

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

**In Support of
LD 1040, An Act to Raise the Cap on Retirement Benefits for Certain State Employees and
Teachers to Which a Cost-of-living Adjustment is Made (Rep. Dodge)
LD 900, An Act to Protect State Retiree Pensions from Inflation (Sen. Baldacci)
LD 1003, An Act Establishing the Retirement Benefit Improvement Fund (Rep. Dodge)**

**Before the Joint Standing Committee on Labor,
10 AM Wednesday, March 26, 2025**

Senator Tipping, Representative Roeder, 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 retirees from all three branches of Maine State Government.

First, on behalf of all the members of MSEA-SEIU Local 1989, we thank you for the work you are doing to try to undo the 2011 pension cuts. We appreciate the bipartisan work this Committee has done to help advocate for improvements to our retiree pensions and to understand the challenges presented by the Unfunded Actuarial Liability (UAL). However, since there is much more work to be done to correct the wrongs of the 2011 cuts, we're here today in support of three pieces of legislation related to pensions:

- LD 1040, An Act to Raise the Cap on Retirement Benefits for Certain State Employees and Teachers to Which a Cost-of-living Adjustment is Made, sponsored by Rep. Dodge
- LD 900, An Act to Protect State Retiree Pensions from Inflation, sponsored by Sen. Baldacci
- LD 1003, An Act Establishing the Retirement Benefit Improvement Fund, sponsored by Rep. Dodge

LD 1003 is a creative solution to ensure there are funds being set aside to be used for pension improvements, especially as we approach 2028 when the UAL will be paid down and we will have the opportunity to fully undo the 2011 cuts without triggering such large fiscal notes. While we support LD 1040 and hope to see it passed and funded, it's important to note that this would only make changes for retirees who retired before the 2011 cuts occurred; while this is certainly a step in the right direction and a way to make improvements without triggering such a large fiscal note, we want to flag for the Committee that we will continue to fight in future sessions to undo the cuts for all retirees, regardless of retirement date.

As you may know, ever since 2011, when MainePERS pensions were cut to fund tax cuts for the wealthy, many retired state employees and teachers have struggled to keep up with the cost of living. The 2011 cuts included a freeze on retirees' cost-of-living adjustments (COLAs) for 2011, 2012, and 2013; a 3% cap on all future cost-of-living adjustments; and a permanent limit on cost-of-living adjustments so they only apply to the first \$20,000 of pension income, adjusted for inflation.

There is widespread, bipartisan recognition that the 2011 pension cuts went too far. Solutions have been offered by Democrat and Republican legislators, and we appreciate the progress that has been made. However, it's important to remember that Maine's retired state workers and teachers still have not fully recovered what they lost to the 2011 cuts. Several of our members will testify today to explain how they have been directly impacted by the drastic reductions in cost-of-living adjustments over the past 14 years. Members also appeared in a 2023 video to share their struggles as well. I encourage each of you to watch that video; [it's linked here](#). MSEA members have also

testified numerous times before this Committee and before the Appropriations Committee; I have linked some of their testimonies from the 131st Legislative Session at the bottom of my testimony and would encourage you to read their stories.

Reversing the 2011 pension cuts 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 [\\$26,428.98](#) 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 much more to be done. We know the cost of restoring these devastating cuts in their entirety is difficult, so we ask you to continue to be creative and work with MSEA, MAR, MEA and MainePERS.

Due to these cost-of-living cuts, the 2011 Legislature and former Governor are responsible for a growing population of retired state workers and teachers who are struggling to make ends meet, with some even losing their homes, turning to food banks, applying for heating assistance, and losing the earned financial stability that they were promised. 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.

Thank you and I would be happy to answer any questions.

[Testimony on LD 70, 131st Legislative Session](#)

[Testimony on LD 1096, 131st Legislative Session](#)

[Testimony on LD 1499, 131st Legislative Session](#)