HOUSE OF REPRESENTATIVES



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Shelley Rudnicki
211 Norridgewock Road
Fairfield, ME 04937
Home Phone: (207) 314-6898
Shelley.Rudnicki@legislature.maine.gov

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Testimony in Support of:

LD 1047, "An Act to Create an Alternative Minimum Wage Applicable to Student Employees Who Are Under 20 Years of Age and to Employees Who Are Under 18 Years of Age."

Joint Standing Committee on Labor and Housing

Good Morning Senator Hickman, Representative Sylvester and distinguished members of the Labor and Housing Committee. I am Representative Shelley Rudnicki, I represent House District #108 Fairfield, Mercer and Smithfield. I am here today to present LD#1047 **An Act To Create an Alternate Minimum Wage Applicable to Student Employees Who Are under 20 Years of Age and to Employees Who Are under 18 Years of Age**.

This bill provides a minimum hourly wage of \$9.75 for an employee who has not attained 20 years of age and is a student at a secondary or post secondary school.

Many small businesses are hurting, ever since the added increases in minimum wage. Business owners are reluctant to hire teenagers. Teenagers just starting to work need to be trained on how to work. They need to learn to get off their phones, they need to learn to show up on time. They need to learn to self start when things are slow. These are not skills we are born with, someone has to give you the opportunity to learn these skills. This takes business owners time and money to train teenagers, and they are not going to that at \$12-\$15 hr. So where does that leave this generation of kids.

I grew up on a chicken farm here in Maine in the 70's and 80's. My siblings and I learn a work ethic early on. As many farm kids do. When my children were young I started them helping in the family business and by the time they were 15 and 16 they were able to get jobs. We instilled a work ethic to show up on time, don't call out of work just because you don't feel like working, don't stand around and look for something to do. Because of this they both moved up in their jobs quickly and were relied upon by their bosses.

When my daughter went to Bentley University she helped pay by working there as well sometimes as much as 3 jobs. She had an extensive resume when they worked on career resumes. Some of her classmates had no job experience and nothing to put on the resume. This made it more difficult to get a job. My daughter was able to get an internship and when she graduated they hired her full time. Because of her work ethic she made herself indispensable and when others on her team at work were getting laid off due to covid he transitioned to work from home, because they knew she could and would do the job. Most teenagers need these type of experiences, to set them up for later in their lives.

I have spoken to many business owners over the last few years and they are choosing not to hire teenagers because of the cost. Recently, I spoke to a friend that has heard from a golf course owner here in Maine and they used to hire around 50 teens during the summer months. Since the increases in the minimum wage he has not hired any because he can't afford them. So a number of teenagers who could have learned a work ethic dont have the chance anymore.

Another example is a friend of mine that owned a summer recreational facility and went from 30 teenagers before the increases and then down to 15, then 10 and now due to covid and the Governors edicts has had to close his business for good.

As a business owner myself I would choose to hire someone with any work experience over a teen with no experience.

If you have never run a business then you may not realize the actual cost of doing so. Most small business owners are on tight budgets, and work 60-80 hour weeks. The first 4 years of my own business I didn't even take a paycheck. Employee costs are usually the biggest expense. Not only are they paying the wage, there is also the employer taxes that have to be paid including the unemployment taxes.

I brought a similar bill forward 2 years ago and it was dismissed. Some of the comments were that teens needed the money to save for college, so why shouldn't they get the same minimum wage. I say many are not getting the jobs because of the increase in minimum wage so there is no money to save. The increases over the last few years and especially now do to the covid -19 pandemic many more teens are unable to work and save money.

I urge you to pass LD 1047 as a way to support businesses and teens learning a work ethic to set them up for the future. I am happy to take any questions.

Respectfully Submitted,

Shelley Rudnicki State Representative