

Testimony of Jake Lachance
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Before the Joint Standing Committee on Labor
In Opposition to

LD 357, An Act to Establish a State Minimum Hourly Wage for Agricultural Workers

LD 588, An Act to Enact the Agricultural Employees Concerted Activity Protection Act

LD 589, An Act to Make Agricultural Workers and Other Related Workers Employees Under the Wage and Hour Laws

Sen. 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. Thank you for the opportunity to respectfully submit this testimony in opposition to LD 357, LD 588, and LD 589.

Maine's agricultural industry is a critical pillar of our state's economy, employing thousands of Mainers, sustaining rural communities, and contributing significantly to both local food security and export value. While we firmly support fair treatment and fair pay for all workers, LD 357 presents legal and financial risks that threaten the sustainability of family farms and the broader agricultural sector.

This bill goes beyond establishing a minimum wage, it includes a "private right of action" clause that exposes employers to litigation risks that are both unprecedented and asymmetrical. While workers may sue for alleged wage discrepancies and recover attorney fees and damages, employers, if vindicated, have no mechanism to recoup costs. This creates a burdensome legal climate, particularly for small and mid-sized farms with limited administrative capacity and tight profit margins.

The average wages in Maine's potato industry already exceed minimum thresholds, averaging \$17.36/hour for seasonal and \$23.15/hour for full-time employees. These farms are not the problem this bill seeks to solve. What this bill does, however, is add regulatory burdens that fail to account for the seasonal, weather-dependent nature of agriculture.

We are also deeply concerned about the economic ripple effects. Increased labor costs may lead to higher food prices at a time of ongoing inflation and may undermine Maine's competitiveness in export markets. Maine agriculture is already contending with increased fuel, fertilizer, and shipping costs, as well as international trade uncertainty and retaliatory tariffs. Adding more overhead without flexibility exacerbates economic fragility.

For these reasons, we urge the Committee to vote ought not to pass on LD 357 and instead consider more balanced policy approaches like those seen in LD 655, which emerged from the Governor's stakeholder working group.

LD 588 – An Act to Enact the Agricultural Employees Concerted Activity Protection Act

The Maine State Chamber of Commerce opposes LD 588, a bill that introduces sweeping new regulatory structures into the agricultural employment space through concerted activity protections. While collective action rights have a place in many workplaces, this bill poses a danger to Maine's small farms and introduces a new regulatory framework that is out of sync with agricultural realities.

LD 588 paints an unfair picture of the agricultural industry. Our members in the agricultural space, including the potato, blueberry, broccoli, cauliflower, and many other sectors, consistently demonstrate a deep commitment to their workers, providing competitive wages—averaging over \$23/hour for full-time roles, and meaningful benefits like housing, healthcare, and paid leave.

This bill would invite third-party involvement into operations where employment relationships are already built on trust and community. Rather than enhancing worker rights, it may sow division and lead to work stoppages during critical agricultural windows, such as planting and harvest seasons. For sectors like potatoes, which operate under a 120-day production cycle and are at the mercy of weather, any disruption can mean catastrophic financial loss.

Moreover, the bill opens the door to increased litigation, arbitration, and administrative burden, which are simply not feasible for farms already strained by volatile markets, rising input costs, and shifting global trade conditions. In some cases, employers may turn to automation or out-of-state H2A labor, reducing local employment opportunities—the opposite of the bill's intent.

We believe that dialogue, not confrontation, is the best way to support agricultural workers. We urge the committee to vote ought not to pass on LD 588 to protect Maine agriculture and rural economies.

LD 589 – An Act to Make Agricultural Workers and Other Related Workers Employees Under the Wage and Hour Laws

The Maine State Chamber of Commerce stands in respectful opposition to LD 589, which proposes to eliminate the longstanding overtime exemption for agricultural workers in Maine. This change, while well-intentioned, would destabilize our agricultural economy, increase consumer food prices, and inadvertently reduce job opportunities in rural communities.

Unlike many industries, agriculture cannot operate on a fixed schedule. It is dictated by nature, rain, temperature, pests, and soil conditions all shape daily workflows. LD 589 fails to accommodate the irregular but essential overtime that defines agricultural labor, especially during the crucial six-week planting and harvesting windows.

A recent survey of potato growers, representing just 13.5% of Maine's production, projected annual cost increases exceeding \$530,000, based solely on limited planting and harvesting periods. Extrapolated across the entire industry, the additional wage burden could approach \$4 million annually, and that does not include benefits, insurance, or employment taxes. These are unsustainable numbers, particularly in a state with small-scale, family-run farms.

From a broader economic standpoint, LD 589 risks driving farms out of business or forcing them to invest in mechanization and out-of-state labor. It could also weaken our competitive position in regional and international markets, especially given recent tariff threats to agricultural exports. Unlike other sectors, farmers cannot pass these costs on, they are price takers, not price setters.

While we support fair pay, this bill imposes rigid standards that do not reflect the reality of agricultural production. We urge the Committee to vote ought not to pass on LD 589 and work toward pragmatic labor policy that promotes both worker welfare and economic viability.