

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

**Before the Joint Standing Committee on Appropriations and Financial Affairs,
and the Committee on Labor
3pm Thursday, February 26, 2026, State House Room 228 and Electronically**

On LD 2212, An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027" (Emergency) (Governor's Bill), sponsored by Representative Drew Gattine

Senator Rotundo, Representative Gattine and members of the Committee on Appropriations and Financial Affairs, and Senator Tipping, Representative Roeder, and members of the Committee on Labor, 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 workers at the Maine Department of Labor and throughout all three branches of Maine State Government. We also represent many of the retirees covered by the Maine Public Employees Retirement System (MainePERS).

We support the continuation of limited period positions in the DOL portion of the budget. Workers at Maine DOL provide critical services for Maine people – services for workers, job applicants, employers, students and schools, veterans, older adults, and others. Workers at Maine DOL are the go-to people on jobs, training, unemployment insurance, disability services, workplace safety, labor laws, labor statistics, workforce development, wage and hour complaints, apprenticeships and work permits. They do invaluable work at Maine's CareerCenters – which are statewide with many offices, including Augusta, Bangor, Brunswick, Hinckley, Lewiston, Machias, Greater Portland, Presque Isle, Rockland, Springvale and Wilton.

Yet the services at Maine DOL are being jeopardized by a longstanding rash of job vacancies throughout the Department. As of November of 2024, the job vacancy rate at Maine DOL was approaching 30% -- with 171 positions vacant compared to 412 filled. This is a real problem and it needs to be solved immediately. Many of these vacancies are in Maine's CareerCenters, where state employees work to help Mainers, including veterans, reenter the workforce, develop meaningful careers and work toward financial independence. The CareerCenter workers often partner with Maine DHHS offices, which also are experiencing understaffing, to help Mainers get jobs so they can support themselves and their families without the need for public assistance. This important work is hindered when state jobs don't provide fair wages for the valuable services provided.

As you consider the proposed supplemental budget, we believe that much more must be done systemically and in support of the Maine DOL by both the Maine Legislature and the Mills administration. More must be done to ensure that the Maine DOL has the staffing and resources necessary to carry out its legislatively mandated mission of serving Maine workers and businesses by helping employers recruit and train a talented workforce; providing workers with the skills they need to be competitive in the economy; assisting individuals when jobs are lost; aiding people with disabilities reach career goals; ensuring safe and fair workplaces for people on the job; and, providing research and analysis of employment data to support job growth.

In 2025, the 132nd Maine Legislature and the Mills administration in 2025 diverted \$56 million away from the Salary Plan, which pays wages of Maine State Government workers, and used that money for other priorities. This raid on the Salary Plan wasn't a one-time occurrence. Throughout the entirety of the Mills administration, the Maine Legislature has diverted money away from the Salary Plan under the veil of raising the attrition rate for state workers, as well as allocating funds from vacancy savings for capital improvements. Members of MSEA-SEIU Local 1989 who work for the Executive Branch of Maine State Government have had enough of hearing that there is no funding to solve the persistent recruitment and retention challenges or to address the state employee pay gap, while at the same time seeing the funding from the vacancies used to solve other problems. The overwhelming reason for these vacancies is the lack of competitive compensation compared to comparable jobs in municipalities, other state governments in New England, and the private sector, and the consequences of these vacancies is more pressure on our members left doing all of the work, including workers at DOL. Our members are calling on you and your colleagues in the 132nd Maine Legislature to immediately restore the \$56 million taken from it last year, and to do so as part of the budget deliberations on LD 2212.

This scheme of increasing the state employee attrition rate to raid the Salary Plan has worsened the recruitment and retention problem throughout Maine State Government, including at DOL. Understaffing throughout all state departments remains a serious problem often with devastating consequences on both state workers and Maine people who rely on their services.

Yet in the wake of the repeated raids on the Salary Plan throughout the Mills administration, the administration now claims it cannot afford anything more than a pair of 2% pay raises for the Executive Branch workers whom we represent. When they made this claim, they specifically cited the impact of the higher attrition rate on the Salary Plan as a reason why. Our members in the Executive Branch have been working without new contracts since July 1, 2025 – that's over seven months. The proposed pay raises from the Mills administration would widen, not shrink, the state employee pay gap because they would put state workers further behind the cost of living. That's inexcusable.

