

TESTIMONY OF KIRSTEN FIGUEROA, COMISSIONER
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES

TESTIFYING IN SUPPORT REGARDING:

L.D. 1214, a "Resolve, To Conduct a Comprehensive Study of the Compensation System for State Employees"

SPONSORED BY: Senate President Jackson

Before the Joint Standing Committee on Labor and Housing

HEARING DATE: March 25, 2019

Senator Bellows, Representative Sylvester, and esteemed members of the Committee on Labor and Housing, I am Commissioner of Administrative and Financial Services Kirsten Figueroa, and I stand before you this afternoon to urge you to support L.D. 1214, a "Resolve, To Conduct a Comprehensive Study of the Compensation System for State Employees."

This legislation tasks me with commissioning a consultant to perform a comprehensive study of the wages and compensation of executive branch employees. Undertaking such a study is long overdue. The current compensation system is 40 years old and has never been systematically reviewed. During that time, inadequacies and inequities of the current compensation system that loudly demanded our attention in the form of arbitration, legislation, settlements and collective bargaining were addressed through a hodgepodge of reclassifications, range changes, stipends and adjustments. Meanwhile, a host of issues remain unaddressed, some solutions have given unintentional rise to new issues, and the work of state employees has evolved considerably since the current compensation system was first instituted.

This study will no doubt confirm what we already know: Maine state employees' compensation has not remained competitive with Maine's private sector, and perhaps even lacks parity with public sector compensation at the local level and in comparable states.

Across State of Maine departments and agencies, non-competitive compensation is hampering our ability to recruit the very best employees into state government service. We

want Maine State employees to invest in advanced education and be experts in their fields. We want Maine State government to be a viable career choice to individuals who are intrinsically motivated by public service. Yet we ask them to be financially self-sacrificing and accept lesser compensation than their private sector counterparts.

Likewise, when compensation isn't sufficient to demonstrate that we value talent, engagement, and commitment to the mission of government, we erode these desirable qualities in our employees. The ensuing turnover results in a loss of institutional knowledge and acquired efficiency, it destabilizes departments and agencies impeding their ability to satisfy goals and objectives, and costing the State in real and measurable ways.

As a 22-year Maine state employee, I want to acknowledge the disappointment and resentment felt by state employees in the past when similar studies were commissioned, only for the findings to be forgotten about when there wasn't funding to fully implement the recommendations. This is the unfortunately common fate of studies commissioned by State government. In my position, I am keenly aware that funding will be no less of a challenge when this study is complete and recognize our responsibility to be good stewards of these findings. Our failure to do so would only compound the problems that necessitated this legislation. I hope that once informed with specific knowledge of where inadequacies and inequities exist within the current compensation system, future collective bargaining and legislation will continually refer to the study and over time we will make steady meaningful progress toward its recommendations. We can begin to demonstrate our commitment to our employees by embracing non-financial ways to recognize employees and improve their work environments as we navigate our financial constraints.

In closing, this study would be a critical first step toward adopting modern compensation practices that are consistent with a desire to attract the best employees, value and retain them. I encourage the Committee to recommend L.D. 1214 ought to pass.

Thank you for allowing me to testify before you today. I am happy to respond to any questions you might have. A representative of the Department of Administrative and Financial Services will be available to you at the work session.