TESTIMONY OF Brian Parke L.D. 741, "An Act to Prohibit Training Repayment Agreements by Employers"



Good afternoon, Senator Tipping, Representative Roeder, and members of the Committee on Labor and Housing. My name is Brian Parke and I am the President and CEO of the Maine Motor Transport Association and a resident of Brunswick. The Association is comprised of more than 1,700 member companies, whose employees make up a large portion of the 34,000 people who make their living in the trucking industry in Maine.

I am here today to testify in opposition to LD 741.

While well intentioned, the training repayment prohibition proposed by LD 741 will have a tremendously negative impact on workers whose employers pay to have them upgrade existing or gain new skills through workforce training and education. If passed, the result will be that employers will stop paying for such training because there will be no way to determine their return on investment without the assurance of increased future production.

Like most blue-collar industries in Maine, trucking is experiencing unprecedented workforce challenges and MMTA's membership has identified this as our most important priority. To address it, our members have dedicated considerable resources to develop a multi-pronged and multi-year strategy that includes significant investments in a social media workforce development campaign to get younger people interested in trucking careers, as well as a zero percent interest loan program to offer financial assistance for those getting training to get their Commercial Drivers License (CDL). 100% of the financial investment that has gone into these programs comes directly from the trucking industry – there have been no grants, no government assistance and no pandemic relief funds. Just private industry identifying our own problem and then putting our own money where our mouths are to address the problem.

Telling you this isn't to highlight the important things our members are doing to develop tomorrow's workforce, it's to convince you not to diminish the effectiveness of their investment by passing LD 741, especially in the context of our zero percent education loan program.

Right now, MMTA members can (and do) use our loan program as a financing tool when they have identified an individual who wants to get their CDL and work for them – sometimes it's an existing employee who wants to improve their marketability and value and sometimes it's someone from the community who wants to be a trucker. Either way, these are Maine citizens gaining a valuable credential that can lead to quality careers in our state.

Due to overwhelming workforce needs, our members oftentimes agree to fund this CDL training, but it only makes sense for them to make this investment if the individual agrees to work for the employer for a period of time after they successfully get their CDL. Otherwise, the individual could have the company pay for their CDL training and then go work for someone else shortly thereafter, leaving the employer who paid for the training with a big expense and no benefit to show for it.

I have to believe that this is not a unique situation only impacting the trucking industry. Training to get a CDL can run between \$5,000 and \$8,000 and if this legislature wants employers to consider making training reimbursements now and in the future, we ask that you not disincentivize it and request that you oppose LD 741.

Thank you for your consideration and for allowing me to testify. I would be happy to answer any questions the committee has now or at the Work Session.