

# I SHOULD HAVE BOUGHT IT, WHEN I SAW IT AT **MARDEN'S** surplus & salvage

May 25, 2023

To: Senator Tipping, Chair; Representative Roeder, Chair; and Members of the Labor Committee

My name is Craig Burgess, and I am the General Manager of Marden's. **We are opposed to LD 1964.**

Marden's is a family owned, Maine small business with 13 retail locations and over 700 employees. Marden's offers family friendly schedules, health and disability insurance, a 401k retirement plan, profit sharing, a generous employee discount and paid time off. We have a very long-term view and understand that having quality employees and taking good care of them and their families is key to our success. **We could support a reasonably structured Paid Family Leave Program** but our single largest concern with LD 1964 is the adverse impact it would have on staffing our retail operations.

For those of you who have not shopped at Marden's, we are a unique business that buys and sells surplus, salvage and closeout goods at true bargain pricing. At any moment, Marden's can get the call to respond to a natural disaster, fire or other peril. We must respond quickly, bid competitively on the inventory and commit to quickly remove the product so the disaster recovery can start. **Key to making this happen is a skilled and reliable work force that we can count on.** Without this, our business in Maine is extremely challenged. **LD 1964 puts our business at risk.**

## Why We Oppose LD 1964:

- LD 1964 would take people out of the work force at a time when Marden's desperately needs to retain the great team we have and attract new members to join our team. As an example, if we have a location with 15 employees and 3 have no childcare for the summer, would they qualify for leave and take the summer off at 90% of their pay? If so, our staff is down 20% with minimal notice and minimal options to replace employees for the season. This may force small businesses and/or small locations to close their doors. As currently proposed, LD 1964 will create a mass exodus of workers from Maine's employment ranks at a time when there is simply no one to replace them.
- LD 1964 and the \$400 Million price tag (with potential to grow annually), would substantially handicap Marden's as we competitively bid to buy salvage products at auction against companies from lower wage and benefit states in the southeast and Oklahoma. Their base wage rates typically run \$3-\$5/hour less than Maine's and they don't have Paid Family Leave benefits.
- LD 1964 would impact smaller businesses like Marden's far more than the "Big Box" stores as we can't automate like they do. As employees go on Paid Family Leave, our business is truly harmed.
- LD 1964 Needs improved controls to prevent fraud and abuse of the system. The ability after just six weeks of employment to take a 12 week leave will create a continuous revolving door of new hire employees that work 6 weeks, then take leave. Administration of this system would be onerous.
- The leave pay rate of 90% is far too high as employees will have no incentive to stay at and/or return to work.

Regards,



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