

Testimony in Opposition to LD 1815, "An Act to Protect Maine's Consumers by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers"

Senator Curry, Representative Roberts, and distinguished members of the Committee on Innovation, Development, Economic Advancement and Business, thank you for the opportunity to testify on LD 1815. My name is Jacob Posik, I live in Portland, and I am testifying in strong opposition to LD 1815 on behalf of Maine Policy Institute, a nonpartisan, non-profit organization that works to expand individual liberty and economic freedom in Maine.

LD 1815 is an unserious proposal that would significantly harm small businesses and entrepreneurs, particularly those in rural Maine. As a free-market think tank, we thoughtfully consider proposals like LD 1815, but we fundamentally reject the idea that this bill in its current form would come anywhere close to achieving its intended goals. Instead, LD 1815 would have the unintended consequence of dissuading the creation of new businesses in rural parts of Maine where they are desperately needed, allowing incumbent providers of any kind to enjoy the benefits of limited competition to an even greater extent than they possibly could today.

Perhaps the biggest flaw of this legislation are its definitions, particularly the definition of "dominant position" and the lack thereof for the term "relevant market." For "dominant position," the definition in the bill is so broad that in rural Maine, practically any business would be covered – including small businesses which serve as the backbone of their communities.

Yet these rural areas in Maine are in desperate need of all kinds of goods, services and professionals that aren't present or provided today largely because of their sparse populations. No upcoming business owner or entrepreneur should be on the hook for punitive monetary penalties and countless lawsuits for risking the capital to start a business in service of their neighbors. However, that's exactly what LD 1815 would enable. In addition, considering "relevant market" is wholly undefined by the bill in its current form, this aspect of the legislation would be strongly litigated if legal action were taken against a small business owner.

In an attempt to protect consumers, LD 1815 would unintentionally insulate incumbent providers in their current markets, wherever they reside, and prevent future competition from establishing itself because it's even less likely a startup could afford the cost of potential fines and litigation allowed under this proposal as they begin conducting business.



To protect small business owners and entrepreneurs across the Pine Tree State, please vote "Ought Not to Pass" on LD 1815. The enactment of this bill would do the exact opposite of what its sponsors claim are its goals.