employees Association on June 25, 2019, including a recalculation 6 of the market salary report using current salary data.

Sec. 7. Report to Legislature. By January 31, 2024, the Commissioner of Administrative and Financial Services shall submit a report based upon recommendations made by a consultant commissioned by the commissioner to perform a comprehensive review of the classification and compensation system for employees of the executive branch of the State performed pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019.

13 Sec. 8. Implementation; automatic increase. By July 1, 2024, the Commissioner 14 of Administrative and Financial Services shall implement the recommendations to fund the closing of the pay gap between employees of the State and public and private employees 15 performing comparable work in the State, other New England states and other states as 16 appropriate. If the recommendations under section 7 are not implemented by July 1, 2024, 17 the salary of every employee of the executive branch must increase by 5%. The 18 19 commissioner shall pay for salary increases under this section from the State Employee Compensation Stabilization Fund established in the Maine Revised Statutes, Title 5, section 20 7061, subsection 8. 21

22 Sec. 9. Appropriations and allocations. The following appropriations and 23 allocations are made.

24 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

25 Administration - Human Resources 0038

Initiative: Provides one-time funding to the Department of Administrative and Financial Services to commission a comprehensive study of the classification and compensation system for employees of the executive branch of State Government pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019.

31	GENERAL FUND	2023-24	2024-25
32	All Other	\$1,000,000	\$0
33 34	GENERAL FUND TOTAL	\$1,000,000	\$0

35

37

7

8

9

10

11

12

SUMMARY

36 This bill requires:

1. A periodic updating of the compensation plan for classified state employees;

2. A market pay study every 2 years comparing the salaries of classified state
 employees with salaries of employees performing comparable work;

40 3. A comprehensive review of the classification plan every 10 years to make 41 modifications and improvements as determined necessary;

- 4. The establishment of the State Employee Compensation Stabilization Fund to pay
 for the increase of state employee salaries as determined by market pay studies conducted,
 contracted or reviewed by the Department of Administrative and Financial Services and as
 agreed upon through negotiations with the labor organization representing state employees.
 Funding for the State Employee Compensation Stabilization Fund comes from 1% of the
 unappropriated General Fund surplus at the close of each fiscal year;
- 5. The Commissioner of Administrative and Financial Services to complete a comprehensive review of the classification and compensation system for employees of the executive branch of the State performed pursuant to a memorandum of agreement executed with the Maine State Employees Association on June 25, 2019, including a recalculation of the market salary report using current salary data;
- 6. The Commissioner of Administrative and Financial Services to submit a report based
 upon recommendations made by a consultant commissioned by the commissioner to
 perform a comprehensive review of the classification and compensation system for
 employees of the executive branch of the State;
- 7. The implementation, by July 1, 2024, of the recommendations to close the pay gap.
 If the Commissioner of Administrative and Financial Services fails to implement the
 recommendations by July 1, 2024, the salaries of all state employees is increased by 5%;
 and
- 8. One-time funding to the Department of Administrative and Financial Services to
 commission the comprehensive review.