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On Behalf of the Maine Tourism Association

Testimony Regarding Minimum Wage Bills
In Support of LDs 455, 543, 774 & 1047
In Opposition to LD 1279

April 12, 2021

Senator Hickman, Representative Sylvester, and Members of the Joint Standing Committee on Labor and Housing:

My name is Alison Sucy and I have the privilege of representing the Maine Tourism Association's members as their Director of Government Affairs. The Maine Tourism Association is the state's largest advocate for all tourism-related businesses. Incorporated in 1922, MTA members includes lodging, restaurants, camps, campgrounds, retail, outdoor recreation, guides, tour operators, amusements, and cultural and historical attractions. MTA also operates the seven State Visitor Information Centers from Kittery to Calais, and produces the state's official travel planner, *Maine Invites You*.

I am providing testimony in support of 455, 543, 774 and 1047, although my remarks will focus on LDs 543, 1047, and 1279.

Tourism has been one of the hardest hit industries during the pandemic. Maine's tourism businesses are starting the slow process of recovery from the pandemic. Predictions are that it will be at least 2024 before the industry returns to pre-pandemic levels. Many of our members are struggling just to stay open. They are making the difficult decisions about hiring fewer workers or providing fewer work hours just to remain operational. They also cannot spend money to reinvest in their businesses for renovations, improvement, or expansions, which hurts Maine's economy beyond tourism. This affects contractors, electricians, painters, landscapers, and others. We want this industry to return to its former self—employing over 100,000 workers and generating billions of dollars to the Maine economy.

Our members are strongly in support of establishing a youth wage like that in LD 1047. MTA hears from these members year after year that they would very much like to hire teenagers and offer them their first job experience but it is not feasible. These workers require more training time, more supervision, and come with little to no experience. If an employer is going to pay over \$12 per hour, they are far more likely to choose an adult with real-world employment experience, even if that experience isn't in the particular job for which the employer is hiring. While the tourism industry has many well-paying jobs and tremendous opportunities for advancement and life-long careers, it also has many entry-level and seasonal jobs which are well-suited for teenagers. These inexperienced workers would gain valuable, life-long employment skills but employers need a youth wage to make it feasible to hire and train more of these young workers. We would be open to an amendment for a different amount, perhaps based on a percentage of the regular minimum wage.

MTA supports LD 534, averaging the indexing over three years rather than annually. This would be tremendously helpful to provide relief from annual increases.

MTA opposes LD 1279 as \$16 per hour by 2025 is just too much of a further increase on top of the increases that have occurred annually over the past several years. As stated earlier, it will be years before Maine's small tourism businesses are back to pre-pandemic levels of business—if they survive that long. Continually increasing the minimum wage and other increases in the cost of doing business combined with a loss of business (for some a complete closure) in 2020 and dramatically decreased guests or customers this year due to capacity limitations and other factors, puts many of Maine's citizens at risk of having to sell or close their business. We want them to survive and thrive.

Thank you for your consideration of our input on these minimum wage bills.