



Maine Education Association

Jesse Hargrove President | Beth French Vice President | Jaye Rich Treasurer
Rebecca Cole NEA Director | Rachelle Bristol Executive Director

Testimony

In Support Of

LD 1014: An Act to Authorize a General Fund Bond Issue to Develop Maine Talent and Innovation by Improving the Infrastructure of the University of Maine System

Jan Kosinski, Government Relations Director, Maine Education Association

Before the Appropriations and Financial Affairs Committee

April 16th, 2025

Senator Rotundo, Representative Gattine and other esteemed members of the Appropriations and Financial Affairs Committee,

My name is Jan Kosinski, and I am the Director of Government Relations for the Maine Education Association (MEA). The MEA represents nearly 24,000 educators, including teachers and other educators in nearly every public school in the state, as well as full-time faculty and other professional and support staff in both the University of Maine and Community College systems. Thousands of retired educators continue their connection and advocacy work through the MEA- Retired program.

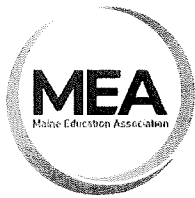
I offer this testimony today on behalf of the MEA in SUPPORT of LD 1014, *An Act to Authorize a General Fund Bond Issue to Develop Maine Talent and Innovation by Improving the Infrastructure of the University of Maine System*.

We believe it is past time for the state to better support the UMaine System and this bond measure is one straightforward way for the state to support Maine's public, 4-year higher ed institutions.

Years of stagnant funding, slight declines in enrollment, historic inflation combined now with a "free community college program" have created a "perfect storm" of financial pressures on the University of Maine System. Faculty and staff report to us a consistent atrophy of staff and programs. Little by little, year by year, the University System is seeing cuts. Sometimes these cuts make headlines in the newspapers. Other times staff leave, and positions go unfilled. Many report that low wages among the hourly staff have left some staff unable to afford, in some cases, necessities like food and housing. Other hourly staff members in the UMaine System rely on public assistance programs like the Supplemental Nutrition Assistance Program (SNAP), and many qualify for Maine Care. One of our members reported donating their plasma just to make ends meet. I share these examples simply to underscore the challenging financial predicament of the UMaine System.

With all these challenges, the System has certainly struggled to provide basic maintenance on infrastructure. In fact, last year, the Bangor Daily News reported the UMaine System has an estimated "\$1.6 billion in deferred maintenance, with more than half of all system facilities and three-quarters of residence halls going without meaningful renovations for at least 50 years."¹ Another story in the Bangor Daily remarked that the "newest

¹ Please see, **Maine university system trustees approve tuition hike**, Bangor Daily News, May 20, 2024, found here: [Maine university system trustees approve tuition hike](#)



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residence halls on UMaine's campus were built in the 1990s, and the average age is 64 years old."² The same story said the UMaine system had planned to spend \$190 million as part of its "capital plan for renovations and construction of new housing over the course of 10 years."³ This proposal of a \$100 million bond, if passed by voters, could increase the amount available to the University System to address their capital needs by more than 50%. And they need it.

We have heard that the current state of the residence halls is a disincentive for some students to attend one of the seven campuses. The University of Maine System is in competition for students and students who spend thousands of dollars of year expect dorms and residential halls that are at least comfortable. This bond could help address concerns in the System's residential facilities.

We would also hope the University System will use these resources to address the major issues facing our classrooms and academic buildings. On February 7th, Josh Kelley, an associate professor of biochemistry at the University of Maine in the Department of Molecular and Biomedical Sciences shared the following testimony with this Committee:

"These ever-present budgetary problems are also evident in our degrading facilities. The HVAC fails multiple times a year, leading to failed experiments and uninhabitable labs (as high as 90 degrees with windows that don't open). Temperature swings and steam leaks have damaged microscopes worth upwards of a million dollars and destroyed ultracold freezers, leading to tens of thousands in equipment damage and incalculable research losses."

Stories such as this one abound, and LD 1014 can help.

What's more, this bond measure could provide the System with resources to begin addressing this backlog, without creating further pressures on the operating budgets of the UMaine System.

I am including with my testimony parts of a presentation prepared by Professor Michael Cauvel, an economics professor at the University of Southern Maine. This research tells a powerful and tells a story about the consistent underfunding of our four-year public higher education system here in Maine.

As the attached charts illustrate, 2022 showed the lowest real appropriation to the University of Maine System since 1988. This chart alone demonstrates the challenging fiscal pressures in the UMaine System and explains the compromised position of the System. (slide 1)

At the same time, the University System Board of Trustees has been hesitant to raise tuition. We understand this concern. Raising tuition impacts access to higher education, increases debt that students incur to enroll, and may even preclude some students from enrolling in degree programs. Of course, the free community college program creates more pressure on the Board of Trustees to keep tuition stagnant. According to the research of Professor Cauvel, when accounting for inflation, tuition has declined by more than 6% since 2019. (slide 2)

² Please see, **A \$400K study will examine how UMaine could fix outdated campus housing**, Bangor Daily News, April 15, 2024, found here: [A \\$400K study will examine how UMaine could fix outdated campus housing](#)

³ *Ibid*



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But with state funding not keeping up with inflation and a desire to moderate tuition increases, this leaves the University System with limited options to address the pressing capital needs. And the needs are pressing.

