

Mike Tipping Senator, District 8

## THE MAINE SENATE 132nd Legislature

3 State House Station Augusta, Maine 04333

Senator Baldacci, Representative Salisbury, and members of the State and Local Government Committee

I'm Mike Tipping and I represent Senate District 8 in Penobscot County. Today I'm proud to present LD 1539, An Act to Create a State Employee Compensation Stabilization Fund.

As chair of the Labor Committee over the past two terms, I've come to understand that some of the most significant challenges we face as a state are due to a workforce issues – having enough people to do important work, making sure they're paid fairly enough to stick around and that they can live good lives here in Maine. One of the biggest challenges we face in addressing this issue is the long-standing disparity in how we compensate our state employees.

This bill takes a step toward addressing that. LD 1539 would establish a dedicated, ongoing fund to help bring the wages of our state employees in line with those in comparable public and private sector positions. It's not just the right thing to do morally—it's necessary if we want to attract and retain the talented, dedicated workers who keep our state running.

Let's be clear: Maine state employees are the backbone of services that touch every corner of our lives—from safeguarding public health, to maintaining our roads, to helping our most vulnerable neighbors navigate support systems. Yet year after year, they are asked to do more with less. Maine's own market pay studies have shown what those workers have long known: that many state employees are underpaid by thousands—sometimes tens of thousands—of dollars a year compared to their peers doing similar work elsewhere.

And the consequences of that aren't just abstract. We see them every day in high turnover rates, understaffed departments, delayed services, and burned-out public servants. We see it in the growing number of vacant state positions that we simply cannot fill. We're not just failing our workers—we're failing the people of Maine who depend on them.

I've seen this most starkly in the meetings and reports of the Government Oversight Committee. We've spent years on the committee investigating the failings of our child protection programs and the resulting deaths of kids. What we've found at the heart of the problem is a staffing issue.

While Maine has made some progress on wage issues in recent years, we've also taken steps backward. For instance, we hear nearly every day about how the ongoing cuts to state worker cost of living adjustments are gouging into their pensions.

LD 1539 creates a modest but meaningful new revenue stream—just 1% of excess General Fund revenues—to begin to address these issues. In doing so we create a permanent, non-lapsing fund specifically dedicated to improving compensation for our executive branch employees.

This is a fiscally responsible, targeted approach. It acknowledges the state's budget realities while still taking action on a long-overdue obligation. It ensures that the money set aside for our state workforce is protected year-to-year, and that we don't continue to push this problem down the road for another Legislature to solve.

Some may say that now is not the time. But if not now—when? We've seen the cost of inaction. We've heard from the workers on the front lines. We've read the studies and watched the recruitment and retention crisis deepen. Taking action now is not just wise governance—it's the bare minimum of what our state employees deserve.

This Legislature has made important strides in recent years—investing in childcare, in housing, in public education. LD 1539 is part of that same conversation. Because a just economy isn't just about numbers in a spreadsheet. It's about the people who keep our communities safe, our infrastructure functioning, and our state running as we expect it to. It's about fairness, respect, and dignity in work.

I urge this committee to vote Ought to Pass on LD 1539 and help Maine finally close the gap between what we ask of our state employees and what we give in return.

Thank you, and I'd be happy to take any questions.