

Testimony In Opposition To LD 936, An Act to Require Disclosure of Pay Ranges and Record Keeping of Pay History

March 21, 2023

Senator Tipping, Representative Roeder, and Honorable Members of the Labor and Housing Committee,

My name is Alexander Price and I am submitting this testimony on behalf of the Maine Jobs Council. The Maine Jobs Council is a statewide, nonpartisan, member-driven advocacy organization that advances public policies to support the creation and preservation of foundational jobs in Maine. We are submitting this testimony in opposition to LD 936, An Act to Require Disclosure of Pay Ranges and Record Keeping of Pay History.

We oppose LD 936 because it would increase the regulations and burdens on employers at a time when they are already struggling to compete. Maine's regulatory and business environments rank among the lowest in the nation. We are 44th in the nation in overall economic ranking and 42nd in the nation in venture capital investment. Maine is currently experiencing an aging population; lack of quality foundational jobs; top heavy service and public sectors; lack of investment; failure to attract 21st century, cutting edge businesses; high taxes and energy costs; high health care costs; and aging and/or inadequate infrastructure. What does this proposal do to address any of those issues? If anything, it only makes improving them harder.

The Maine Jobs Council supports making workers a top priority. The best way to do that is with a robust economy full of quality foundational jobs that provide choices, career growth, and increasing wages. By requiring the employer to list or disclose the pay range in an employment opening, this bill could affect the number and quality of applicants and could set unrealistic expectations. This bill could also cause unnecessary conflict within the business, as current employees may be offended if the business is attempting to hire a new employee at a comparable or even greater salary. Further, listing or disclosing the salary range may give competing businesses a heads-up. Most states do not require employers to list or disclose the pay ranges in an employment opening. As such, this bill would continue to make Maine an outlier at a time when Maine already ranks among the lowest in the nation in numerous economic, regulatory, and demographic rankings.

Supporting working people is critical, but if our companies cannot compete, if money isn't invested here, if jobs stagnate or leave, then we will have more and more people who are no longer working people. The simple truth is that Maine's economic and regulatory rankings are in the bottom 10 of the nation. Maine's public policy needs to focus on the big picture, create a comprehensive plan that meets the needs of the 21st century economy, and take steps to improve those economic and regulatory rankings.

Individual pieces of legislation such as LD 936 are not the solution to solving our state's economic problems. Our overall business environment is 46th, we have the 3rd highest tax burden, the 9th highest healthcare cost, the 11th highest cost of living, and the 13th highest energy cost. Our overall economic

ranking is among the last in New England and if LD 936 passes, it will be one more thing that makes it harder for our state's economy to succeed.

We encourage this committee to start taking a more comprehensive look at how workforce challenges, taxes, regulations, infrastructure, and other issues act as a barrier to job creation in our state. Maine needs to develop and follow a long-term strategic plan to create a tax base that works for all Mainers.

The MJC thanks the committee for its time and consideration of this issue, and we would welcome any opportunity to discuss it with you.

Thank you,

Alexander Price, Pierce Atwood
On behalf of the Maine Jobs Council