

## Alison Sucy, Chief Operating Officer and Director of Government Affairs, on Behalf of the Maine Tourism Association

## **In Opposition To**

LD 513, An Act Regarding Overtime Protections for Certain Maine Workers

April 25, 2023

Senator Tipping, Representative Roeder, and Members of the Joint Standing Committee on Labor and Housing:

My name is Alison Sucy and I am the Chief Operating Officer and Director of Government Affairs for the Maine Tourism Association. The Maine Tourism Association is the state's largest tourism organization supporting our 1500 members in every type of tourism business such as lodging, restaurants, campgrounds, retail, guides, outdoor recreation, amusements, and historical and cultural attractions. We've been promoting Maine and our members for over 100 years. I present this testimony in opposition to LD 513.

Employers in the tourism sector simply will not be able to keep pace with the rapidly increasing salary adjustments set forth in this bill. If passed, LD 513 will ultimately force employers to recategorize trusted and valued salaried employees as hourly employees. This can have the effect of eliminating status, a predictable weekly wage, bonuses or incentives, and networking and career building opportunities.

Under current Maine law, the salary threshold for the overtime exemption is calculated at 3000x the prevailing minimum wage (\$13.80/hour) or, currently, \$41,400. With annual increases in the minimum wage, this amount will continue to rise. In addition to the cost-of-living increases already set in statute, other increases to the minimum wage are proposed every session. Should one of these be enacted, such as LD 1376 which would increase Maine's minimum wage to \$15 per hour in 2024 with an increase of at least \$1 per hour every year thereafter, the salary threshold would be around \$72,000 within a two years.

The Biden Administration is expected to address this issue at the federal level in May. We believe following the federal regulations is the more appropriate course to take.

I urge you to oppose LD 513. Thank you for your time and consideration of this testimony.