

Testimony of the Maine Municipal Association

In Support of
LD 406, *An Act to Repeal the Laws Providing for Paid Family and Medical Leave and to Reimburse Taxpayers*

&
LD 539, *An Act to Repeal the Paid Family and Medical Leave Benefits Program*

April 23, 2025

Senator Tipping, Representative Roeder and members of the Labor Committee, my name is Kate Dufour, and I am submitting written testimony in support of LD 406 and LD 539 on behalf of the municipal officials who serve on MMA's Legislative Policy Committee.

While municipal officials understand the intent of Maine's Paid Family and Medical Leave (PFML) act is to ensure that all employees have access to fair leave opportunities, the concern among local leaders is primarily with the act's impact on Maine property taxpayers.

Since the employer premium contribution provisions of the act apply to public employers (26 M.R.S. §850-A), including schools, counties and municipalities, much of the premium costs will be borne by the property taxpayers. On average, 65% of K-12 education programs, 80% of county government services, and 75% of municipal government operations, which now also include portions of PFML premiums for school, county and municipal employees, are funded by property owners. The payment of these premiums has been mandated even though many local governments provide competitive wage and benefits packages as a vital component of workforce recruitment and retention efforts.

Compounding the pressures placed on the property taxpayers is the nature of many local government employees' responsibilities, which leads to different employers being treated disparately under the terms of the law. Employers that have no other choice but to find a replacement for an individual on intermittent leave will experience increases in the wages paid. In many cases, overtime wages will need to be provided to snowplow drivers, firefighters, or law enforcement officers necessary to ensure public safety services are delivered.

Finally, municipal officials believe the "one size fits" all approach implemented in the act will negatively impact employees, especially those who work for employers interested in building productive work environments. Rather than painting all employers with a broad brushstroke, the law needs to be amended to recognize that many employers respect and acknowledge, through pay and benefits, the contributions of their employees.

Continuing to increase burdens without an appropriate assessment of impacts on local governments is a concern that must be addressed by the Legislature. Without access to a no-cost option, town and city leaders have elected to support the repeal of the act.

Thank you for your time and consideration of the municipal perspective on this issue.