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Hon. Anne Carney Senate Chair Hon. Matt Moonen House Chair Joint Standing Committee on Judiciary Room 438, State House Augusta, ME 04330

Friday, April 21, 2023

Dear Senator Carney, Representative Moonen, and distinguished members of the Joint Standing Committee on the Judiciary:

My name is Peter Gore, and I am a Government Affairs Consultant with the firm of Maine Street Solutions. I am contacting you on behalf of my client, the Maine State Chamber of Commerce, and its statewide business members, and I write to express their respectful opposition to **L.D. 1423**, *An Act to Increase the Limits on Awards for Compensatory and Punitive Damages Under the Maine Human Rights Act.* 

I apologize for not being present to deliver my testimony in person, however I have an unavoidable conflict this afternoon that prevents me being in your committee. That said, the Chamber wishes to be on record in opposition to this proposal.

The proposed legislation doubles the cap for large employers from \$500,000 to \$100,000,000. In addition, courts have and will continue to allow plaintiffs to stack federal damages on top of this amount. What is being proposed here is more than 3 X the cap under federal law. Also, for smaller employers with between 100 and 200 employees, the caps will go from \$100,000 to \$300,000 (3 X the current cap under the MHRA). Not only will this increase the risks of going to trial, but it increases settlement values, and will significantly increase insurance premiums (Employment Practices Liability Insurance) for businesses of all sizes. As this committee is aware, we proposed legislation to make sure that the caps under federal and state law could not be stacked and in fact, LD 1423 takes things in the opposite direction.

The Maine State Chamber sees no clear reason to increase the damage caps at this time, and because doing so, combined with the legislature unwillingness to prohibit the stacking of damages, will increase the cost of doing business in Maine, we are opposed to the passage of LD 1423. Thank you for the opportunity to provide you with our comments on this proposal.

Sincerely,

Peter M. Gore Maine Street Solution