

**Testimony of Beth White
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**In Support of LD 2121, An Act to Address Chronic Understaffing of State Government Positions,
sponsored by Representative Drew Gattine**

**Before the Joint Standing Committee on State and Local Government,
1:30pm Thursday, February 8, 2024, Cross Office Building Room 214 and Electronically**

Senator Nangle, Representative Stover and members of the Committee on State and Local Government, 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 in all three branches of Maine State Government.

We're here in support of the emergency legislation known as LD 2121, An Act to Address Chronic Understaffing of State Government Positions, sponsored by Representative Drew Gattine. If ever there were a need for emergency legislation, this is it. Understaffing remains rampant throughout all departments of Maine State Government. This problem is a direct result of the ever-growing state employee pay gap – the difference between what State of Maine workers are paid compared to their public and private sector counterparts doing comparable work throughout Maine and New England. With one in six positions in the State of Maine Executive Branch currently vacant, it has become exceedingly difficult in our Great State of Maine to deliver quality services to all Maine people. To be sure, we're talking about the entire range of state services, including services that people have a right to under state and federal laws. Just yesterday, for example, a news report in the Portland Press Herald revealed that youths in state custody at Long Creek Youth Development Center are being held in frequent 23-hour lockdowns as a direct result of worsening staff shortages, seriously limiting their access to essential legal services.

Here's what LD 2121 would do to address understaffing in state government. First, LD 2121 would provide \$165 million in funding for a new compensation and classification system that closes the state employee pay gap for Executive Branch workers. As members of this committee may know, our four largest bargaining units are in the Executive Branch. The new compensation and classification system to be funded by LD 2121 would address the fact that two state-commissioned studies, one in 2020 and the other in 2009, show that state workers are underpaid by 15%, on average, compared to their public and private sector counterparts in Maine and New England. The 2020 report shows that workers in the Executive Branch have fallen significantly behind other public sector and private sector workers in compensation. The findings confirm what we've been telling the administration and lawmakers for years: The State continues to substantially underpay state workers for the work they do. Immediate action and progress are needed to address this longstanding injustice.

LD 2121 also would:

- Require the administration to report annually to the Maine Legislature on all Executive Branch job vacancies, so that the Legislature can adequately assess the ongoing staffing crisis;
- Improve laws relating to recruitment and retention adjustments, making it easier to establish recruitment and retention programs targeting agencies experiencing chronic understaffing;

- Require the Maine Department of Administrative and Financial Services and the Bureau of Human Resources to develop a plan to improve the state government hiring process.

Over the past year, scores of state workers have shared their realities of working in understaffed state offices, bureaus and departments. They have testified before this committee in support of LD 1854, which resulted in requirements included in the Supplemental budget, signed into law by Governor Mills last July, providing the funding necessary to complete the 2020 Executive Branch compensation and classification study by Jan. 31, 2024, and requiring the State to perform a compensation study every four years and conduct a comprehensive classification review every 10 years. This all followed the Mills administration's agreement that the Classification and Compensation study first agreed to on June 25, 2019 and extended on August 17, 2021, be fully completed well before 2024. Additionally, the new Executive Branch contracts ratified by our members in December of 2023 include a commitment from the Mills administration to complete and implement the 2020 compensation and classification study in 2024, with negotiations over implementation to start in January 2024.

Last week, MSEA received the long-awaited report from the Mills administration titled "Report and Recommendations of the Maine State Government Classification and Compensation Plans Study," dated Jan. 31, 2024. It appears that the administration defied the legislative mandate to recalculate the market salary report using current salary data, opting instead to cherry pick their data to create a soundbite narrative for a press release. The administration stopped their comparison with other state governments in 2022; they conveniently did not compare state worker wage growth to local government wage growth in Maine; and they failed to compare state workers to the private sector wage growth in Maine, which are the groups Maine state government is most directly competing with for workers. You should know that publicly available data shows that average wage growth in Maine has been 30% from 2019 through the first quarter of 2023, according to quarterly census reports on wages – meaning that the pay gap continues to grow. In fact, according to the administration's own data, the Jan. 31 report shows that Maine state government per-job wages grew 19% from 2019 to 2022, whereas the total growth in all sectors in Maine was 23.3%. The State's own cherry-picked data contradicts the reports purported findings. Sadly, this appears to be yet another attempt to kick the can down the road, and not deal with the serious recruitment and retention issues in state government that are eroding the services the people of Maine rely upon.

Year after year, state workers have been asking the administration to hear them on the need to address understaffing, recruitment and retention, and the pay gap. Last September, over 400 state workers told their stories in letters to Maine DAFS Commissioner Kirsten Figueroa, and everyone spoke from the heart. One child protective services caseworker wrote, "Caseworkers make great sacrifices every day to serve our community and unfortunately we are often overlooked and feel taken advantage of. If we can't afford to take care of our own families, how can we possibly be expected to serve others?"

Last November, over 1,100 state workers sent personal letters to Governor Mills. They also signed a joint letter to Governor Mills, noting, "Throughout all departments of Maine State Government, our worksites are understaffed and we are underpaid and overworked. All the while, the State has record budget surpluses that have come at the expense of substantially underpaying us for the quality services we consistently provide to all Maine people." The workers also reminded the Governor of the 2020 report's key findings. "On average, state workers are underpaid by 15 percent, and it's even worse for many classifications – accountants are underpaid 20 to 33%; chemists, 24%; civil engineers, 20 to 25%; mechanics, 31%; and correctional officers, 16%," they wrote to the Governor.

While Maine State employees remain underpaid, Executive Branch departments such as MaineDOT have had to increase their reliance on more expensive forms of labor from private contractors and consultants. In some instances, private consultants are earning up to \$85/hour; this figure is without considering overhead expenses. In April 2023, the American Council of Engineering Companies of Maine requested the Department of Transportation eliminate its consultant wage limit. It has been reported to us that some of these companies are based outside of the state. This takes work and earning potential away from Mainers. The increased reliance on private companies to do state work is unsustainable and inefficient, especially while our tax dollars can subsidize up to 10% profit margins that otherwise could be invested in Maine's overextended public workforce.

Because the pay gap continues to grow, today you will hear from state workers telling their stories in this room or via Zoom or submitted testimony. Once again, they are asking to be heard about the urgent need to address understaffing by closing the pay gap. Please listen to them – and then vote “ought to pass” on LD 2121. It's past time to fund and implement a new compensation and classification system for Executive Branch workers. It's past time to close the state employee pay gap. Thank you and I'd be happy to answer any questions.