



HOUSE OF REPRESENTATIVES

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April 12, 2021

RE: LD 543

Senator Hickman, Representative Sylvester and my fellow members of the Committee on Labor and Housing, good morning. I'm Representative Dick Bradstreet of House District 80, which is comprised of my home town of Vassalboro, Windsor, Somerville, part of the City of Augusta and the Unorganized Territory of Hibbert's Gore. I'm here to introduce LD 543, *An Act to Provide That the Minimum Wage Increases by the Cost of Living Every 3 Years*.

As you know, currently Maine's minimum wage is adjusted annually on January 1 based on the increase, if any, as of August of the previous year over the level of August of the year preceding that year, in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the Northeast Region. LD 543 would change that cost-of-living increase from annual to triennial and would be based on a January-to-January time frame. The January versus August difference is not as important to me as is the wish to make the adjustment every three years based on a total three-year percentage increase in the CPI.

I'm requesting this change simply from a common-sense perspective. Increasing the minimum wage every year can be burdensome for small entrepreneurs who often have to make projections of their total labor costs when entering multi-year business contracts or provide bidding estimates on projects that may not be awarded for several months and whose projects may not actually start for many months after that. This bill would not eliminate that problem altogether, but it will offer more predictability and stability than is now the case.

LD 543 will help accomplish this while still respecting the goals of the cost-of-living adjustments addressed in current law.

Changing the minimum wage annually may not seem like a big problem to many of you, and for many larger Maine businesses, that can certainly be the case. But for lots of small businesses, which we all agree are the backbone of our economy, it is just another burden that has been placed on them by forces outside of their control, and they can use some relief. This bill represents a compromise between business and labor and will provide a workable environment in which all parties can benefit.

Thank you for your time, and it is my hope that we all give LD 543 serious consideration.

A handwritten signature in blue ink, appearing to read "Dick Bradstreet", with a long horizontal flourish extending to the right.

Representative Dick Bradstreet
House District 80