



HOUSE OF REPRESENTATIVES

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Senator Tipping, Representative Roeder, distinguished members of the Labor and Housing Committee, I am Representative Joshua Morris, and I represent the people of Leeds, Turner, and Wayne. I am here today to testify in opposition to LD 1964, *An Act to Implement the Recommendations of the Commission to Develop a Paid Family and Medical Leave Benefits Program*.

This bill is a new tax on Maine workers and businesses. Everyone is struggling with rising prices and inflation. We should not be adding to the burden they are dealing with by taking more money from their paychecks weekly for a program that will not be ready until May of 2026.

I sat on the Labor and Housing Committee in the 129th legislature when a similar bill was presented by then Speaker Sara Gideon. This bill is no more ready for prime time than that failed proposal. It also proposed a tax on wages. By the end of the hearing, it was clear that the amount called for would not be enough.

The proponents of this bill are underestimating the cost and how much tax will need to be collected from individuals. The bill seems to account for this by allowing the administrator to raise the tax if more money is needed based on utilization beginning in 2028. As the lead Republican on the Health Coverage, Insurance, and Financial Services Committee, I hear regularly about insurance companies needing to be able to do the actuarial study to underwrite the risk to calculate the premium. I see very little evidence that this has been done in this just as it was not done in the failed bill presented by Speaker Gideon four years ago.

This is a real risk when you look at the definition of family in this program. It is so broad that it allows individuals to take advantage and increase the costs of the program. This will lead to future tax increases to keep the program solvent.

District 91 Leeds, Turner & Wayne

I also would like to take the opportunity to address the claim that Maine is an outlier in New England when it comes to not offering paid leave to its workers. New Hampshire's plan is completely voluntary. It is a public private partnership, and the max amount of benefit is 6 weeks. I would also point out to the committee that New Hampshire does not have an income or sales tax. This bill will make Maine an outlier and further chase people and businesses out of our state.

I encourage this committee to vote this bill ought not to pass.