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April 25, 2023

Senator Mike Tipping, Chair Representative Amy Roeder, Chair Members of the Labor and Housing Committee

RE: Testimony in OPPOSITION to LD 513, An Act Regarding Overtime Protections for Certain Maine Workers

Dear Senator Tipping, Representative Roeder and members of the Labor and Housing Committee:

My name is Curtis Picard and I am the President and CEO of the Retail Association of Maine. I am a resident of Topsham. We have more than 350 members statewide and represent retailers of all sizes. Maine's retailers employ more than 85,000 Mainers. We are here today to testify in strong opposition to LD 513.

Under current Maine law, the salary threshold for whether or not an employee is exempt from overtime or not is calculated at 3000x the prevailing minimum wage. With the minimum wage at \$13.80 per hour, the salary threshold is currently \$41,400, a 13.5% jump from the last time this bill was heard in the 130th Legislative Session as LD 607. Next year, it will rise again and increase every year after that. LD 513 would set an unrealistic and unsustainable salary threshold and we are disappointed to see this issue proposed once again in Maine.

Recently, LD 1376 was introduced which would increase Maine's minimum wage to \$15 per hour with a minimum of \$1 per hour increases every year. If both LD 513, and LD 1376 were to pass, the salary threshold in Maine would be at least \$76,500 in 2026, and would be at least \$108,000 in 2033.

LD 513 puts employers in a very difficult spot. It is perfectly reasonable to have a salaried staffer in Maine making \$40,000+ in salary. If LD 513 were to pass, the employer would essentially have to tell that staffer that they are once again moving back to hourly status and will need to punch a time clock again to track their time.

We understand the Biden Administration is pursuing this issue at the federal level, and a proposal is expected sometime in May. Addressing this issue at the federal level is a more appropriate venue.

Thank you for the opportunity to share our thoughts.

Sincerely,

Curtis Picard, CAE, President and CEO