

Senator Daughtry, Representative Sylvester and distinguished member of the Labor and Housing Committee, my name is Greg Dugal and I am here representing HospitalityMaine and our 1200 restaurant and lodging members with testimony in opposition to LD 460. It is unfortunate that this idea has been dropped in the form of a concept draft with 6 weeks to go in the session with a title change and an industry specific designation for paid sick leave. Are restaurant employees the only individuals that can be infected with Covid? We think not and we believe that if this is such a good idea that all industries should be a part of the mix, but that would fill the committee room with many concerned individuals from other industries, which I am sure would not be desirable.

So here we sit, all alone as the restaurant industry, singled out again after the worst stretch for restaurant business owners AND employees in the history of foodservice. We all know margins are small (3 to 5%) and revenues have only increased by 2.6% in 2021 over 2019. Inflation at 9% over that period has put us in an untenable deficit position. Our industry sat with other stakeholders during the discussions to create earned paid leave in this very committee and we felt that by participating and compromising with legislators, the Maine Department of Labor, the Governor's office and other business leaders that we would achieve some level of protection of being singled out, but it seems that may not be the case.

There is no definition of restaurant in labor statute, so who is really covered under this proposed law. Is it restaurants as we know them as standalone entities or is it hospital cafeterias, convenience stores with takeout food, retail outlets like groceries with prepared foods, multi-use businesses with some element of food production, I am not sure we know that answer from the proposed statute. It took two full years to get the legislation right on EPL, which also included a stakeholders and rulemaking process after it was passed. There are items like carryovers, rollovers, payment on cessation of employment that are not addressed here but are in EPL rule and statute. Will this process need some rulemaking to get it to the finish line? If so, it is not suggested in this bill. In a cursory review no other state has implemented an industry specific paid leave law like this. Won't the Earned Paid Leave law and the soon to be presented Paid FMLA statute cover Covid issues for employees? Is it fair to add two more weeks of leave on top of this for one industry? We think not and are hopeful that the committee will feel the same way and move ought not to pass on LD 460. Thank you for your time and I am happy to answer any questions that you may have.

Gregory Dugal
Augusta, ME
LD 460

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