

Testimony in Support of LD 1894, An Act to Address Consumer Grocery Pricing Fairness

May 12, 2025

Sen. Curry, Rep. Gere, and members of the Housing and Economic Development Committee, my name is Maura Pillsbury and I am a policy analyst at Maine Center for Economic Policy. We are testifying in support of LD 1894.

LD 1894 seeks to create a level playing field for small and independent grocers by ensuring that suppliers treat them the same as big corporate chains. It also seeks to prevent big corporate chain grocery stores from exploiting their power and influence to obtain access to exclusive deals not available to smaller grocery stores, which undercuts small businesses and threatens to run them out of business.ⁱ

This bill proposes to prohibit **suppliers** from engaging in unfair practices, including:

- offering different terms of sale for similar sales of the same volume
- refusing to share anonymized information on similar sales made to dominant retailers
- refusing to sell to a retailer based on the type of store ('channel of trade'), or
- refusing to sell to a retailer that is not a dominant retailer (with certain additional requirements and exceptions).

This bill proposes to prohibit **retailers** from engaging in unfair practices, including:

- requiring terms of sale from a supplier that would unreasonably diminish availability for other retailers, or
- coercing a supplier to do so.

The restrictions proposed in the bill would only apply to:

- suppliers with over \$6 billion in annual grocery sales in the state
- dominant retailers, defined as having over \$18 million in annual grocery sales and operating in at least 20 other states.

The bill proposes to allow the Attorney General to bring a civil action seeking civil penalties against a supplier or dominant retailer for such violations.

Small Maine businesses are the backbone of our communities. Multi-national corporations should not be treated more favorably than our neighborhood grocery stores, yet they are. Research has consistently shown that the proliferation of these large retail chains is harmful to communities and local businesses.ⁱⁱ When grocery stores in rural areas close, people may be forced to choose between traveling farther and spending more money on gas or rides, or settling for less nutritious options at dollar stores.ⁱⁱⁱ Access to fresh, nutritious food is public health issue.

Once big retailers have undercut their local competition and driven them out of business, communities feel broader impacts. The livelihood of local farmers and other businesses who are more likely to have their meat and produce carried by small, independent stores is also threatened.^{iv}

Mainers are feeling and seeing this in our grocery bills, and have been since the pandemic, when we experienced acute shortages, store closures, and prices that went up never came down.

We ask the Committee to please stop allowing suppliers and retailers from engaging in these practices that are harmful to Maine communities and small businesses by supporting LD 1894.

ⁱ Mitchell, Stacey. "In The Atlantic: The Great Grocery Squeeze." 2 December 2024. Institute for Local Self-Reliance. <https://ilsr.org/articles/robinson-patman-groceries-atlantic/>

ⁱⁱ Smith, Kennedy, Stacy Mitchell, and Susan Holmberg. "The Dollar Store Invasion." Institute for Local Self-Reliance. 23 Feb 2023. <https://ilsr.org/articles/report-dollar-store-invasion/>

ⁱⁱⁱ Parker, Molly. "The Government Spends Millions to Open Grocery Stores in Food Deserts. The Real Test Is Their Survival." ProPublica and Capitol News Illinois, 9 Aug 2024. <https://www.propublica.org/article/food-desert-grocery-store-cairo-illinois>

^{iv} Karma, Roge. "The Walmart Effect." 24 Dec 2024. The Atlantic. <https://www.theatlantic.com/economy/archive/2024/12/walmart-prices-poverty-economy/681122/>