



STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION  
BUREAU OF INSURANCE



Janet T. Mills  
Governor

Robert L. Carey  
Superintendent

Joan F. Cohen  
Commissioner

January 23, 2026

The Honorable Senator Mike Tipping, Co-Chair  
The Honorable Representative Amy Roeder, Co-Chair  
Joint Standing Committee on Labor  
100 State House Station  
Augusta, ME 04333-0100

Re: L.D. 2018 - An Act to Amend the Requirements Governing Self-Insurance Plans in the Paid Family and Medical Leave Benefits Program

Senator Tipping and Representative Roeder:

The Bureau of Insurance (“BOI”) takes no position on L.D. 2018, “An Act to Amend the Requirements Governing Self-Insurance Plans in the Paid Family and Medical Leave Benefits Program.” Rather, we write to inform the committee of the regulatory oversight that the BOI provides to similar arrangements for workers’ compensation benefits.

Pursuant to 39-A MRS §403, the BOI regulates self-insured employer groups (“SIG”) that provide workers’ compensation benefits to their employees. Employer members of the SIG are jointly and severally liable for the obligations incurred by the SIG. The SIGs are managed by seasoned administrators who oversee the premium function, the trust asset function, the claim payment function, and legal, accounting, and actuarial services.

The BOI is responsible for regulating authorized SIGs and has a small unit dedicated to SIG oversight. BOI regulatory oversight includes collection, review, and approval of actuarial reports, audited financial statements, surplus reports, claims reports, legal compliance documents, member documents, and monthly trust statements. The overarching regulatory goal is to ensure the SIGs are able to make timely workers’ compensation benefit payments as required by the Maine Workers’ Compensation Board.

Many of these arrangements have been in place for over 30 years. To date, the BOI has not experienced SIG financial solvency matters that have resulted in unpaid benefit payments. Certain SIG administrators have explored similar self-funding models to finance paid family and medical leave (“PFML”) benefits. However, there is no regulatory framework under the current PFML statute to enable effective state oversight.

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If the legislature chooses to permit joint and several self-insured entities to provide PFML benefits to their employees, the BOI recommends establishing a regulatory framework to allow the BOI to monitor and oversee these self-insured entities, in much the same way the BOI oversees workers' compensation SIGs.

The question of whether to allow SIGs to collectively provide PFML benefits is a policy matter that the Bureau takes no position on. Please do not hesitate to contact the Bureau if you have any questions or if we can provide additional information.

Sincerely,



Robert L. Carey  
Superintendent

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