



Testimony of

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**Before the Joint Standing Committee on Labor and House, In Opposition to LD 513, An Act
Regarding Overtime Protections for Certain Maine Workers**

Thursday, March 30, 2023

Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of Maine. The Professional Logging Contractors of Maine (PLC) is a trade association that represents logging and associated trucking contractors throughout the state of Maine. The PLC was formed in 1995 to give independent contractors a voice in a rapidly changing forest industry.

As of 2021, logging and trucking contractors in Maine employed over 3,000 people directly and were indirectly responsible for the creation of an additional 2,500 jobs. This employment and the investments that contractors make contributed \$582 million to the state's economy. Our membership, which includes 200 contractor members and an additional 120 associate members, employs more than 75% of the individuals who work in this industry and is also responsible for 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in opposition to LD 513, An Act Regarding Overtime Protections for Certain Maine Workers. The PLC also testified in opposition to LD 607 in the 130th Legislature, which essentially attempted to do the same thing as this legislation, and our position has not changed. We respect and appreciate the sponsor's intent with this legislation, but this is not a mandate that Maine's small business can afford.

As context, LD 607 was amended in 2022 to authorize the Maine Department of Labor (MDOL) to educate stakeholders on overtime laws. This bill inevitably became law but hasn't been in effect for a full year and its not clear that MDOL has implemented any of the requirements. In our opinion, it's premature to do anything further on this issue at this time until MDOL has an opportunity to implement the law.

Lastly, I would like to point out the following regarding LD 513 which are not necessarily specific only to logging and trucking, but to all small businesses across the state: 1) LD 513 calls for an overtime salary threshold that would be among the highest of any state in the nation – and only a handful of states (fewer than 10) even have a state-specific threshold (the vast majority of states use the federal threshold); 2) Maine's salary threshold ($\$12.80 \times 3000 = \$38,400$) is already above the federal threshold. LD 513 would make Maine significantly higher than even

the 2016 final overtime rules proposed by the Obama Administration; and 3) PLC members and all Maine employers are only in the beginning stages of adjusting to the added costs of earned paid leave.

The logging industry in Maine was in the midst of a reinvention process until the onset of COVID 19 and the digester explosion at the Jay mill in April 2020. As a result of mill closures, curtailments and inflation created by the response to COVID 19, we are estimating that Maine has lost 30% of its harvesting capacity and the layoff of nearly 1,000 people in harvesting and hauling since 2020. In just four years, the industry has shrunk from an annual economic impact of \$620 million to \$582 million and total jobs have been reduced from 9,000 to 5,500.

Again, I am respectful of the intent of the bill sponsor. However, this is not the time to add cost and burden to an already strained small business community and I encourage you to vote ought not to pass.