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Good afternoon Senator Nangle, Representative Crafts and distinguished fellow members of the Transportation Committee. I am Representative Michael Ray, and I represent the towns of Appleton, Islesboro, Liberty, Lincolnville, Montville, Morrill and Searsmont in House District 40. I'm here to present LD 1268: An Act to Address Employee Recruitment and Retention Issues Within the Maine State Ferry Service by Providing a Yearly Stipend.

This bill does what the title says, and besides compensating hard workers fairly, improves Maine State Ferry Service operations in two ways: first, it reduces cancelled runs; and second, it strengthens the State's historic obligation to provide service between islands and the mainland. It accomplishes these by raising the wages of ferry crew members by way of a \$5 per hour increase.

In the last five years the number of scheduled runs cancelled not due to weather or maintenance issues increased significantly. Maybe the missed runs don't seem so significant given the logistically challenging task at hand. Unless you live on an island and rely on a run to get to a doctor's appointment, need fuel oil delivered, or have to have building supplies on site that day, or need to see a family member on the mainland. Or if you live on the mainland and need to do business on an island, or attend school on an island, or have being on an island part of your vacation plans. Improving reliability is, if you ask any of these potential riders, an important and very necessary goal.

In an October 2024 report to the Maine State Ferry Service Advisory Board, the MDOT attributed these increased cancellations and spotty reliability primarily to staff shortages. (I'd add that a thin "substitute list" is also a factor.). Although the MSFS has done some great work in reducing cancellations, staff vacancies still remain. Granted that with a nationwide workforce shortage, baby boomers retiring, and the lack of a similar number of workers coming up behind them there are indeed major challenges.

District 40: Appleton, Islesboro, Liberty, Lincolnville, Montville, Morrill and Searsmont

But in the context of the merchant marine workforce, it's also the case that **even with existing stipends, bonuses and other incentives, a licensed mariner can make substantially more money going offshore or working on an oil rig than he or she can crewing on a Maine State ferry. Making ferry crew wages commensurate with the going industry wage will encourage more candidates to stay here and work here. - and pay taxes here, and spend their money here.**

In 1960, the State made a commitment to serve six Maine islands with regular ferry service, and the State hasn't shirked this responsibility. as seen by MSFS efforts as well as the recent legislature's, DACF's and the current administration's 5-year study and changes to the compensation and recruitment system for state government workers. But the fact that non-weather or non-maintenance cancellations still happen, and that the System is now relying on private employment agencies to the tune of between a quarter and half a million dollars every year, suggest that the ferry service and the State's historic commitment are on fragile footing. This bill will solidify that foundation and make the State ferry service more sustainable by building a reliable workforce

Finally, the fun part: How much this will cost. While there isn't a fiscal note on this yet, back-of-envelope math suggests a yearly cost of \$290,000. Not a small sum. But given the recent costs of almost twice that in hiring a private contractor to address 1-2 months of vacancies, I'd call it a good investment. Honoring Maine's commitment to its island residents, this cost would not be borne by ticket price increases.

Thank you for your time today, and I will be happy to try and answer any questions.