



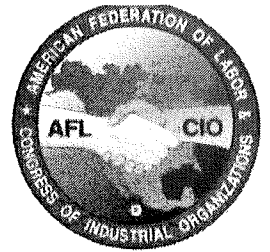
# MAINE AFL-CIO

**A Union of Unions Standing for Maine Workers**

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**Testimony of Adam Goode, Maine AFL-CIO Legislative & Political Director, In Support of LD 1265, “An Act to Amend the Laws Governing Public Employee Market Pay Studies and Comprehensive Reviews of the Classification Plan for State Service Positions”, LD 1539, “An Act to Create a State Employee Compensation Stabilization Fund”, and LD 1744, “An Act to Modify Provisions of the State Civil Service System Governing Employee Recruitment and Retention”**

Senator Baldacci, Representative Salisbury and members of the Joint Standing Committee on State and Local Government, my name is Adam Goode. I’m the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 1265, LD 1539 and LD 1744.

It has been widely documented – through studies in 2020<sup>1</sup>, 2009<sup>2</sup> – that there is a significant pay gap for state workers in comparison with their private sector counterparts. On average, we know that state workers are underpaid by 15% and that number is significantly worse for certain classifications. More recent analysis<sup>3</sup> makes clear that the pay gap persists and may even be getting worse. Since these studies, Executive Branch members’ wages have made 1% in progress.

We also know that roughly one in six state positions remain vacant. We are in a vicious cycle where the pay gap and insufficient pay has contributed to chronic understaffing which leads to a negative impact on the delivery of crucial public services, the deterioration of morale in state employment and the deterioration in the lived experience of job quality for state workers working in understaffed working conditions. We need to shift to a virtuous cycle where we close the pay gap, pay enough to improve recruitment and retention and move the needle on short staffing and thereby improve services, morale and job quality.

Fundamentally, we support LDs 1265, 1539 and 1744 because they contain concrete steps that will move us in the direction of getting on a more virtuous cycle and addressing this critical problem at the root. It will benefit all of us to more rigorously monitor job vacancies in the Executive branch, to modernize and improve multiple aspects of our recruitment and retention tools and processes and to close the pay gap and invest in a new compensation and classification system.

More broadly, we support these 3 pieces of legislation for two reasons. First, the current vicious cycle of insufficient pay contributing to chronic understaffing harms Maine people and state workers. Every week we open the newspaper or hear directly from Maine workers about the consequences of chronic understaffing. We hear from plow drivers who literally cannot cover their entire range because they are short staffed and they worry about the safety of people driving on our roads. We hear from injured workers who struggle to get the support they need in the Workers’ Compensation system because of understaffing in the Worker Advocate

<sup>1</sup>The Segal Group, Inc (November 20, 2020). State of Maine Market Study Report. Retrieved from <https://legislature.maine.gov/doc/5615>

<sup>2</sup>Crescendo Consulting Group, LLC (January 2009). Maine Department of Administrative and Financial Services, Bureau of Human Resources Labor Market Survey. Retrieved from <https://mseaseiu.org/wp-content/uploads/2023/04/CrescendoConsultingLaborMarketSurveyJanuary2009.pdf>

<sup>3</sup>Myall, James. “Maine State Employees Still Face Significant Pay Gap.” Maine Center for Economic Policy, February 6, 2024, <https://www.mecp.org/blog/maine-state-employees-still-face-significant-pay-gap/>

program. We hear from mental health workers who voice concerns about their patients and their safety because of understaffing. We've all seen press reports about ferry captains or child protective services or the stress and strain on dispatch workers. We've talked to construction unions who cannot get the licensing support and enforcement they need because of short staffing in the Department of Professional and Financial Regulation. We could go on and on and on. At a certain point it becomes abundantly clear that this is not an isolated issue in department x or department y, but rather it is a pattern problem across state government that requires systematic solutions like those embodied in LDs 1265, 1539 and 1744.

Secondly, we support this legislation because the state pay gap depresses wages for all workers and undermines working conditions for all workers. When the second largest employer in the state is underpaying its workforce that has a negative economic impact on other workers and industries. It drives down wages across the board. Similarly, when it becomes normalized that you can run operations with chronic understaffing that similarly has negative impacts on working conditions and staffing level for other workers and industries outside of state service.

There is a long precedent in state policy that state government should not be contributing to depressing wages. As but one example, we have state prevailing wage laws<sup>4</sup> in construction that require "prevailing wages" to be paid on state public works construction projects – roads, bridges, school, sewers, etc. The logic behind prevailing wage – which is nearly a century old – is that the state or federal government as large purchasers of construction services should not in any way contribute to depressing wages in construction. We would ask the State to follow this logic in their own employment practices.

There are three final points we would like to make:

1. We hope this will be a bipartisan issue. Whether you are a conservative who wants to run government more like a business or a progressive who views government as a tool to solve big problems that individuals cannot address on their own, we would hope we can all agree that it is a bad business model to have chronic understaffing and a recruitment and retention crisis. That is not good for any of us.
2. While there is not a cost to any of these bills, we think that we should be clear eyed about the eventual need to fund improvements. The reality is that the long term underpaying and understaffing of state employment has subsidized many other things. It has directly contributed to the robust rainy day fund. What that has meant in practice is that State workers have subsidized the rest of the state budget and other priorities through their jobs becoming more difficult, dangerous and challenging and through money literally not going into their pockets. If we are serious about addressing this problem we have to be serious about the resources required to do so.
3. We recognize that there have been positive steps taken, that running big systems is complicated and we know clear as day that we have miles to go. There is crucial work to do to make much needed improvements. What's needed is urgency, openness and creativity coupled with legislation like this to solve the problem at hand.

For these reasons, we strongly hope you will support LD 1265, LD 1539 and LD 1744 and we look forward to working with you on it.

<sup>4</sup>[https://www.maine.gov/labor/labor\\_stats/publications/wagerateconst/index.shtml](https://www.maine.gov/labor/labor_stats/publications/wagerateconst/index.shtml)