

May 25, 2023

The Honorable Senator Michael Tipping, Chair The Honorable Representative Amy Roeder, Chair And esteemed members of the Labor and Housing Committee 100 State House Station Augusta, ME 04333

<u>Re: LD 1964</u> 'An Act to Implement the Recommendations of the Commission to Develop a Paid Family and Medical Leave Benefits Program.

Dear Chairs and Members of the Committee on Labor and Housing,

I represent the Aroostook Partnership (AP), a unique private-public partnership of nearly 100 businesses, the Northern Maine Development Commission and the four colleges in Aroostook County. The mission of the Partnership is, essentially, to grow Aroostook County's economy and support our residents, communities, and our quality of life.

On behalf of the Aroostook Partnership, I submit this letter in opposition to LD 1964.

By now you have heard the numerous reasons businesses and residents are opposed to implementing this PFMLA in Maine. Representing nearly 100 member-employers in Maine, I have not heard support from a single person or business representative for this bill in the last year I have been assessing the program. What I have heard to justify their opposition are the following concerns:

- 1. Additional undue financial burdens on their small business
- 2. Additional undue financial burdens and confusion regarding qualifications of existing leave/benefits programs already offered by most larger employers.
- 3. Uncertainty on how much this program will eventually cost Maine businesses and employees.
- 4. Lack of confidence in the ability to prevent fraud and abuse in the program, especially given the DOL's tendency to side with employees for unemployment benefits regardless of reasons for termination.
- 5. Lack of trust in an equitable process to define and enforce "affinity relationships" and the vulnerability of HR personnel for questioning leaves based on these hard to define and sometimes vague relationships.
- 6. The difficulty to sustain operations due to staffing WITHOUT a PFMLA program enticing further absenteeism.
- 7. Challenges involved in juggling staff to cover extended leaves that will certainly result from such a program.
- 8. Seemingly no appetite for legislative reforms in unemployment terms leading to a continued decline in workforce participation rates in almost every age range yet enthusiasm to promote further workplace absenteeism though a PFMLA.



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- 9. Additional cost to taxpayers to support the staff of state employees needed to run this very large program.
- 10. "If employees feel they need additional insurance against possible leaves from work then they have the right to purchase various policies, they shouldn't be forced to buy one through a payroll tax."
- 11. PFMLA's inability to move the needle in attracting new workers to Aroostook County

18 months ago, the Aroostook Partnership convened a "Workforce Crisis Summit" to address the increasing challenge to secure enough qualified workers for our existing businesses. The result was AP making workforce development our #1 priority going forward. A PFML program in Maine will only create headwinds for the many initiatives we are taking on to grow our workforce and sustain our businesses, let alone our ability to staff new investments and businesses attempting to launch in Aroostook County. We simply don't have enough workers now and PFML will subtract from our workforce, not add to it.

Without strong businesses to support families and their rural communities, those communities will slowly recede. Our residents will either become more dependent on safety net programs or they'll be forced to relocate, often seeking the security of larger towns and cities downstate. Aroostook has experienced too much of this already and we need policies that support and grow our businesses which create well-paying jobs and are the lifeblood of our communities.

I realize support for this bill is largely divided along political lines but, before you just follow the will of your caucus, I ask you to please consider helping our rural communities thrive and become more self-sustaining but voting Ought Not To Pass on LD 1964.

Respectfully,

Paul Luce

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