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Testimony in Support of the Governor's Bill LD 2273

An Act to Establish a State Minimum Hourly Wage for Agricultural Workers Mary Anne Turowski, Senior Policy Advisor for Governor Janet T. Mills Before the Joint Standing Committee on Labor and Housing March 26, 2024

Senator Tipping, Representative Roeder and members of the joint standing committee on Labor and Housing, my name is Mary Anne Turowski and I am a Senior Policy Advisor for Governor Janet T. Mills. I am here before you today to present, and speak in support of, the Governor's bill: LD 2273, An Act to Establish a State Hourly Wage for Agricultural Workers. I thank Speaker Talbot-Ross for her sponsorship, and Senator Tipping and Representative Roeder for your co-sponsorship of this legislation.

LD 2273 represents the culmination of much hard work done by the Department of Labor, the Department of Agriculture, Conservation and Forestry, stakeholders in the farm community and the farmworkers themselves. On July 19, 2023, the Governor vetoed LD 398 (An Act to Make Agricultural Workers and other Related Workers Employees Under the Wage and Hour Laws); in her veto letter, the Governor stated her strong support for a state minimum wage for farm workers but cited the confusing evolution of the bill and the potential unintended consequences of LD 398 as her rationale for her veto. In her veto letter she committed to reconstitute a more formal stakeholder group to address the many questions and concerns that arose out of LD 398.

On July 23, 2023, the Governor issued an Executive Order that created a stakeholder group, comprised of representatives of the farmer community, worker advocates and members of the legislature. The report was initially due by 12/01/23, but the report back date was extended to include feedback from additional stakeholders. Cochaired by Department of Labor Commissioner Fortman and Department of Agriculture Conservation and Forestry Deputy Commissioner McBrady, the Committee to Develop and Implement a Minimum Wage Bill for Agricultural Workers met seven times as a committee. Presentations by DOL's Wage and Hour Division and the Bureau of Unemployment Compensation, the Office of the Attorney General and the Maine Worker's Compensation Board provided information on both current laws that impact most farmers and farmworkers, as well as an overview of a state minimum wage law as it would apply to farmers and farmworkers. The committee also considered Maine-specific data from the then most current (2017) USDA Census of Agriculture, the 2023 USDA's National Agricultural Statistics Service in conjunction with the USDOL, a 2022 USDOL Bureau of Labor Statistics report, a 2021 UM Cooperative Extension survey, as well as presentations from farm stakeholders and other experts. The committee also formed two subcommittees: one to consult farm employers and another to consult farmworkers. DACF DC McBrady held three in-person/virtual listening sessions with the farm employer subcommittee in Machias, Presque Isle and Augusta with



input from 31 farmers. DOL's Bureau of Labor Standards Director Moyer-Lee held six on-farm visits with farmworkers and surveyed or spoke to 80-90 farmworkers. The process was robust, the material reviewed was extensive, and many stakeholders were actively engaged though out the process. You can read all about it in the report that was issued in February 2024.

The Governor's bill reflects in large part the recommendations outlined in the Committee report by the co-chairs. Farmers stated that they paid at least the state minimum wage to their employees, and farmworkers stated that, generally, their employers are paying them at least the state minimum wage. At the request of some of the farmer stakeholders, a separate state minimum wage law is being proposed due to the unique nature of agriculture in Maine. Growing and harvesting timelines constrained by growing seasons and weather that impact how and when farmworkers work, as well as the diversity of Maine's crops all define the unique challenges that Maine farmers face. The Governor also took into consideration data from the recently released 2022 USDA Farm Census, which shows that Maine has lost 564 farms and 82,567 acres of farmland since the last census in 2017. This alarming loss of farms and acreage underscores the importance of the careful approach this bill is taking to extend the state minimum wage to farmworkers while balancing the very real challenges faced by Maine's farms.

LD 2273 creates a new subchapter (2-B) of Chapter 7 of Title 26 M.R.S., entitled "Agricultural Employee Minimum Hourly Wage and Related Provisions". This new subchapter would generally replicate the provisions on minimum wage in Subchapter 3, but for farmworkers.

In §651 – the definitions sections of the bill, the terms "Employ" and "Wages" use the same definitions as Subchapter 3. The definition of "Employee" refers to individuals "employed to perform agricultural labor; as defined in Employment Security Law and the Federal Unemployment Tax Act." This borrows from the language of exemption for agricultural workers in Subchapter 3. The "employee" definition also exempts certain family members of the employee from minimum wage obligations. This too borrows from an existing exemption in Subchapter 3.

In §652 Minimum hourly wage, the level of minimum wage and the yearly increases are identical to Subchapter 3. The records requirements (§653), the penalties (§655), and the prohibition on unfair contracts (§656) are all identical to subchapter 3, the current state minimum wage law. This bill, if enacted, would become law on September 1, 2024.

In the new Subchapter 2-B, §654 Employees remedies largely replicates the same section in subchapter 3, with one exception: there is no private right of action. Only the Department of Labor can bring an action to recover wages owed to farmworkers under this statute.

In sum, LD 2273 would extend state minimum wage entitlement to Maine farmworkers and entitle them to the same minimum wage as other workers in the state.

On behalf of Governor Mills, I respectfully request that you support LD 2273. Thank you for this opportunity to come before the committee, and I'd be glad to answer any questions.

