



Maine Women's Lobby

April 23, 2025

Senator Tipping, Representative Roeder, and Honorable Members of the Committee on Labor,

I join you today on behalf of the Maine Women's Lobby. We have advocated for gender justice for over 40 years – and for paid family and medical leave for most of them. We are here today in strong support of the paid family and medical leave system created by this Legislative body two years ago, and carefully implemented by the Maine Department of Labor since then.

The Commission was a bipartisan effort which included a year of discussion, research, interviews with other state program administrators, feedback from the public, and an actuarial report. **This program is a revolutionary support for workers and employers which has improved family life and the economy in multiple other states and countries - but its complexity means that we must trust the time and care that went into its creation. It will work if we let it work.**

For that reason, we support the technical changes offered by President Daughtry on behalf of the Maine Department of Labor (LD 894), and the bill which removes the hardship exemption (LD 575), the part of the current program which we find is most exclusive to workers.

We ardently opposes efforts to repeal the program all together (LD406, LD539, LD1273) and we oppose efforts which run counter to our core principles at our organization and in the Maine Paid Leave Coalition - bills which carve out certain communities or industries, (LD952, LD1400, LD1249, LD1333, LD1712), bills which reduce benefits to an amount that makes the program out of reach for low-wage workers (mostly women and people of color - LD 1712), and which are wasteful or unnecessary (LD1221).

Paid Family and Medical Leave Powers Gender Equity

Care work is the invisible underpinning of our economy. Care work - the paid or unpaid work of looking after the physical, emotional, and developmental needs of others - is also highly gendered, and 85% of Maine caregivers are women.

Unpaid family care work seems “free,” so it gets left out of many policy conversations. But care work comes at a cost, including caregivers' and parents' ability to fully participate in the workplace, save for retirement, find time to give back to our communities, and do what they need to for their families. **This unpaid care labor means women are more likely to work part-time or to leave the workforce altogether, limiting their ability to access health insurance or save for retirement, and reducing Social Security benefits in later life.**

Here's how it works: families need care, whether that is tending to new babies or caring for dying parents. Most of that care is provided by women in our culture. The added burden disrupts their work life, and because most companies don't have policies to accommodate this, **caregivers forgo their incomes (destabilizing family economic security), or leave their jobs, or work less than they would otherwise – destabilizing the workforce.** In fact, the burden of this unpaid care, without a policy solution, has meant that women's jobs represent 75 percent

of pandemic related job losses¹, and women's participation in the workforce is at its lowest point in over 30 years².

A systemic failure to invest in caregiving infrastructure such as Paid Family and Medical Leave and childcare is now showing up in a destabilized workforce. Families do not have the income they need, and employers do not have the workers they need, because **we have built an economy that fails to recognize that almost no one can raise a family on a single income, and all families need time for care.**

The good news is, there is a solution. Paid Family and Medical Leave policies – programs just like what has been passed in Maine – have been repeatedly shown for years to improve the lives of families *and* the workforce. They allow caregivers to take the time they need, and then come back to work. Many states have now implemented PFML, and the evidence is overwhelming: this program works to shore up families and the workforce:

- **Women with PFML are 20 percent more likely to be in the workforce** one year after having a baby, and 50 percent more likely five years after.³
- **It significantly decreases turnover costs for small businesses**, because employees are more likely to return to their jobs after paid leave.⁴
- **It improves family economic stability**, women's retirement savings, and evens out the gender- and race-pay gap.⁵
- **It improves the overall health of the population**, by increasing rates of breastfeeding, bonding, family care, aging in place, vaccinations, and more – which means that the state's investment comes back.⁶

Many Proposed Changes Undermine Workers, Without Benefiting Businesses

In the United States, high wage earners are ten times more likely than low-wage earners to have access to PFML⁷, and low wage earners in Maine are more likely to be women⁸. Wage

