MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1744

H.P. 1162

House of Representatives, April 22, 2025

An Act to Modify Provisions of the State Civil Service System Governing Employee Recruitment and Retention

Reference to the Committee on Labor suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative ROLLINS of Augusta. Cosponsored by Senator BENNETT of Oxford and

Representative: SALISBURY of Westbrook, Senator: BEEBE-CENTER of Knox.

Be it enacted by the People of the State of Maine as follows:

- **Sec. 1. 5 MRSA §7065, sub-§2-D,** as corrected by RR 2023, c. 1, §38 and affected by §50, is amended to read:
- **2-D. Recruitment and retention adjustments.** Subject to this subsection, the officer, with the agreement of the bargaining agent, if applicable, may approve payment of recruitment and retention adjustments when the payment of a labor market adjustment is required to recruit and retain an adequate work force.
 - A. Payment of a recruitment and retention adjustment may be authorized only when justified by the following conditions.
 - (1) High turnover exists or long-term vacancies exist <u>either</u> within <u>a specific</u> <u>department or across</u> State Government in the relevant occupational classifications or job series.
 - (2) The relevant occupational classification or job series has a clear, geographically definable labor market within which the State must compete.
 - (3) All Reasonable and appropriate recruitment and retention efforts have been attempted and have proven ineffective at the current levels of compensation.
 - (4) Comprehensive, verifiable documentation of labor market compensation levels for the relevant occupation has been compiled to determine competitive pay levels within the defined labor market. This documentation must demonstrate that a labor market disparity exists and that the disparity represents a long-term, not transitory or seasonal, problem.
 - A-1. Payment of a recruitment and retention adjustment may be authorized for an occupational classification when the occupational classification is in a job series or job family with an occupational classification entitled to an adjustment under the criteria in paragraph A and would suffer from either salary compression or salary separation as a result of payment of a recruitment and retention adjustment pursuant to paragraph A to the occupational classification entitled to the adjustment. For purposes of this paragraph, "salary compression" means a relatively narrow range of salaries within an occupational classification and "salary separation" means a relatively broad range of salaries within an occupational classification.
 - B. The labor market adjustment must be reviewed at least every 2 4 years, in alignment with section 7061, subsection 4, paragraph B, and adjusted to changes in the labor market or the overall relation of the standard pay policy to the specialized labor market. If the subsequent review provided in this paragraph results in the adjustment being decreased or discontinued, an employee receiving the recruitment and retention adjustment may not be subject to a reduction in pay. The resulting recruitment and retention adjustment applies to employees hired subsequent to the review provided in this paragraph.
 - C. To assist the officer in making a determination under paragraphs A, A-1 and B, a committee must be formed to evaluate each request from an agency or bargaining agent for a recruitment or retention adjustment. The committee must be composed of a representative of the bureau, a representative of the employing agency or agencies and a representative of the bargaining agent, if applicable. The committee shall evaluate

the request against the criteria specified in paragraphs A, A-1 and B and shall conduct studies as the committee considers necessary to evaluate the request. The committee shall, by majority vote, If the committee agrees on the appropriate adjustments, the committee shall provide the officer, the agency and the bargaining agent, if applicable, with a report recommending and documenting adjustments authorized under this subsection. If the committee does not agree on the appropriate adjustments, the matter must be submitted to a neutral 3rd party for a final decision and report. The neutral 3rd party may be jointly agreed upon by the officer, the agency and the bargaining agent, if applicable, but, if an agreement is not reached, the neutral 3rd party must be appointed by the Maine Labor Relations Board in accordance with the procedure outlined in Title 26, section 979-D, subsection 4, paragraph B. The officer, the agency and the bargaining agent, if applicable, shall act on this the report. If a funding request is necessary to implement an approved adjustment, the officer shall submit the cost items for inclusion in the Governor's next operating budget within 10 days after action on the report.

D. The Bureau of Human Resources shall prescribe the forms to be filed with the Bureau of Human Resources to request a recruitment and retention adjustment under this subsection.

19 SUMMARY

This bill makes the following changes to the laws governing recruitment and retention adjustments for state employees in the classified service.

- 1. It changes one of the criteria for authorizing payment of a recruitment and retention adjustment to add the existence of high turnover or long-term vacancies within a specific department in the relevant occupational classifications or job series. It changes another of the criteria to require that reasonable recruitment and retention efforts have been attempted and have proven ineffective at the current levels of compensation.
- 2. It provides that payment of a recruitment and retention adjustment may be authorized when an occupational classification is in a job series or job family with an occupational classification entitled to an adjustment and the occupational classification would suffer from either salary compression or salary separation as a result of payment of that adjustment to the other occupational classification.
- 3. It requires the labor market adjustment to be reviewed at least every 4 years, in alignment with the market pay study conducted by the State. The resulting recruitment and retention adjustment applies to employees hired subsequent to this review.
- 4. It provides that, if the committee formed to evaluate each request from an agency or bargaining agent for a recruitment and retention adjustment agrees on the appropriate adjustments, the committee must provide a report recommending and documenting those adjustments. If the committee does not agree on the appropriate adjustments, the matter must be submitted to a neutral 3rd party for a final decision and report.
- 5. It requires the Department of Administrative and Financial Services, Bureau of Human Resources to prescribe the forms to be filed with the bureau to request a recruitment and retention adjustment.

6. It removes language that authorizes payment of a recruitment and retention adjustment when the relevant occupational classification or job series has a clear, geographically definable labor market within which the State must compete.

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7. It provides that if the committee that reviews adjustments agrees on the appropriate adjustment, the committee must provide the appropriate persons with a report recommending and documenting the adjustments.