

**132nd MAINE LEGISLATURE****LD 1333****LR 2045(02)****An Act to Make Changes to the Paid Family and Medical Leave Benefits Program****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 Insurance Fund	\$20,000	\$0	\$0	\$0
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 Insurance Fund	(\$25,000,000)	(\$30,000,000)	\$0	\$0

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.

Additionally, the bill includes a one-time General Fund appropriation to the Bureau of Revenue Services within the Department of Administrative and Financial Services of \$12,844 in fiscal year 2026-27 to fund computer programming costs associated with the provisions of this bill.

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. The change in the weekly benefit amount that an employee may receive is expected to reduce the amount of benefits paid out of the fund by approximately \$47.0 million per year beginning 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.