¹ National Women's Law Center (2022). Women Gain 83% of Jobs While 170,000 Women Leave Labor Force in June. Retrieved from <https://nwlc.org/wp-content/uploads/2022/07/June-Jobs-Day.pdf>

² National Women's Law center. (2023). Another 275,000 Women Left the Workforce in January. Retrieved from <https://nwlc.org/resource/january-jobs-day-2021/>

³ Institute for Women's Policy Research. (2020). New Study Reveals Paid Family Leave Policies Lead to 20 Percent Fewer Women Leaving the Workforce. Retrieved from <https://iwpr.org/media/press-releases/new-study-reveals-paid-family-leave-policies-lead-to-20-fewer-women-leaving-the-workforce/>

⁴ Nadeau et al. (2017). Paid Sick Days and Paid Family and Medical Leave Are Not Job Killers. Retrieved from <https://www.americanprogress.org/article/paid-sick-days-and-paid-family-and-medical-leave-are-not-job-killers/>

⁵ Bipartisan Policy center. (2021). Paid Family Leave Can Help Close the Gender Pay Gap. Retrieved from <https://bipartisanpolicy.org/blog/paid-family-leave-can-help-close-the-gender-pay-gap/>

⁶ CNN. (2016). The benefits of paid leave for children are real, majority of research says. Retrieved from <https://www.cnn.com/2015/10/29/health/paid-leave-benefits-to-children-research/index.html>

⁷ Shabo, V. (2024). Paid leave is back on the agenda. New America. Retrieved from <https://www.newamerica.org/the-thread/benefits-of-paid-leave-2024-election/>

⁸ Maine Permanent Commission on the Status of Women. (2024). Annual Report. Retrieved from <https://www.maine.gov/sos/womens-commission>

replacement under 80% is most likely to exclude low wage workers⁹ - which is why nearly all states offer at least 80%, and states such as California have updated their 66% replacement in the last year to be more inclusive.¹⁰

Changing the wage replacement isn't likely to save businesses or workers money in the contribution. Analysis from the Maine Paid Leave Coalition in 2023 shows that the difference in wage replacement from the current model to 66% saves approximately 7 cents per hundred dollars of payroll. **The primary function of this proposal is to reduce the ability of people to use the program.**

Many of the messages we hear from businesses quietly confirm this: there is concern that a 90% wage replacement (for the first tier of income) means that low-wage workers will take more leave. But this ignores the fact that workers must apply for leave and be approved based on standard guidance. Low wage workers (again, mostly women) are not more likely than others to abuse the program, and are subject to the same parameters. **The more generous and impactful wage replacement simply makes it more viable for caregivers who would otherwise not be able to afford the leave, unlike their wealthier counterparts.**

Those opposing this program or seeking to delay or diminish it often point to the cost as the reason to slow down or do less. Just like any insurance program, Maine's Paid Leave program presents costs shared across our community - less than 50 cents per \$100 of wages.

For too long, the cost burden of caregiving has fallen on women, who sacrifice careers, physical and mental health, financial security, and retirement savings to support their families.

To choose to roll back our current effort before it fully begins is to choose to pass the costs of inaction on to individuals to bear alone, and to continue to penalize the small businesses who offer this vital benefit out of their own pockets because they know it is the right thing to do.

Thank you for your consideration.

Sincerely,

Destie Hohman Sprague, Executive Director

⁹ World Policy Analysis Center. (2018). A Review of the Evidence on Payment and Financing of Family and Medical Leave. Retrieved from https://www.worldpolicycenter.org/sites/default/files/WORLD%20Brief%20-%20Payment%20and%20Financing%20of%20Paid%20Family%20and%20Medical%20Leave_0.pdf

¹⁰ New America. (2024). Explainer: Paid Leave Benefits and Funding in the United States. Retrieved from <https://www.newamerica.org/better-life-lab/briefs/explainer-paid-leave-benefits-and-funding-in-the-united-states/>