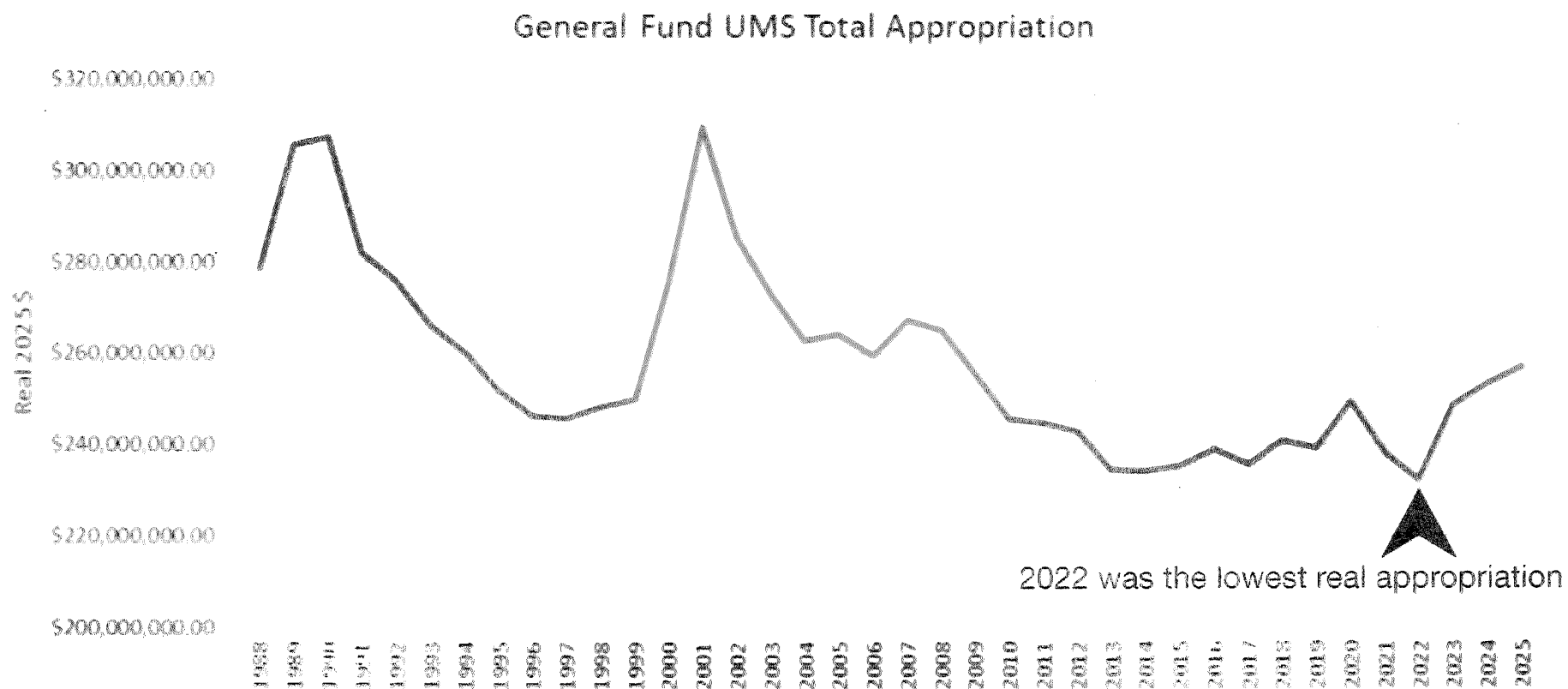
For these reasons we hope the Committee will vote ought to pass on LD 1014.

Thank you for your attention and your service to the people of Maine and I will do my best to answer any questions you may have.

