

### **Testimony in Opposition to LD 60:**

"An Act to Allow Employees to Request Flexible Work Schedules"

Senator Tipping, Representative Roeder, and the distinguished members of the Committee on Labor, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. We are a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify in opposition to LD 60: "An Act to Allow Employees to Request Flexible Work Schedules."

While promoting workplace flexibility is a laudable goal, this bill represents an unnecessary government intervention in employer-employee relationships, creating undue burdens on Maine businesses and introducing the potential for unintended economic consequences.

## LD 60 Risks Imposing New Costs and Liabilities on Employers

Under LD 60, employers would face significant administrative and legal challenges in responding to flexible schedule requests. The bill requires employers to engage in a process to assess and respond to requests, which, while seemingly straightforward, could lead to compliance burdens. Small businesses that lack dedicated human resources departments would struggle to comply with the paperwork, negotiations, and potential disputes.

Even worse, the bill's vague language could create litigation openings if employees think their requests are unfairly denied. This exposes businesses to unnecessary legal risks, discouraging job creation and discouraging employers from expanding Maine operations.

#### Maine's Small Businesses Would Bear the Greatest Burden

Small businesses are the backbone of Maine's economy, accounting for more than 99% of all employers and employing more than half of the private workforce. These businesses already operate on razor-thin margins and face an ever-growing array of compliance mandates. LD 60 would force small employers to divert valuable resources from growing their businesses and serving their customers to manage flexible work requests.

<sup>&</sup>lt;sup>1</sup> https://advocacy.sba.gov/wp-content/uploads/2023/11/2023-Small-Business-Economic-Profile-ME.pdf



Furthermore, some industries require set schedules to maintain operations and serve their customers. This bill fails to account for the realities of these industries, making compliance particularly difficult or infeasible.

### Free-Market Flexibility Already Exists

Workplace flexibility is increasingly common as employers compete for talent in a tight labor market. Many Maine businesses already offer flexible work arrangements, including remote work, flexible hours, and hybrid schedules, without government mandates. These voluntary arrangements allow employers to tailor solutions to their operational needs while ensuring employees benefit from greater work-life balance.

Mandating a specific process for flexible schedule requests interferes with the organic dynamics of the labor market, replacing voluntary cooperation with government oversight. By removing flexibility from employers, LD 60 could ironically make it harder for businesses to offer the arrangements the bill seeks to promote.

# LD 60 Could Deter Job Creation and Hurt Maine Businesses' Competitiveness

Maine already faces significant challenges in attracting and retaining businesses, and bills like LD 60 send the wrong message to prospective employers. Companies considering expanding or relocating to Maine will view this bill as another example of the state imposing excessive regulatory burdens. Rather than creating a business-friendly environment, LD 60 risks reinforcing perceptions of Maine as a difficult place to do business.

Southern Maine businesses would also be put at a particular disadvantage, as they would have yet another competitive disadvantage compared to New Hampshire. While New Hampshire is one of the few states with a similar law, theirs uses language that allows far more flexibility for employers and simply protects employees from retaliation for requesting flexible work schedules.<sup>2</sup> The bill before you instead creates a vague requirement for employers to "consider" a request and to justify their denials to the employee in writing. This puts employers denying these requests at risk of civil action for wrongful flexibility request denial, and could have a disincentivizing effect on denying requests even if company productivity suffers because of it.

<sup>&</sup>lt;sup>2</sup> https://legiscan.com/NH/text/SB416/id/1426602



### **Alternatives to LD 60**

Rather than imposing rigid mandates on employers, policymakers should focus on promoting voluntary workplace flexibility and reducing barriers to job creation. Here are some better alternatives:

- **Incentivizing Flexibility Programs:** Offer tax credits or other incentives to businesses that adopt flexible work policies voluntarily.
- **Reducing Regulatory Burdens:** Streamline existing regulations to free up resources for businesses to invest in employee benefits, including flexible scheduling.
- **Creating legal protection and nothing more**: Just like the New Hampshire law, protecting employees from retaliation is all that would be needed to solve the problems this bill seeks to address.

#### Conclusion

While LD 60 is well-intentioned, its unintended consequences would harm Maine's small businesses, reduce job creation, and undermine the voluntary, cooperative efforts already taking place in the labor market. Rather than imposing additional mandates, the Legislature should focus on policies that empower businesses and workers to thrive.

For these reasons, the Maine Policy Institute strongly urges this committee to vote "Ought not to Pass" on LD 60. Thank you for your time and consideration.