



Testimony in opposition to LD 607 "An Act To Restore Overtime Protections for Maine Workers"
March 22, 2021

Senator Craig Hickman, Chair and the Committee on Labor and Housing, my name is Deb Neuman and I serve as the President and CEO of the Bangor Region Chamber of Commerce. I am providing comment on behalf of the Bangor Region Chamber of Commerce Board of Directors.

By way of background, our chamber serves 21 communities representing 674 members with 29,685 employees. Our membership includes hospitality, retail and restaurants, manufacturing, service businesses, healthcare, financial and educational institutions and more.

We are concerned that this bill would be nothing short of devastating to Maine's small businesses, many that are struggling just to survive during a pandemic. This bill will significantly increase the cost of doing business on every business with exempt employees, for profit and non-profits alike.

For many, it would most certainly be the final straw, leading to numerous business closures and job losses as it would change the salary level threshold for employees who must be paid overtime instead of a straight salary.

Maine has always calculated the salary threshold differently than the federal government. It is currently calculated at 3,000x the prevailing minimum wage. So, the current Maine level is \$36,450 (3,000 x \$12.15), and it will continue to increase with increases in the minimum wage.

LD 607 would increase the salary threshold to \$40,408 in 2022, \$47,816 in 2023 and \$55,224 in 2024 followed by annual increases tied to the CPI. As Maine's threshold will continue to increase with increases to the minimum wage we are opposed to LD 607.

Furthermore, LD 607 would be on top of other government mandated workplace changes that have taken place here during the past twelve months, another increase in Maine's minimum wage and the added cost of providing up to 40 hours a year in paid time off (PTO) for all full and part-time employees in businesses with more than 10 workers, that started in January of this year.

We respectfully ask you to oppose this bill as it would make it more difficult to attract new business, retain existing businesses and limit job growth given the increased cost of doing business. Furthermore, this is not the time to add additional financial burden to Maine's businesses when many are struggling not only to survive the economic effects of a pandemic, but also to retain their existing employees.

Thank you for your consideration.

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