



P.O. Box 4629  
Portland ME 04112

207-807-4900  
David.Clough@nfib.org  
www.NFIB.com

January 27, 2026

To: Sen. Mike Tipping and Rep. Amy Roeder, co-chairs  
Members, Committee on Labor

From: David R. Clough, State Director in Maine

Re: LD 2018 – Amend the Requirements Governing Self-insurance Plans in the Paid Family and Medical Leave Benefits Program

This statement Neither For Nor Against LD 2018 is on behalf of the thousands of small business owners in Maine who are members of the National Federation of Independent Business. Member businesses collectively span a wide range of economic activities; provide jobs and paychecks to about 30,000 people; and help form the economic backbone of hundreds of communities and the State. The typical NFIB member has fewer than 10 employees.

LD 2018 provides that a self-insured private PFML plan may pool risk, financial resources, or administration among multiple employers.

NFIB does not have enough information with which to evaluate a position in support or opposition:

- No other state has this group self-insurance pooling for PFML, and
- Neither the 2022 Milliman actuarial report used in the formation of the Maine PFML program nor the 2025 Spring Consulting Group actuarial analysis mention or consider any effects of group self-insurance pooling for PFML.

It is our understanding that over 1,800 employers in Maine, representing about 33% of covered employment, have opted for a private plan. This is a significant optout compared to the State of Washington with fewer than 500 employers opting to use a private plan, for example, and other PFML states.

- The actual financial effect of Maine's apparently high level of optout employers is unknown.

NFIB members in 2023 opposed the establishment of the current Paid Family and Medical Leave law. They were concerned about the disruptive effects and associated costs of a one-size-fits-all approach to leave benefits. Business groups including NFIB sought unsuccessfully changes in 2025 that would ease compliance and reduce potential operational difficulties. We are now in the position of going forward to find out what works, what does not work, and what actual experience will lead to consensus on needed adjustments.

Assuming the Maine PFML program will be fully implemented this year, with paid leave benefits to begin May 1<sup>st</sup>, it's important to small employers that the program:

- Work as best as possible;
- Have predictable costs; and
- Be least disruptive.

Again, NFIB is Neither For Nor Against LD 2018 and would need more information before evaluating a position either for or against.

Thank you for being mindful of Maine small business owners.