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**Testimony of
Laura A. Fortman, Commissioner
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Regarding LD 2212

“An Act Making Unified Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, 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”

February 26, 2026

Good afternoon, Senator Rotundo, Senator Tipping, Representative Gattine, Representative Roeder, and members of the Joint Standing Committees on Appropriations and Financial Affairs and Labor. My name is Laura Fortman, and I am the Commissioner of the Maine Department of Labor. I am here to present information on the Department’s supplemental budget proposals in LD 2212.

This supplemental budget is the final budget proposal from the Administration. The Governor’s proposal delivers financial relief to Maine people, preserves programs that lawmakers and Maine people support, and addresses some emergent issues, including impacts of new federal legislation. Governor Mills’ guiding belief has always been that our strongest asset is the people of Maine and that’s why this budget, like those in the past, seeks to invest in and support them. We look forward to working with the Legislature in the coming weeks to enact a balanced budget that supports Maine people and protects the fiscal health of our state.

The Department's first initiative, outlined on page A-86 of the Part A budget document, advances recommendations from the Governor's AI Task Force. As artificial intelligence continues to reshape how work is performed, this initiative focuses on helping Maine's workforce adapt and succeed. It proposes a one-time appropriation of \$300,000 to expand training opportunities that help workers gain practical skills in using AI in the workplace. The funding will be used to develop new AI-related courses, to integrate AI into existing training programs, and to encourage employers to invest in AI-related skills development for their employees. This targeted investment is designed to help Maine workers remain competitive and productive while supporting innovation and long-term economic resilience across the state.

The second initiative on page A-86 transfers one Principal Economic Research Analyst from the Employment Security Services program. The position has been responsible for analysis of unemployment claims, contributions, and the trust fund. Upon the position becoming vacant, we determined that moving the position to the Center for Workforce Research and Information, or CWRI, was appropriate. Joining this position with other similar positions in CWRI will allow for improved coordination, better coverage when turnover occurs, and sharing of expertise among the economic analysts. The second half of this transfer is on page A-88 in the Workforce Research program.

Moving to page A-87, the next program is the Employment Services Activities program. There are three initiatives in this program. The first continues one limited-period CareerCenter Consultant to June 2027. This position is dedicated to Maine's clean energy sector and focuses on connecting job-seekers to training and employment in this field. Connections include a glazier at a window production facility, an engineer at a tire recycling company, and workers for a new HVAC company. The individual in this position works directly with employers to list their openings on the Maine JobLink and to connect workers to those jobs. The funding is one-time, so we are extending this limited-period position to allow the work to continue to the end of the grant period.

The second initiative moves an Office Specialist I position into the Employment Services program from CWRI. The need for administrative support in CWRI has changed in recent years, and therefore this position was reassigned to support our workforce development programs in the Employment Services bureau. This transfer completes the reassignment and budgets the position in the program in which the individual has been working.

The third initiative increases the federal allocation by \$2 million in each fiscal year. The Department is the recipient of a four-year, \$8 million federal grant to support Defense Shipbuilding and Advanced Manufacturing Training, with a direct focus on investing in Maine workers and businesses. The grant provides outcome-based reimbursements to employers for training that is responsive to local workforce conditions and rapidly evolving skill demands. Its goal is to incentivize defense shipbuilding and advanced manufacturing employers in Maine to invest in workforce training that strengthens skills development, supports business competitiveness, and builds a durable talent pipeline for these critical industries. Enhancing Maine's AI-ready workforce will also be a major component of the training.

Next on page A-87 is the Maine Apprenticeship Program. There is one initiative that continues our investment in Maine workers by extending a limited-period CareerCenter Consultant position through June 2028. This position was established in 2023 Public Law Chapter 683 to increase access to workforce development programs and to employment for people in racial, ethnic, or tribal populations, who experienced disproportionate incarceration rates and subsequent barriers to housing, employment, and educational opportunities. The continuation of this position is related to language in Part TTT. Part TTT authorizes the transfer of funds from the Adult Use Cannabis Public Health and Safety Fund for the cost of this position. The intent of Chapter 683 was to use these funds to support the position at DOL. However, the language was not included. This initiative and Part TTT will allow the Department to move forward with the work as originally authorized.

At the bottom of page A-87 is the Rehabilitation Services program. There is one initiative that continues three limited-period Rehabilitation Counselor II positions through June 2027. These positions were originally established by financial order to enhance connections with employers and vocational rehabilitation clients. The positions were established to support vocational rehabilitation clients in the southern region, where the need for services had increased. Rehabilitation Counselors are spread across the state, and the Department could not meet the increased demand without impacting other areas. Therefore, the limited-period positions were created by financial order, and this initiative continues them through next fiscal year. The positions are paid for through the federal vocational rehabilitation grant.

On page A-88 is the State Workforce Development Board, for which we are requesting a minor increase to the Federal All Other line. An additional \$10,000 would bring the program budget in line with anticipated spending and available revenues.

The last program is the Workforce Research program, which is operated by CWRI. The two initiatives in this program are the transfers of positions that I previously described.

Moving to the language document, Part JJJ on page 75 amends the language describing the structure of the Division for the Blind and Visually Impaired. The amendment clarifies that the Division operates within the Bureau of Rehabilitation Services, rather than as a stand-alone unit of the Department. This has always been the organizational structure, and there is no operational impact to the amendment. This is simply a clarification.

The amendment should also clarify that the Division Director is not an appointee of the Commissioner. Again, this change reflects the existing organizational structure and would not result in any operational changes. Therefore, I am requesting that the last sentence be stricken from the paragraph.

This concludes my testimony on the Department of Labor's initiatives in the supplemental budget. I would be happy to address any questions you may have.