

Janet Mills signals her aversion to job cuts or reduced education aid in budget overhaul

Caitlin Andrews | 8.13.2020 | [Click here to view online.](#)

AUGUSTA, Maine — Gov. Janet Mills has said in recent days that her demand of most state agencies to submit plans to slash spending would focus on items with the “least impact” on workers and services. She also seems to want to spare education aid.

The Democratic governor looks to be trying to reassure state employees and others that her request for most department heads to identify 10 percent cost reductions — programs funded by the transportation budget have been asked to identify 5 percent reductions — will not result in seismic changes in government. Many are skeptical.

The economic recession induced by the coronavirus pandemic promises to be a defining issue of Mills’ first term. The state faces an estimated \$1.4 billion shortfall over three years, with \$524 million falling within the budget year ending in mid-2021, dwarfing the two-year, \$570 million shortfall the state faced during the 2009 recession.

Mills and her aides have characterized the efforts as “curtailments,” saying the money would be held in reserve rather than cut outright from the budget, in case additional federal aid comes. In practice, it still means the money may not be spent and it could set the tone for cuts in the next two-year budget. Departments cannot propose to eliminate entire programs to meet their goals.

“I want to assure you that, as we begin a thoughtful review of potential savings, we will focus on items that have the least impact on state employees and on vital programs and services,” Mills said in a Friday email to state workers.

The governor’s office has not fleshed out these plans. Mills spokesperson Lindsay Crete reiterated a desire to “preserve vital services and the jobs of those who help administer them,” but did not address what metrics would be used to determine impact on jobs and services.

On Wednesday, Mills said on a Maine Public call-in show that she is “not eager to cut or claw back” funding for public education, which the state is required by law to fund at 55

percent, a goal it has not yet reached but inched toward in a scaled-back supplemental budget this year.

She also pointed to the importance of increases made in the Department of Health and Human Services — which takes up about 50 percent of the state budget — in important but also expensive areas including expanded Medicaid and the child welfare system.

“We don’t want these people falling through the cracks,” she said.

The Maine Service Employees Association, which represents over 12,000 state employees, appears nervous. A message last week from union president Dean Staffieri urged members to pressure U.S. Sen. Susan Collins, R-Maine, to back a massive aid package proposed by House Democrats but opposed by Senate Republicans that includes \$1 trillion in state and local aid.

There is no deal in sight on a stimulus package in Congress. Mills said on Maine Public that she is still hopeful Congress will provide additional aid, but that will not affect the “belt-tightening” her administration plans to do.

Staffieri also encouraged lawmakers to repeal tax cuts made in 2011 under former Republican Gov. Paul LePage as an alternative to cuts, saying it would be “wrong and reckless” to make state workers “bear the brunt” of reductions.

“The state can’t cut its way out of this pandemic without causing real harm to state and local workers, public services and the people we serve,” Staffieri said.

Staffieri said Wednesday that the union would look to engage the governor in impact bargaining if staff reductions were proposed, but is now just “trying to wrap our heads around” what a 10 percent reduction could look like.

Mills’ letter to state workers was “misleading” about the effect a curtailment would have on services, said Julie Rabinowitz, once the spokesperson for former Republican Gov. Paul LePage who now works for Maine People Before Politics, a LePage-affiliated nonprofit.

Rabinowitz noted the letter does not define how Mills would measure harm to jobs or services, but said any curtailments made this year will likely serve as a “big signal” of funding priorities when the governor and Legislature begin negotiating the next two-year budget in 2021. “When you stop spending on the program, you’re cutting spending on the program,” she said.