

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

**Before the Joint Standing Committee on Appropriations and Financial Affairs,  
1pm Wednesday, February 12, 2025, State House Room 228 and Electronically**

**LD 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027, (Emergency) (Governor's Bill),  
Sponsored by Representative Drew Gattine**

Senator Rotundo, Representative Gattine and members of the Committee on Appropriations and Financial Affairs, and Senator Ingwersen, Representative Meyer and members of the Committee on Health and Human Services, 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 and workers at Independence Advocates of Maine (IAM).

First, we support the numerous reclassifications, reorganizations, and range changes in the proposed biennial budget, some of which fall outside of MSEA bargaining units. We're also encouraged to see initiatives to address understaffing within various departments through the creation of new positions and the continuation of limited period positions. Understaffing has been an ongoing concern across state government for many years, impacting both the workers providing critical services and the Mainers who rely on these services. While we appreciate the administration's efforts to address the challenges, there is still much more work to be done. The administration's proposed State Budget makes some important investments in long-standing issues that our members have been raising for years, but it also continues to fall short of what's needed to ensure quality services for all Maine people.

We are here today in strong opposition to Part UU of the Governor's biennial budget proposal, which would suspend cost-of-living adjustments for MaineCare reimbursement rates for direct care workers. Our union includes the workers at the Treats Falls House in Orono and the Community Programs, Northern Division, of Patten and Island Falls. Our members at Treats Falls House, an Intermediate Care Facility for individuals with intellectual disabilities, provide residential nursing care for individuals with medical and/or behavioral needs. They support individuals with daily living skills, 24/7 nursing care, medical care, social services, leisure and recreation, behavioral support, and community inclusion. Our members within the Northern Division work in group homes in Island Falls and Patten, providing individuals with support in

personal development and well-being, protective oversight, and supervision based on an individual's needs.

These workers are doing critically important work providing day to day care for some of Maine's most vulnerable citizens, and they are doing so for wages that are already too low, especially given the challenging nature of the work. They do this work because they care about their fellow Mainers and they want to make a difference within their communities. Yet, instead of appreciating these workers by ensuring they earn a living wage that keeps up with inflation, the current budget proposal wants to keep wages stagnant. According to our information, the lowest paid worker we represent is making \$16.55 an hour, significantly below what MIT considers a living wage for Penobscot and Aroostook Counties (for a single adult with no children, MIT has calculated the living wage to be \$20.73/hour in Penobscot and \$19.64/hour for Aroostook; for households with children, it is even higher). When these workers have to live paycheck to paycheck, it not only harms them and their families but it also impacts the community at large. Many of our members at IAM live in small, rural towns and spend their money at local businesses within those communities. Their wages not only support them and their own families, but they lead to spending that strengthens our local economies as well.

It is unfair and unnecessary to balance the budget on the backs of low wage workers and the vulnerable Mainers who depend on direct care workers to live their lives. If these COLA increases are rolled back, workers at these facilities will continue to suffer by falling further behind the cost of living. Our members at IAM were due to receive an additional wage increase on January 1, 2025, but due to the suspension of the COLA, those raises did not happen. They are currently working under a contract extension that contains no wage increases through the end of 2026 if these COLA cuts are not reversed in the biennial budget. Recruitment and retention will continue to be challenges. So many of these workers already live paycheck to paycheck, and if their wages remain stagnant while inflation continues to rise, they will struggle even more. Please reverse the proposed cuts in the final version of the biennial budget.

We also are extremely concerned about the Governor's proposal (Part R) to remove nearly \$44 million from the State's personnel budget and transfer that amount into the General Fund, where it would be used for other purposes. The administration proposes to more than triple the state employee attrition rate, from 1.6% to 5%, in both the Executive and Judicial branches of Maine State Government, in order to justify this proposed financial maneuver. Understaffing throughout all departments of state government remains a serious problem often with devastating consequences on both state workers and Maine people who rely on their services. The State's own studies show that state workers remain substantially underpaid compared to their public and private sector counterparts throughout Maine and New England. Please see the related memo, attached to my testimony, that we presented to the Appropriations and Financial Affairs Committee and to the State and Local Government Committee on Oct. 8, 2024, detailing our response to the State's Market Pay Report dated Sept. 30, 2024.

The money in the State's Salary Plan is there to fund budgeted positions and to close the state employee pay gap, and it shouldn't be used as a piggybank to fund other priorities. We'd like to respectfully remind you that Part PPP of the Supplemental Budget passed by the Legislature and signed into law on April 22, 2024, expressly authorizes the administration to use all funds in the State's Salary Plan to negotiate with us over the implementation of a new compensation and classification system for Executive Branch workers—and those negotiations are ongoing. The administration's proposal to transfer nearly \$44 million from the State's personnel budget into the General Fund appears to be an attempt to end run Part PPP. We ask that you reject this change and ensure these resources are used to address these serious recruitment and retention issues.

We look forward to working with you, your fellow members of the 132<sup>nd</sup> Legislature and the administration to develop and pass a two-year State Budget that truly meets the needs of all Maine people. Thank you and I'd be glad to answer any questions.