



Maine Grocers &
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Testimony Neither For Nor Against LD 1894 An Act to Address Consumer Grocery Pricing Fairness

Dear Senator Curry - Chair, Representative Gere - Chair, and members of the Committee On Housing and Economic Development,

On behalf of the Maine Grocers & Food Producers Association (MGFPA), I speak Neither For Nor Against *LD 1894, An Act to Address Consumer Grocery Pricing Fairness*. MGFPA is a business trade association representing Maine's food community; Main Street businesses, including independently owned and operated grocery stores and supermarkets, food and beverage producers and processors, manufacturers, wholesalers, distributors, and supportive service companies. LD 1894 has divided our association in its attempt to create parity amongst our diverse membership.

We are proud to represent a vibrant and diverse network of independent grocery retailers across the state—many of them multi-generational family businesses that serve as vital community anchors in towns large and small. These businesses provide essential services, support local economies, and offer consumers choice and connection in a rapidly changing marketplace. The National Grocers Association notes that there are 154 independent stores creating 4,164 Direct Jobs with a total \$809.3M Economic Impact in Maine.¹

Independent grocers are currently facing a perfect storm of challenges. From burdensome regulatory mandates and persistent workforce shortages to ongoing supply chain disruptions, the pressure on these businesses continues to mount. These issues not only impact their ability to operate efficiently but often lead to increased prices at the shelf—further widening the gap between independents and larger national chains. A key concern for our members is the need for a fair and equitable playing field when it comes to pricing and access to goods. Ensuring pricing fairness is critical to preserving competition and consumer access across Maine's urban and rural communities.

To our knowledge, no state in the country has yet enacted a law resembling this proposal. While similar concepts have recently been introduced in Rhode Island and Minnesota, they have received mixed—responses from the business community in those states, and neither has advanced to law. This alone underscores how groundbreaking this policy is.

The legislation seeks to fundamentally restructure the way pricing and supply agreements are handled between suppliers, wholesalers, and retailers across all channels of grocery trade. While we understand and appreciate the intent to create fairness in pricing, the bill creates a framework that causes us pause

¹ Grocers Impact America, Maine, 2021 data

as it may unintentionally disrupt the very reasons for market-based pricing structures—such as volume purchasing, distribution models, and promotional partnerships.

A deep dive into distributor margins, retailer markups, pricing strategies, volume incentives, and slotting fees is essential to understanding how pricing structures across the supply chain impact fairness and market access in Maine's food and retail sectors. Further discussion around these financial levers and their disproportion relations is necessary. As the national conversation around the Robinson-Patman Act and broader anti-trust enforcement resurfaces, we need time and further vetted in-state discussion to determine if Maine is best positioned to lead state-level efforts.

We appreciate the intent of this legislation and support the overarching goal of addressing systemic inequities that disadvantage our local grocers. We look forward to working with stakeholders and policymakers to ensure that Maine's independent grocers are not only protected but positioned to thrive for generations to come. MGFPA is well-suited to continue this conversation on behalf of our industry. The expedited timeline of LD 1894, under which this bill is advancing, limits our ability to provide the thoughtful and comprehensive input required from all sectors of our membership and our national counterparts.

Thank you for your time and consideration.

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