

**TESTIMONY OF BRUCE HODSDON,  
PRESIDENT  
MSEA/SEIU, LOCAL 1989**

**BEFORE THE JOINT STANDING COMMITTEES ON  
APPROPRIATIONS AND FINANCIAL AFFAIRS,  
AND STATE AND LOCAL GOVERNMENT  
JANUARY 8, 2010  
SH ROOM 228**

**IN OPPOSITION TO LD 1671 PART GGG, AN ACT MAKING  
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, 2010 AND  
JUNE 30, 2011**

**SPONSORED BY REPRESENTATIVE EMILY CAIN**

Senators Diamond and Simpson, Representative Cain and Beaudette, and members of the Appropriations and Financial Affairs Committee and the State and Local Government Committee: My name is Bruce Hodsdon, President of The Maine State Employees Association – Service Employees International Union, Local 1989. We are a labor union representing over 15,000 public and publicly funded workers throughout Maine.

We are here to oppose Part GGG, which adds three additional shutdown days to a state workforce that has been stretched beyond its limits in recent years. The fact is that there are now 1,000 fewer state workers than in recent years and the state workers who remain are already being kept away from their jobs for a total of 20 days in the current two year budget. Part GGG would worsen an already impossible situation by creating three more days that public services won't be provided to the people of Maine.

When state government is shutdown, the work does not go away. The very real needs of Maine's citizens in this recession, coupled with a hiring freeze and 1,000 fewer state workers, stretches our members to the breaking point. While our members on the frontline of public services recognize the state of our economy, they deal with it everyday, and they understand the need for taking their fair share of the cuts, they are asking me: where is the shared sacrifice and pain so often mentioned by Governor Baldacci? This budget, once again, targets Maine citizens who are poor or who suffer from disabilities. It targets Maine's children and schools. If this budget is truly meant to be one of "shared pain and sacrifice", then

everyone, in all sectors of our economy, at all levels of income should be asked to share the pain. We ask that everything be on the table in order to address this revenue shortfall, not just cuts to the services that people count on now more than ever.

*State workers have already seen a significant reduction in pay through twenty shutdown days, loss of merit and longevity pay, and increased co-pays in health insurance premiums. The impact on our members, the public they serve and the entire State of Maine is substantial.* While this supplemental budget books a General Fund savings of \$1.9 million, Maine's economy loses \$5 million. This brings the total economic impact of all state workforce cuts to \$98 million over the biennium, calculated using a multiplier effect of what those lost dollars mean to our communities. I want to give you two examples of that impact. A member told me she had asked a local convenience store owner here in Augusta what kind of impact the shutdown days were having on their business. She was told that normally there are 3 employees working on weekdays, but during the shutdown days they cut back to two and lost an estimated \$1500 for each shutdown day. Another business in Caribou normally has 2 people working during the week but on shutdown days they cut back to just one. The fact remains that state employees spend their money in their local communities and at small businesses. With budget gimmicks like shutdown days, resulting in state workers being paid less, the result is they spend less money in their communities. They have no choice but to cut back on purchases, which means less sales tax is generated, and less income tax is paid, adding to an already dismal revenue picture.

We do want to acknowledge that there are few layoffs in this budget. Putting people out of work in this difficult time worsens our economy and creates a cascade of hardship for those laid off and their families. We want you to know that the layoffs proposed are devastating to the individuals involved, and we will work to restore these positions.

We'd like to offer our assistance in identifying savings. We sent out a survey to our members last week, asking them to answer four questions about their work and any potential savings. Once we compile those responses we would like to present the results of our report to you during the work session on this bill.

To recap, what Maine really needs now is a three-part Save Our State Plan – with these components:

--Everything on the table to address revenue shortfalls, not just cuts to the crucial services people need right now;

--Shared sacrifice from all state employees, but with serious consideration of our views on how to do the least harm to our working families and the economy;

--Cost savings in existing programs, which our members are eager to help identify;

We stand ready to work with you, but we ask that the starting point for our discussion not be more shutdown days.

Thank you for your time today.