

Testimony of Executive Director, Ben Lucas

Testimony in OPPOSITION to LD 1711: "An Act To Enhance Enforcement of Employment Laws"

May 21st, 2021

Senator Hickman, Representative Sylvester, and members of the Committee on Labor and Housing, my name is Ben Lucas, I live in Portland, and I serve as the Executive Director of the Maine Jobs Council. The Maine Jobs Council is a new, statewide, nonpartisan, member-driven advocacy organization that advances public policies to support the creation and preservation of foundational jobs in Maine. I am here today to testify in opposition of LD 1711.

We oppose LD 1711 because it is antithetical to our mission advocating for economic prosperity by promoting the growth and maintenance of foundational jobs. If passed, LD 1711 would have a negative impact on attracting and keeping foundational jobs in Maine. There are already numerous policies dealing with the enforcement of employment laws. Employers already work with the employees to navigate the laws to make sure they are followed. This legislation would make Maine less competitive, not more, by creating an atmosphere of litigation and distrust between employees and employers.

This proposal would add another layer of burdensome regulation on Maine employers. It is based on the faulty premise that Maine employers do not generally comply with employment laws. LD 1711 will worsen conditions and further exacerbate Maines already low business rating by saddling it with an incredibly burdensome labor provision that other states don't have. Maine ranks <u>#46 for business environment</u> and <u>#36 for economic strength</u>, both of which are the lowest in the region. In 2020, <u>Maine ranked #45</u> in America for Venture Capital Investment. New Hampshire saw nearly 3x the investment.

Adding more regulations and burdens on employers at a time when most are already struggling will not help Maine's economy. Instead, we should be addressing legislation that will help address the pending workforce crisis in our state. Over the next 5 years, Maine's retiring workforce will leave <u>158,000 open jobs</u>. Employers and managers desperately need workers and in order for our state's economy and tax base to grow, we should be passing legislation that fits into Governor Mills 10 Year Economic Plan to add 75,000 people to Maine's talent pool. This legislation would not do that.

The MJC supports making workers a top priority. The best way to do that is with a robust economy full of quality jobs that provide choices, career growth, and increasing wages. This law would lead to just the reverse. Supporting working people is critical, but the important word is working. If our companies cannot compete, if money isn't invested here, if jobs stagnate or leave, then we'll have more and more people who are not working. There is no substitute for a good job and those jobs come from companies that compete successfully to provide goods and services. In fact, if we are going to truly improve the lives of Maine's working men and women, we need to help our employers be more competitive not less.

Individual pieces of legislation like the ones that have been introduced to this committee today are not the solution to solving our states economic problems. We have the <u>6th highest energy</u> cost, the <u>4th highest healthcare cost</u>, the <u>4th highest tax burden</u>, and <u>our weekly wage is \$966</u>, tied with Wyoming for 11th lowest. We encourage the Legislature to take a more comprehensive look at how taxes, regulations, infrastructure, workforce challenges, and other issues act as barriers to job creation. Maine needs to develop and follow a long term strategic plan that makes us more competitive.

Thank you.

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