



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

**In Support of LD 1539, An Act to Create a State Employee Compensation Stabilization Fund,
Sponsored by Senator Mike Tipping**

**Before the Joint Standing Committee on State and Local Government
12pm May 5, 2025, Cross Building Room 214 and Electronically**

Senator Baldacci, Representative Salisbury and members of the Joint Standing Committee on State and Local Government. 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 approximately 8,500 workers in the Executive Branch of Maine State Government.

We're here in support of LD 1539, which creates the State Employee Compensation Stabilization Fund within the Department of Administrative and Financial Services. Under LD 1539, the fund must be used to augment the salaries of Executive Branch employees to provide parity with comparable positions in the public and private sectors as determined by a market pay study. We would like to thank Senator Tipping and all cosponsors for bringing this legislation forward and are pleased that the Department of Administrative and Financial Services is testifying neither for nor against after ongoing conversations with them.

LD 1539 will help address the well-documented state employee pay gap – which is the difference between what Executive Branch workers earn compared to their public and private sector counterparts doing comparable work. As you all know, understaffing and vacancies throughout all departments of Maine State Government remain a serious problem. Examples from some worksites and departments, according to data provided by the Executive Branch as of November 2024:

- **Riverview Psychiatric Center:** 51 positions, or **25%** of the 204 MSEA-SEIU-represented permanent and limited period positions at Riverview, were vacant as of November 2024. That's actually an improvement from April 2024 when 64 of 204 MSEA-represented positions were vacant, for a 31% vacancy rate. Because of such a high vacancy rate, staff at Riverview has been regularly forced into unsafe encounters with patients. This has frequently led to violent assaults on staff—often with life-changing consequences, including severe traumatic brain injuries.
- **Maine Department of Labor:** 171 vacancies out of 583 positions for a vacancy rate of **over 29%**. This represents a worsening of the vacancy rate compared to April 2024 when there were 149 vacancies for a vacancy rate of 27%.
- **Maine DOT** 142 vacancies out of 634 positions for a vacancy rate of **over 18%**. This is actually an improvement over April 2024 when there were 166 vacancies for a vacancy rate of 22%.

- **Department of Veterans and Emergency Services:** 33 vacancies out of 198 positions for a vacancy rate of **over 17%**. That's a slight improvement of 2% from April 2024 when DVEM had 36 vacancies for a vacancy rate of 19%.
- **Department of Marine Resources:** 22 vacancies for a vacancy rate of **12.5%**, a slight improvement from April 2024 when there were 28 vacancies for a vacancy rate of 16%.
- **Department of Agriculture, Conservation and Forestry:** Excluding any seasonal positions, DACF had 46 non-seasonal vacancies out of 358 positions for a non-seasonal vacancy rate of **12.8%**. These vacancies are mostly full-time positions, and they are making it difficult for the workers to provide the high level of quality services that Maine people and visitors to our great state deserve.

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. I'd like to draw your attention to the State's most recent State of Maine Market Pay Report, dated Sept. 30, 2024, which puts the state employee pay gap at 14%. Put another way, the State Report shows that the average State worker is now earning 86% of the market rate, up from 85% in 2020.

The vacancies are having devastating effects on the public that relies on services. The State is unable to fill vital positions to ensure that youths in state custody at Long Creek Youth Development Center are adequately served, that phone calls to Maine DHHS eligibility specialists are answered without two-hour hold times, and that the thousands of children served by the Office of Child and Family Services receive the services they need. The State has consistently struggled to recruit plow drivers; some reported working 30 hours straight without a break.

Sadly, the State's Market Pay Report of Sept. 30, 2024, is likely a best-case scenario. For example, the State report reflects that the gap between State employees and the private sector has actually grown since 2019. As detailed in the report, between 2019 and 2023, private sector compensation grew by 26.3%, but compensation in State government grew by only 21.6%. However, the State did not factor those numbers into its final calculation of the overall pay gap. This suggests that the actual pay gap is likely larger than 14%.

Establishing a State Employee Compensation Stabilization Fund as proposed in LD 1539 will provide the State with additional resources, all accrued as part of the allocation process relating to excess General Fund revenues that are left over after certain transfers are made.

Please support LD 1539 to provide a lasting mechanism to help close the state employee pay gap. We look forward to working with this Committee and the Department on this legislation, as well as LD's 1265 and 1744. Thank you and I would be glad to answer any questions.