Testimony of Senator Eric Brakey

Presenting L.D. 742, An Act to Divest State Pensions from Companies Boycotting Maine Lobster

Before the Joint Standing Committee on Labor and Housing

March 9, 2023

Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing: I am Senator Eric Brakey, representing the people of Auburn, New Gloucester, Poland, and Durham. Thank you for your presence today as I present L.D. 742, An Act to Divest State Pensions from Companies Boycotting Maine Lobster.

As one of the oldest organized fisheries and second largest in the nation, Maine’s lobster industry provides a tremendous economic value to our state while ensuring the livelihoods of some of our hardest workers. Unfortunately, these individuals who put their lives in danger during all kinds of weather in order to meet the demands for Maine lobster are continually having to adjust to government mandated regulatory changes. And most recently, the industry has taken a financial hit as environmental activist groups had red-listed American Lobster despite evidence pointing out that their claims are unscientific.

While there are reasonable concerns about the practice of divesting from a company or industry, the precedent has already been set and I don’t believe we should be investing state pensions into the stock value of one of our largest industries that is clearly being boycotted. Therefore, I’ve submitted this legislation that would require the Maine Public Employees Retirement System Board of Trustees to divest any stocks, securities, or other obligations of any corporation or company that trades in lobsters and has publicly stated it no longer will – and it would prohibit the Board of Trustees from investing in those same entities.

By continuing on the current track, the State of Maine is also, in a sense, boycotting this critically important industry. It’s time to change the course.