

Alison Sucy, Chief Operating Officer and Director of Government Affairs, on Behalf of the Maine Tourism Association

In Opposition To

LD 1376, An Act to Create a Livable Wage by Increasing the Minimum Hourly Wage

April 11, 2023

Senator Tipping, Representative Roeder, and Members of the Joint Standing Committee on Labor and Housing:

My name is Alison Sucy and I am the Chief Operating Officer and Director of Government Affairs for the Maine Tourism Association. The Maine Tourism Association is the state's largest tourism organization with 1500 members in every type of tourism business such as lodging, restaurants, campgrounds, retail, guides, tour operators, amusements, and historical and cultural attractions. We've been promoting Maine and our members for over 100 years. I present this testimony in opposition to LD 1376.

The increases in the minimum wage that took place over the past several years and continue to grow with annual indexing pose a significant challenge to many of our members. Many of our smaller members are struggling under increased wages, benefits, supply costs, and other costs of doing business; and rather than expand or reinvest in their businesses, they are hiring fewer workers or providing fewer work hours for employees just to remain operational.

Tourism was one of the hardest hit industries during the pandemic. Maine's tourism businesses are starting the slow process of recovery. Predictions are that it will be at least 2024 before the industry returns to pre-pandemic levels. Maine's economy is dependent on a successful tourism industry. According to the Maine Office of Tourism, 2022 numbers indicate that:

- Direct tourism expenditures totaled \$8.6 billion
- Without tourism, Maine households would have had to pay an additional \$2,172 in state and local taxes
- Tourism supported 151,000 Maine jobs

Maine needs tourism to be successful, not just for the 151,000 people in its jobs and the direct economic impact but also for the indirect impact. Tourism businesses utilize contractors, landscapers, plumbers, and electricians; and they buy from our farms, fisheries, wineries, and breweries. If tourism businesses can't succeed, these other businesses suffer as well. We want the tourism industry to continue to recover and grow and provide tens of thousands of jobs and billions of dollars to the Maine economy.

Tourism has a broad mix of entry-level jobs through highly-skilled, management, and entrepreneurial career opportunities. In some areas of the state, even entry-level tourism jobs are paid well above the minimum wage. However, forcing all businesses across the state to raise their starting wage, and thus increasing all other wages, is cost prohibitive. Therefore, I respectfully request that you oppose LD 1376. Thank you for your time and consideration.

The Maine Tourism Association is the state's largest advocate for all tourism-related businesses. Incorporated in 1922, MTA members include lodging, restaurants, camps, campgrounds, retail, outdoor recreation, guides, tour operators, transportation, amusements, and cultural and historical attractions. MTA also operates on behalf of the state seven State Visitor Information Centers from Kittery to Calais, and annually produces the state's official travel planner, Maine Invites You (since 1933).

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