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Sen. Tipping & Rep. Roeder Committee on Labor 100 State House Station Augusta, ME 04333-0100

## **Re: Testimony on LD 599** – An Act to Codify the Federal Salary Threshold for Overtime Pay

My name is Dan Riley, an attorney with the firm of Norman, Hanson & DeTroy in Portland. I serve as counsel for the Retail Lumber Dealers Association of Maine (RLDAM), which represents independent lumber and building material dealers, manufacturers, wholesalers, distributors, and other associated businesses in the state of Maine. Our industry employs more than 20,000 Maine residents.

We strongly oppose LD 599, which seeks to codify the now-invalidated 2024 federal overtime rule by dramatically raising the salary threshold for exempt employees to \$58,656 per year with automatic triennial increases. The federal rule on which this proposal is based was recently struck down by the U.S. District Court for the Eastern District of Texas, which ruled that the Department of Labor had exceeded its authority by prioritizing salary over job duties in determining exempt employees.

For the lumber and building materials industry, this bill would significantly increase costs for employers who already operate on tight margins. Small businesses, particularly those in rural Maine, would be forced to reduce staff, limit hours, or convert salaried positions to hourly roles to comply. Additionally, higher labor costs would drive up construction and renovation expenses, further straining Maine's housing market at a time when affordability is already a major concern.

Daniel Riley, Esq.