



Testimony of Jason J. Shedlock <u>in support</u> of LD 1587 "An Act to Establish Greater Alignment of Penalties for Certain Labor Law Violations"

Chairs Tipping, Roeder and members of the Committee on Labor, my name is Jason J. Shedlock, I live in Portland and I'm pleased to offer my testimony in support of LD 1587. I'd like to extend special thanks to Representative Beck for his leadership in introducing this bill, as well as Chair Roeder and Representative Macias for co-sponsoring it.

I stand before you in my role as President of the Maine Building Trades, Regional Organizer & Secretary-Treasurer of Local 327 of the Laborers' Union, President of the Southern Maine Labor Council, among other roles and responsibilities, all of which afford me the honor of representing tens of thousands of working Mainers.

The bill before you today is very simple. It would put in place a process for the Department of Labor to refer the most extreme cases of labor law violations to the Attorney General. The Attorney General will decide whether or not to prosecute and charge the offending party with a criminal offense, which, upon conviction, may lead to significant fines and even jail time for repeat offenders.

This concept isn't new. The Federal Fair Labor Standards Act has contained similar provisions for decades. Over a dozen states have established similar frameworks.

Importantly, referrals to the Attorney General's office are reserved for violators who "intentionally or knowingly" commit violations. That's a very high bar. In plain terms, that means this bill gives the state the option to pursue criminal penalties for those who break the law on purpose. It's the judgement of the Attorney General that will be the deciding factor on prosecution. And further, as the bill states, possible jail time for these egregious offenses is only an option if and until it is proven they broke the law and harmed workers - on purpose - not once, but twice.

For those who are concerned about the proverbial "mom and pop" getting hauled off to prison, let me put this in perspective. Under the Federal Fair Labor Standards Act, data shows that between 1994 and 2020, there were 38 criminal prosecutions for wage and overtime violations of the FLSA. So out of all of the violations found under the FLSA, 4 of those cases brought convictions. None of them came with jail time. The Maine Department of Labor testified in front of this committee that in 2022 and 2023, on average, the Department collected \$3.80 per labor law violation. In 2023, an employer could expect to be inspected by the Wage and Hour Division once every 269 years.¹ Now the fact that the Department is so woefully understaffed is a topic for another hearing. But the underlying reasoning of this bill remains.

So why are we here? We're here because Maine simply cannot and should not need to count on the federal government to prosecute even the highest-level labor law violators. This bill will give us the option to take care of our own business as appropriate. I hope we never, ever need to exercise that option. But having it sends a message to those who set out to harm Mainers at the workplace. It also sends a message to those workers that we're willing to fight for them.





¹ https://legislature.maine.gov/legis/bills/getTestimonyDoc.asp?id=181080

I'll close for now by saying this: many of you might be shocked to know that every once in a while, our Chief Executive and I don't see eye to eye. But I will also say this: when she says, "see you in court," I believe her. This bill gives this Governor and those who come after her that option when someone purposefully and repeatedly exploits Maine workers - your constituents.

I urge the Committee to pass LD 1587.

.