

Testimony In Opposition To LD 54, An Act to Require Employers to Disclose Pay Ranges and Maintain Records of Employees' Pay History

February 5, 2025

Senator Tipping, Representative Roeder, and Honorable Members of the Labor Committee,

My name is Alexander Price, and I am here to testify in opposition to LD 54 on behalf of the Maine Jobs Council, which is a statewide, nonpartisan, member-driven advocacy organization that advances public policies to support the creation and preservation of foundational jobs in Maine. The Maine Jobs Council opposes LD 54 because it would add another burdensome regulation on Maine's employers at a time when most are already struggling to compete.

A recent assessment of the competitiveness of Maine's statewide economy by the Porter Development Initiative (PDI) found that Maine is not attracting new employment at the same rates as other areas of the U.S. and that existing firms in Maine are not achieving the high levels of productivity that would support increasing wage levels for employees. PDI's research revealed that we are among the least productive states in the nation, despite high levels of labor force participation among working-age Mainers; we create fewer jobs, attract less investment, and start fewer businesses than most other states; our worker wages are low and contrast with higher cost burdens; and we lack many of the hallmarks of a competitive location for business.

The Maine Jobs Council certainly supports making workers a top priority. However, the best way to do that is with a robust economy full of quality foundational jobs that provide choices, career growth, and increasing wages. While we appreciate the sponsor's intent with this bill, we believe that improving Maine's competitive standing and chances to attract foundational jobs and investment requires fewer mandates and regulations, not more. Requiring the employer to list or disclose the pay range in an employment opening limits the flexibility an employer has in making compensation decisions, potentially restricting their ability to offer competitive salaries based on an applicant's qualifications and performance. This, in turn, could have an adverse effect on the number and quality of applicants, particularly if the employer is unable to deviate from the pay range indicated in the employment opening. Further, this bill could cause unnecessary conflict within the business, as current employees may take offense if their employer is attempting to hire a new employee at a comparable or even greater salary. Finally, listing or disclosing the pay range may give competing businesses a heads-up, which would impact the employer's ability to attract talent.

Individual pieces of legislation, like LD 54, are not the solution to solving our state's economic problems. We encourage this committee to start taking a more comprehensive look at how











workforce challenges, taxes, regulations, infrastructure, and other issues act as a barrier to job creation in our state. If Maine is not a competitive and productive place for businesses, workers, and families, its economic plans and efforts will falter. Maine needs to develop a comprehensive, integrated, and strategic plan that focuses legislation, regulation, and public policy on talent attraction, investment, and job creation.

The MJC thanks the committee for its time and consideration of this issue, and we would welcome any opportunity to discuss it with you.

Thank you,

Alexander Price, Pierce Atwood
On behalf of the Maine Jobs Council