



Janet T. Mills
GOVERNOR

STATE OF MAINE
DEPARTMENT OF LABOR
54 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0054

Laura A. Fortman
COMMISSIONER

**Testimony of Dillon Murray, Legislative Liaison. Maine Department of Labor
In Opposition to
LD 187, An Act to Prohibit Labor Organizations from Imposing Mandatory
Service Fees on Nonmembers
To the Joint Standing Committee on Labor
2/12/2025**

Good morning/afternoon Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing. My name is Dillon Murray, Legislative Liaison for the Maine Department of Labor (Department). I am here today to speak on behalf of the Department in strong opposition to LD 187, An Act to Prohibit Labor Organizations from Imposing Mandatory Service Fees on Nonmembers.

This bill exclusively targets private sector unions in Maine and prohibits requiring non-members to pay service fees (known as "fair share payments") to the union that represents them in collective bargaining. Specifically, LD 187 removes long-standing statutory provisions that allow unions to collect "fair share payment" fees that cover the cost of representation related to a collective bargaining agreement. By eliminating these fees, the bill undermines the financial stability of unions, weakening their ability to advocate for fair wages, benefits, and safe working conditions for all workers—union members and non-members alike. This change would fundamentally alter labor relations in Maine's private sector by allowing employees to reap the benefits of union representation without contributing their fair share to the costs.

Fair share payments exist to prevent the "free rider" problem—where employees receive all the benefits of union representation without paying for the costs associated with collective bargaining and contract enforcement.

Historically, fair share fees have played a critical role in maintaining strong unions that advocate for higher wages, better benefits, and safer workplaces. States that have enacted "right-to-work" laws, which prohibit these payments, have seen lower wages and diminished worker protections. Studies by US DOL's Bureau of Labor Statistics in 2020 show that workers in right-to-work states

earn lower wages and experience higher rates of workplace injuries and fatalities due to weakened labor protections. Moreover, right-to-work laws do not lead to job growth as proponents claim. Research by the National Bureau of Economic Research in 2015 found no correlation between the adoption of right-to-work laws and an increase in employment growth (NBER, 2015).

Additionally, unions play a vital role in training and upskilling workers. Many unions in Maine provide apprenticeship programs and workforce development initiatives that benefit both workers and employers. By undermining unions, LD 187 would jeopardize these programs, making it harder for Maine workers to access high-quality training and secure good-paying jobs.

LD 187 closely mirrors the impact of U.S. Supreme Court's 2018 decision in *Janus v. AFSCME*, which struck down mandatory fair share fees for public sector unions on First Amendment grounds. Since *Janus*, public-sector unions have experienced significant declines in membership and revenue, reducing their ability to negotiate strong contracts and advocate for workers. Extending this model to Maine's private sector through LD 187 would likely lead to similar outcomes, leaving both member and non-member workers with less bargaining power and fewer protections.

The Department of Labor must also highlight the practical challenges of enforcing LD 187 – the subject matter of which is outside of our normal investigative and enforcement activities and thus would be challenging to enforce. While this specific piece of legislation may not directly require an additional full-time position, the Department believes in being transparent about our capacity. Regardless of the merits of the proposal itself, we must emphasize that the introduction of any new protections would inevitably require the addition of at least one full-time position to bolster proper implementation and enforcement.

LD 187 is an unnecessary and harmful attack on Maine's private sector unions. By eliminating fair share payments, this bill encourages "free riders," weakens collective bargaining, and ultimately may lead to lower wages, reduced benefits, and weaker workplace protections.

We urge this committee to reject LD 187 to protect Maine workers and maintain a fair and equitable labor environment. Thank you for your time and attention. I would be happy to answer any questions you may have now or at a future work session.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.