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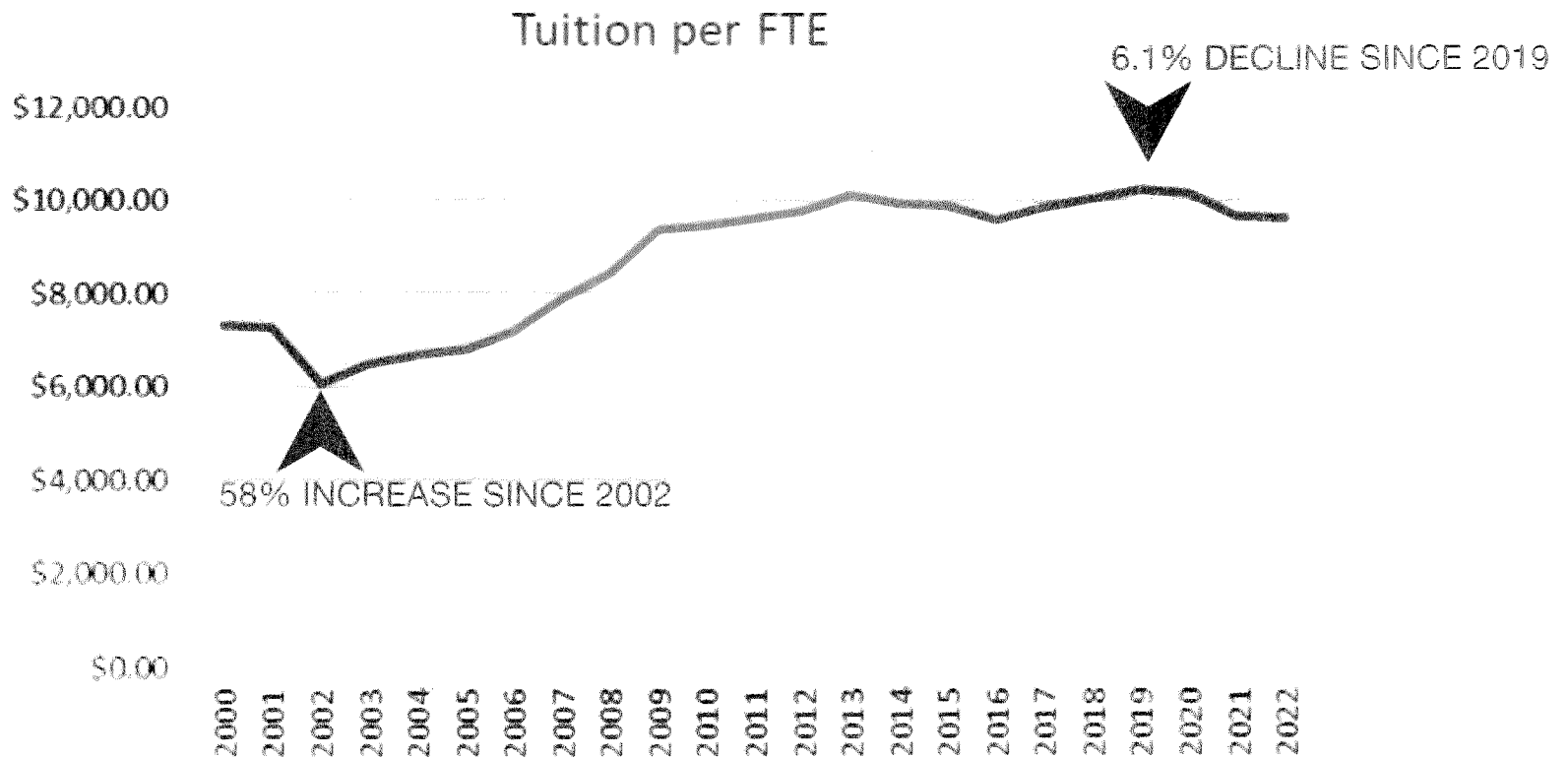
FALLING APPROPRIATIONS FOR DECADES HAVE CREATED STRUCTURAL GAPS



Source: Maine Office of Fiscal and Program Review, converted to real numbers inflation with U.S. CPI and projected inflation for 2024-2025

UNIVERSITY TUITION

Tuition set by the Board of Trustees



STRUCTURAL BUDGET ISSUES



The share of expenses covered by either appropriations or tuition has fallen by 6 percentage points since 2018

- (10% since 1991)

Across UMS there is \$1.6 billion in deferred maintenance (Bangor Daily News 5/21/24)

- Anecdotally prospective students report nicer facilities in their high schools

INDIVIDUAL BENEFITS OF A BACHELOR'S DEGREE

U.S. BLS 2024



PATHWAY TO SOCIAL MOBILITY

STUDENTS WITH A BACHELOR'S EARN

84%

more than those
without a Degree

60%

more than those with an
Associate's Degree

STUDENTS WITH A BACHELOR'S HAVE UNEMPLOYMENT RATES

50%

lower than those without
a Degree

33%

lower than those with an
Associate's Degree

SOCIAL BENEFITS OF A 4-YEAR DEGREE

Per the World Bank (2024), tertiary education:



Fosters Economic Growth



Improves Productivity



Reduces Poverty



Prerequisite for Innovation



Better Health, Environmental Outcomes, and Civic Engagement



Higher Economic Return than Primary or Secondary Education
(17% increase in income per year)

INVESTMENTS IN PUBLIC HIGHER EDUCATION MORE THAN PAY FOR THEMSELVES

“Public universities are the workhorses of middle-class mobility” per the Brookings Institution (Reber et al. 2020)

RATE OF RETURN



The rate of return on government spending for public universities is “conservatively estimated” above 10%

LIFETIME SERVICES



Governments spend roughly \$85,000 less on lifetime services for those with a college degree

TAX REVENUE



Those with a college degree pay roughly \$500,000 more in lifetime taxes

(TROSTEL 2009)