We also would like to point out that the Governor's proposed budget does not include any provisions to work toward restoring the devastating pension cuts of 2011. Restoring the cuts of 2011 would help many of our retiree members who are struggling to make ends meet on a fixed income, especially as inflation has risen post-pandemic. Cost of living adjustments (COLAs) for MainePERS retirees are capped at 3% and only apply to the first \$27,142.56 of pension income. While we appreciate and thank you for the work done during past legislative sessions to make progress on this issue, there is so much more to be done. We know the cost of restoring these devastating cuts in their entirety is difficult, so we ask you to be creative and work with MSEA, MEA, MAR, and MainePERS. There are several bills on the Special Appropriations Table that would make progress on this issue; I have listed them ^{below} before. Some of them offer creative solutions to address the pension cuts without triggering the Unfunded Actuarial Liability. It's past time to right the wrongs that were inflicted on these Mainers who dedicated their careers to serving our great state. They deserve to enjoy their retirement with stability, dignity and comfort after everything they have done for Maine.

We also support three pieces of legislation that would recognize the sacrifices made by certain workers by moving them into special retirement plans. The workers at the Office of the Chief Medical Examiner, Riverview Psychiatric Center, Dorothea Dix Psychiatric Center, and the firefighters at the Bangor International Airport have high risk, stressful, and often traumatic jobs. Funding the special retirement bills listed below is a meaningful step toward recognizing the difficult nature of their jobs.

It's not too late for the 132nd Maine Legislature and Governor Mills to do the right thing. As you review the Governor's supplemental budget, please make the frontline staff – who carry out the laws and programs passed by the Legislature – a priority by dedicating surplus state revenues to help close the state employee pay gap. Please support improvements to MainePERS pensions so our retired state employees and teachers can enjoy the pension benefits they earned and deserve. We recognize there are opportunities in this legislative session to generate revenue to meet such unmet needs, so we also respectfully ask that you show leadership in ensuring that the State of Maine has the revenues necessary for state workers to do their jobs. A failure to act will only make the problem harder and more expensive to solve, and the consequences more tragic. The time is now. Thank you and I'd be glad to answer any questions.

MSEA-Supported Retirement Legislation:

- LD 1872, An Act to Reinvest in the Pension Funds of the Maine Public Employees Retirement System, sponsored by Representative Charles Skold. This legislation would reinvest funding when the Unfunded Actuarial Liability (UAL) is paid down in 2028 to be used for pension improvements for retired state employees and teachers.

- LD 1003, An Act Establishing the Retirement Benefit Improvement Fund, sponsored by Representative Jan Dodge: this legislation would require that an amount of surplus General Fund revenue be transferred annually to a non-lapsing fund to be used to pay for retirement benefit improvements for retired state employees and teachers.
- LD 328, An Act Requiring the State to Pay a Retired State Employee's or Retired Teacher's Premiums for Medicare Part B Under Medicare Advantage, sponsored by Representative Dan Shagoury: This legislation would require the State to cover Medicare Part B premiums for retired state employees and teachers.
- LD 900, An Act to Protect Pensions from Inflation, sponsored by Senator Baldacci: This bill is the most comprehensive legislation to undo the most harmful elements of the 2011 LePage Pension Cuts. At a cost of \$1.65 billion, LD 900 would increase the retiree cost of living (COLA) adjustment to 4%, then 5%, and it also would increase the COLA base to \$40,000 and then to \$50,000.
- LD 137, An Act to Expand the 1998 Special Retirement Plan to Include Employees Who Work for the Office of the Chief Medical Examiner, sponsored by Senator Hickman. This legislation would move workers at the Office of the Chief Medical Examiner into the 1998 Special Retirement plan, allowing them to retire at age 55 after 25 years of service.
- LD 579, An Act to Include Certain Mental Health Workers Under the 1998 Special Plan for Retirement, sponsored by Senator Tipping: The original version of this legislation would move remaining workers at Dorothea Dix Psychiatric Center and Riverview Psychiatric Center into the 1998 Special Retirement plan, allowing them to retire at age 55 after 25 years of service. In 2025, language was included in the budget to move Mental Health Workers 1-4 into the special plan, but not the rest of the RPC/DDPC workers.
- LD 1236, An Act to Address Employee Retention of State Employees Who Are Firefighters at Bangor International Airport: This legislation would remove the age requirement for firefighters at the Bangor International Airport, allowing them to retire after 25 years of service, regardless of age.