

Maine Grocers & Food Producers Association PO Box 5234 Augusta, ME 04332 207.622.4461 info@mgfpa.org



Retail Association of Maine 45 Melville Street, Suite 1 Augusta, ME 04330 Tel: 207.623.1149 | Mobile: 207.240.7377 curtis@retailmaine.org www.retailmaine.org

April 11, 2023

Senator Mike Tipping, Chair Representative Amy Roeder, Chair Members of the Labor and Housing Committee

RE: Testimony in OPPOSITION of LD 1376, An Act to Create a Livable Wage by Increasing the Minimum Hourly Wage

Dear Senator Tipping, Representative Roeder and members of the Labor and Housing Committee:

My name is Curtis Picard and I am the President and CEO of the Retail Association of Maine. I am a resident of Topsham. We have more than 350 members statewide and represent retailers of all sizes. Maine's retailers employ more than 85,000 Mainers. In the interest of time, I am also submitting comments on behalf of the Maine Grocers and Food Producers Association. MGFPA is a business trade association representing more than 200 businesses within Maine's food community; Main Street businesses including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies. Both of our organizations are testifying in strong opposition to LD 1376.

LD 1376 would increase Maine's minimum wage to \$15 beginning in 2024 and would raise the minimum wage by \$1 per hour or by the increase in the CPI (whichever is greater) through 2033. At a minimum, it would set Maine's minimum wage at \$24 per hour in 2033!

In Maine's 10-year Economic Development Strategy, it is noted that the best way to increase wages is to increase the value of the products and services that we produce by developing new products. The strategy reads, "This can be done through research and development conducted by public, private, and nonprofit agencies; by increasing capital investment and entrepreneurship; and by increasing the skills and education of the workforce." RAM and MGFPA stands supportive of efforts that offer consistency. Maine's 10-year EDS specifically states that a key strategy for ensuring a diverse and sustainable

economy is to "maintain a stable business environment." The future is in talent, innovation and developing infrastructure not raising the minimum wage to unsustainable levels.

I have been involved with this issue for more years than I can remember, and I recall that prior to Maine enacting a higher minimum wage by referendum, proponents of an increase always touted the 1968 minimum wage as the basis for an increase. The reason they referenced 1968 is because that is the year when the minimum wage had the greatest purchasing power in its history. This was the justification for the annual increase tied to a consumer price index. So, using that basis again, the current equivalent minimum wage is \$13.86. With Maine's minimum wage currently set at \$13.80, we feel that LD 1376 is the wrong approach.

We urge the committee to quickly vote LD 1376 Ought Not to Pass.

Sincerely,

Curtis Picard, President & CEO. Retail Association of Maine

Cuti F. Puis

45 Melville St., Augusta, ME 04330 curtis@retailmaine.org | 207-623-1149 Christine Cummings

Christine Cummings, Executive Director, Maine Grocers & Food Producers Association PO Box 5234, Augusta, ME 04332 christine@mgfpa.org | 207-622-4461