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February 12, 2024

To: Sen. Mike Tipping and Rep. Amy Roeder, co-chairs
Members, Committee on Taxation

From: David R. Clough, State Director in Maine

Re: LD 372 – An Act to Increase Enforcement and Accountability for Wage and Hour Enforcement

This statement is on behalf of the thousands of small business owners in Maine who are members of the National Federation of Independent Business. NFIB members are located throughout Maine and are engaged in a wide range of business activities. They collectively provide paychecks to about 30,000 families and represent the backbone of communities and the State of Maine.

LD 372 as proposed by a sponsor's amendment (February 2) represents a significant increase in the scope and power of enforcement actions by the Bureau of Labor Standards. Enforcement scope would be expanded from Title 26, Chapter 7, subchapters I to IV, to all of Chapter 7 (subchapters 1 to XII) as well as Chapter 15.

The proposed changes presume that existing statutory enforcement provisions and regulatory mechanisms are inadequate and ineffective. However, based on recent annual reports from the Bureau and testimony by the Bureau on various legislative proposals over the past several years, it is not clear whether the changes proposed by the sponsor's amendment are warranted or appropriate.

We urge further conversation with interested parties, consensus on problem definition, and deliberation on what effective compliance approaches may be needed for identified situations.

Thank you for being mindful of Maine small business owners and how they help make our state prosper.