



Good morning, Senator Rotundo, Representative Sachs, Senator Tipping, Rep. Roeder and honorable members of the Joint Standing Committees on Appropriation and Financial Affairs and Labor and Housing. My name is Adam Zuckerman and I am the lobbyist for the Maine People's Alliance.

Our 32,000 members stretch from Kittery to Fort Kent and we are committed to creating a state of Maine where everyone has what they need, everyone contributes what they can, and no one is left behind.

This budget is an opportunity to bring us closer to that vision. We can use a portion of the unallocated surplus to strengthen our deeply underfunded labor enforcement. We lose more to wage theft every year than all robberies, burglaries, and motor vehicle thefts combined.<sup>1</sup> According to MECEP, that is roughly \$30 million a year here in Maine.<sup>2</sup>

As BLS Director Dr. Moyer-Lee testified last month, the average employer can expect an inspection once every 269 years. That's because while the International Labor Organization recommends one labor inspector for every 10,000 employees, we have one for every 69,177 employees.<sup>3</sup> That allows serial offenders to continue to steal wages from hardworking Mainers, most often from those who can least afford to lose them. That also hurts the many businesses that play by the rules.

Another important step is to raise the minimum wage. Thousands of our members have volunteered in the last several years on the statewide campaign to raise Maine's minimum wage, which was passed at the ballot by voters by an historic margin in 2016. Many of those members understand first-hand the difference that a little extra money each month can make in their budget, their families, and their lives.

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<sup>1</sup> "Wage Theft Costs American Workers as Much as \$50 Billion a Year." *Economic Policy Institute*. September 2014. <https://www.epi.org/press/wage-theft-costs-american-workers-50-billion/>

<sup>2</sup> Myall, J. (2021). Wage theft costs workers millions. This bill would help workers get what they're owed. MECEP. March 17. <https://www.mecep.org/blog/wage-theft-costs-workers-millions-this-bill-would-help-workers-get-what-they-e-owed/>

<sup>3</sup> Maine Department of Labor, Bureau of Labor Standards Wage and Hour Division. "Annual Report on Wage and Hour Complaints and Violations 2023." February 2024. <https://www.maine.gov/labor/bls/docs/2023/wagehouraction/2023WageandHourReport.pdf>

Last session both chambers voted to raise the minimum wage to \$15 per hour. Now you have a chance to enact that modest increase by including it in the budget. That will help to lift countless Mainers out of poverty by helping them to provide for themselves and their families. It will also fuel local economies. When working Mainers have money in their pockets, they spend it at local businesses, helping us all to thrive.

We have \$107 million of unallocated surplus. The legislature can choose to spend a small portion of that to ensure that Mainers can earn a living wage and that they are able to keep those hard-earned wages. I urge you to do so. Thank you and I'm glad to answer any questions you may have.