

# MAINE BANKERS

Association

January 9, 2024

**Testimony to the 131<sup>st</sup> Maine Legislature**

**Committee on Innovation, Development, Economic Advancement and Business**

Good afternoon, Senator Curry, Representative Roberts, honorable members of the Committee – my name is Josh Steirman and I am the Director of Government Relations for the Maine Bankers Association. We are the state-wide trade association representing Maine's banks and our membership includes twenty-nine banks active across the state of Maine. The association advocates for Maine's banks and their critical role in a vibrant, stable, and inclusive economy. Our banks employ over 9,000 Mainers, provide safe and secure deposit services for our communities, and are a critical source of financing for home-ownership and small businesses. Last year, our banks provided over \$4.7 billion in business loans, and another \$4.6 billion in residential real estate loans.

The Maine Bankers Association is testifying today in opposition to L.D. 1815, *An Act to Protect Maine's Consumers by Establishing an Abuse of Dominance Right of Action and Requiring Notification of Mergers*. We are concerned that this bill would have a deeply chilling impact on the business climate in Maine. While many in our state are working diligently to attract talented workers and retain growing companies, this bill would have the opposite effect by discouraging growth and investment.

Merger notifications being proposed are redundant and would not create new benefit to consumers. Federal agencies such as the Federal Trade Commission and the Securities and Exchange Commission already have robust enforcement mechanisms in place. Their regulatory oversight is based on decades of precedent, which has capably and responsively met consumer protection demands across industries. Duplicative oversight from the state's Attorney General's office, already overstretched for resources, is unlikely to add significant benefit for Maine people. Commerce and consumer choice will improve when appropriate oversight is coordinated federally, rather than a patchwork of state-by-state laws.

An abuse-of-dominance approach to business regulation is also troubling because it represents a novel and untested method of price control. The undefined terms proposed are particularly concerning: how would state regulators define market share? How are geographic markets defined? And how would regulators prove dominance or unfair pricing beyond assumptions stated in statute? We fear that these unanswered questions would lead to costly litigation in our industry, and in nearly every other arena as well. This lack of clarity will only make the challenge of running a business in Maine more complex and cumbersome, and ultimately deny choices to consumers. At a time when Maine should be encouraging business investment, this bill would move our state in the wrong direction.

We thank the Committee for its consideration and are happy to answer any questions.

Respectfully Submitted,

Joshua Steirman

Director of Government Relations