

## TESTIMONY IN OPPOSITION TO

L.D. 599

## AN ACT TO CODIFY THE FEDERAL SALARY THRESHOLD FOR OVERTIME PAY

March 19, 2025

Senator Tipping, Representative Roeder, and esteemed members of the Labor Committee, I am Steven Bailey, the executive director of the Maine School Management Association, testifying on behalf of the legislative committees of the Maine School Boards Association and the Maine School Superintendents Association in opposition to L.D. 599, *An Act to Codify the Federal Salary Threshold for Overtime Pay*. Our organizations represent more than 1,700 school board members across the state, as well as more than 200 superintendents and their districts.

Our school staff are true symbols of the transformational power of education. Every one of us still remembers the incredible teachers that we had as children and the way in which those educators transformed our lives.

School districts value the work of our teachers, ed techs, nurses, administrative staff, custodians and nutrition workers, and districts are working harder and harder every year to ensure that our staff feel valued and appreciated. Even though our schools are facing financial pressures, they are still working through collective bargaining agreements to boost staff pay and continue to provide excellent benefits. Yet unfortunately, our associations must oppose L.D. 599 because of the substantial financial impact that it would place on schools and local communities throughout Maine.

L.D. 599 would set an overtime threshold for salaried executive, administrative, or professional staff of at least \$58,656 per year. That number would likely climb in the coming years based on increases to Maine's minimum wage, average weekly earnings, or annualized rates established by the U.S. Department of Labor. This would be about \$13,000 more than the current threshold.

Our associations expect that thousands more school employees could be eligible for overtime under this bill, and its implementation could result in a significant administrative burden, putting more work on our local business offices. We also expect that in order to comply with these new rules, school districts would have to pay more in overtime, raise salaries, or hire additional employees to help reduce workloads.

Maine schools already recognize the need to pay our school staff more money – in local collective bargaining agreements, teachers are routinely receiving 5 or 6 percent annual pay increases. But our districts also must operate within the constraints of the budgets of our local taxpayers.

Local school budgets are already rising due to new mandates and higher costs for insurance and special education, and our members are concerned that incorporating the changes in L.D. 599 would only push school budgets even higher. This would result in higher property taxes – something our local residents have told us they cannot support – or potential cuts to important services or programming for students. Under these circumstances, we do not believe that the legislature should add any additional costs such as those proposed in L.D. 599.