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To: Sen. Mike Tipping and Rep. Amy Roeder, co-chairs
Members, Committee on Labor

From: David R. Clough, State Director in Maine

Re: LD 54 –Require Disclosure of Pay Ranges and Recordkeeping of Employees’ Pay Histories

This statement opposed to LD 54 is on behalf of the thousands of small business owners in Maine who are members of the National Federation of Independent Business. Member businesses collectively span a wide range of economic activities; provide jobs and paychecks to about 30,000 people; and help form the economic backbone of hundreds of communities and the State.

- LD 54 adds to complexity of Maine labor law and puts small employers at risk of getting into trouble for not understanding and properly following added hiring and employment mandates.
- Although LD 54 includes at least a partial exemption for very small employers (1-10 employees), even the many small employers with more than 10 employees can struggle to keep up with labor law and regulation details, and struggle to keep out of trouble with new paperwork and disclosure requirements.
 - *The 10-employee threshold in LD 54 only references the job posting provision; however, the pay disclosure records provision appears to apply to employers with 1 or more employees.*
- Most small employers do not have human resource departments or employment practices professionals who can guide the business on compliance, which means small employers are more at risk of unwitting violations.

While employees are not prohibited from discussing their pay with other employees, the LD 54 provides that an employee may request their employer to disclose the pay range of the particular position held by the employee, which could open a Pandora’s Box of resentment in small workplaces.

- Small employer workplaces do not operate like highly structured large workplaces or workplaces with collective bargaining agreements with well-defined positions and pay scales.
- Small employer compensation and wage ranges may not be uniform for any given position; they can fluctuate based on an individual’s qualifications, experience, and availability of potential employees for the particular position at the time of recruitment and hiring.

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- Job responsibilities, titles, and specific roles are often nebulous and ever-evolving in small businesses, as adjustments are made to accommodate new product or service lines, respond to changes in the skillsets of workers, and operate flexible workplaces in order to keep up with a variety of internal or external competitiveness factors.

Apart from particular concerns about LD 54, NFIB urges caution in hitting Maine employers with more labor law requirements at the same time every employer – and especially smaller employers – will be experiencing known knowns and known unknowns regarding use of the new Paid Family & Medical Leave (PFML) law, when employees begin taking up to 60 days (3 months) of leave for qualifying events, starting in May or August of 2026.

Thank you for being mindful of Maine small business owners.