

Testimony of Jake Lachance

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Before the Joint Standing Committee on Labor

Testimony In Opposition to LD 54 "An Act to Require Employers to Disclose Pay Ranges and Maintain Records of Employee's Pay Histories"

Senator Tipping, Rep. Roeder, and members of the Joint Standing Committee on Labor, my name is Jake Lachance, and I am a Government Relations Specialist for the Maine State Chamber of Commerce, which advocates for over 5,000 large and small businesses across the State of Maine. I am here to give testimony in In Opposition to LD 54 "An Act to Require Employers to Disclose Pay Ranges and Maintain Records of Employee's Pay Histories".

In today's tight labor market, employers are doing everything they can, within their means, to retain and recruit workers into their field. Within these common practices, it is routine that businesses will go through a hiring process with a prospective employee, to include a discussion of pay and other benefits that are included. With advancements over time of job placement websites and direct hire notices on the internet, it is also within common practice that a job posting includes a generalized pay range associated with that position, and as conversations continue with that perspective employee, particulars are ironed out.

The scope of this bill reaches far beyond the common practice of pay ranges being included within job postings. In 1.B., it states the definition of what is included within "range of pay". This definition is not simply two numbers with a hyphen between them, but includes "any applicable pay scale, a previously determined range of wages for the position, the actual range of wages for those currently holding equivalent positions, or the budgeted amount for the position." This scope is far too broad and wanders into employer decision making and operations that should be left to the employer themselves to make and disseminate.

In section 2, a "successful applicant" is mentioned. This term is also broad. Does that mean anyone who merely submits an application? Someone that has a conditional offer? Someone that has accepted a conditional offer but has yet to iron out the terms of their employment? In section 3 of this bill, it also requires record keeping for 3 years after an employee is terminated, creating yet another requirement of bookkeeping. Coupled with the overly broad definition in 1.B. including "a previously determined wages for the position" and "the budgeted amount for the position", this speaks to the overreaching nature of merely numbers on a posting and creates more hoops for an employer to jump through.

As stated previously, the ability to recruit and retain employees is already tight. This could open a door for the unintended consequence of prospective workers just chasing a paycheck, opposed to having a genuine passion for the job in which they seek, which leads to a win-win for both an employer

and employee. Overall, these are decisions that should be left to the employers and there is no need to codify it in law when there is an overwhelming common practice that is already at play.

For these reasons, I urge the committee to vote Ought Not to Pass on this pending legislation. Thank you for your time and I am happy to answer any questions.