



320 Ridge Road | Cherryfield, Maine 04622

January 26, 2026

**Testimony of Cherryfield Foods and Cherryfield Farms
RE: Opposing LD 2018 (HP 1348)**

Senator Tipping, Representative Roeder, and Members of the Committee:

My name is Milton Wood, and I serve as CEO of the Oxford Food Group. Cherryfield Foods Inc. and Cherryfield Farms Inc., both part of the Oxford Food Group, are headquartered in Cherryfield and operate farming and manufacturing facilities in Maine—employing Maine workers year-round and seasonally and supporting local suppliers and service providers across the state.

We support the purpose of Paid Family and Medical Leave and want our employees to have access to leave benefits when they need them. Our concern is straightforward: LD 2018 takes a lawful compliance option and makes it harder, more expensive, and more uncertain—without improving benefits for Maine workers—while changing the rules after employers acted in good faith.

Cherryfield Foods and Cherryfield Farms have long administered regulated benefits responsibly using well-established self-insurance principles and shared administration, commonly used in programs like medical benefits and workers' compensation. When PFML was enacted, we chose the self-insurance/private plan route in good faith. We applied for and received approval under the rules in place.

To comply responsibly and keep costs under control, we joined with other Maine employers to use shared services such as third-party claims administration and surety bonding—tools that strengthen oversight, ensure security, and support reliable payment of benefits.

Importantly, the PFML statute did not clearly prohibit employer collaboration of this kind, and employers relied on that framework. Yet employers were advised that continued approval depended on withdrawing from cooperative arrangements. LD 2018 would lock in that restriction and apply it retroactively—penalizing employers who followed the rules and invested in compliant systems.

That's not just unfair to employers. It is bad policy for Maine workers. It forces higher administrative costs and disruption that will show up somewhere—through pressure on wages, benefits, and investment in stable jobs and operations. And it does so without adding a single dollar of benefit or protection for employees. Self-insurance and cooperative administration are not loopholes; they are regulated, accountable methods of delivering benefits efficiently.

This is not about avoiding obligations. Benefits remain guaranteed and secured, including through bonding, and the goal of PFML—ensuring Maine workers receive the leave benefits they are entitled to—can be fully achieved while allowing employers to use efficient, compliant structures.

For these reasons, Cherryfield Foods and Cherryfield Farms respectfully urge the Committee to oppose LD 2018. At minimum, any changes should be clear and prospective, and should not punish good-faith compliance or drive-up costs that ultimately affect Maine workers.

Thank you for the opportunity to testify. I would be happy to answer any questions.

Respectfully submitted,

A handwritten signature in black ink that reads "Milton Wood". The script is cursive and fluid, with the first letters of "Milton" and "Wood" being capitalized and prominent.

Milton Wood
Chief Executive Officer
Oxford Food Group