

**132nd MAINE LEGISLATURE****LD 894****LR 296(02)****An Act to Amend the Laws Governing Paid Family and Medical Leave****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Labor****Fiscal Note Required: Yes**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	(\$817,000)	(\$4,157,656)	(\$4,512,500)	(\$4,816,500)
Appropriations/Allocations				
General Fund	\$0	\$12,844	\$0	\$0
Paid Family and Medical Leave	\$20,000	\$0	\$0	\$0
Insurance Fund				
Revenue				
General Fund	\$817,000	\$4,170,500	\$4,512,500	\$4,816,500
Other Special Revenue Funds	\$43,000	\$219,500	\$237,500	\$253,500
Paid Family and Medical Leave	(\$25,000,000)	(\$30,000,000)	\$0	\$0
Insurance Fund				

Correctional and Judicial Impact Statements

This bill may increase the number of civil suits filed in the court system. The additional workload associated with the minimal number of new cases does not require additional funding at this time. The collection of additional fines and filing fees will increase General Fund or other dedicated revenue by minor amounts.

Fiscal Detail and Notes

This bill includes a revenue increase to the General Fund of \$817,000 in fiscal year 2025-26 and \$4,170,500 in fiscal year 2026-27 due to the taxation of family leave benefits and medical leave benefits effective January 1, 2026. The bill also includes a revenue increase to the Local Government Fund of \$43,000 in fiscal year 2025-26 and \$219,500 in fiscal year 2026-27.

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The Department of Labor estimates that reimbursing certain employers that remitted premium contributions to the Paid Family and Medical Leave Insurance Fund on or after January 1, 2025 and who received approval to substitute a private plan before January 1, 2026 will reduce revenue in the fund by \$25.0 million in fiscal year 2025-26 and \$30.0 million in fiscal year 2026-27.

This bill includes a one-time Paid Family and Medical Leave Insurance Fund allocation of \$20,000 in fiscal year 2025-26 to the Department of Labor for the cost associated with calculating and refunding contributions paid by employers with a private plan in place on or before January 1, 2026 that is approved by the Department of Labor.