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President of the Senate

**THE MAINE SENATE**  
**132nd Legislature**

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Augusta, Maine 04333

**Testimony in Support of**  
**LD 894, "An Act to Amend the Laws Governing**  
**Paid Family and Medical Leave"**  
**Before the Joint Standing Committee on Labor**  
**April 23, 2025**

Senator Tipping, Representative Roder, and Esteemed Members of the Joint Standing Committee on Labor, my name is Mattie Daughtry. I serve as President of the Maine Senate and proudly represent Senate District 23, including Brunswick, Freeport, Harpswell, Pownal, Chebeague Island, and part of Yarmouth.

I am pleased to present LD 894, "An Act to Amend the Laws Governing Paid Family and Medical Leave," which was submitted on behalf of the Department of Labor and is cosponsored by Representative Cloutier of Lewiston. This bill represents the necessary, targeted refinements to ensure Maine's Paid Family and Medical Leave program is implemented effectively, responsibly, and with long-term stability.

LD 894 makes several important clarifying and technical changes to the statute, including:

- Clarifying intermittent leave provisions to ensure consistency with the intent of the law while setting clear expectations for both employees and employers;
- Formally establishing the Bureau of Paid Family and Medical Leave within the Department of Labor, providing a dedicated home for administering the program;
- Strengthening enforcement tools to help the Department collect unpaid premium contributions and ensure that employers meet their obligations under the program;
- Clarifying liability for successor businesses, ensuring continuity and accountability when ownership or business assets change hands; and
- Improving compliance with private plan substitution requirements, including setting penalties if approved private coverage lapses.

These changes are designed to support the successful launch of Maine's Paid Family and Medical Leave program—not to rewrite it. This program is the product of an inclusive, transparent, and multi-year legislative process, guided by a bipartisan Commission, shaped by extensive stakeholder input, and informed by a statewide tour that engaged over 300 businesses. For your reference, we have included a copy of the Commission's final report along with this testimony.

At this critical phase, LD 894 should be the only bill related to Paid Family and Medical Leave that advances this session. Anything more risks undermining the thoughtful planning, collaborative policymaking, and detailed rulemaking already underway. We must give the program the time and space it needs to launch effectively. The best way to support Maine workers and businesses right now is to keep the implementation process focused, coordinated, and uninterrupted.

I also want to flag for the Committee that I will be offering strong testimony in opposition to the other bills you are hearing today. I have also provided a handout with my testimony that explains our current program and outlines this bill.

Thank you for your time and thoughtful consideration. I look forward to hearing the Department's testimony and working with the Committee to support a successful and stable implementation of Paid Family and Medical Leave in Maine. I'm happy to answer any questions.

President of the Senate, Senate District 23

*Brunswick, Freeport, Harpswell, Pownal, Chebeague Island, and part of Yarmouth*

# Maine's Paid Family and Medical Leave Program

Maine's Paid Family and Medical Leave (PFML) law (Title 26, chapter 7, subchapter 6-C) will provide up to **12 weeks** of paid leave.

<b>What will an eligible worker receive?</b> <ul style="list-style-type: none"> <li>Partial wage replacement.</li> <li>The exact amount is calculated based on the worker's earnings.</li> <li>Maximum Weekly Benefit: subject to annual adjustments based on the state's average weekly wage, which is currently \$1,144 for 2024.</li> </ul>	<b>Who is eligible? Workers who...</b> <ul style="list-style-type: none"> <li>Have a qualifying family or medical event, AND</li> <li>Have earned at least six times the state average weekly wage (ex. 2024: \$1,144 x 6=\$6,864) during the preceding year.</li> <li>Submit and have a claim approved by the claims processor, not the employer.</li> <li>Had to have worked at an employer for at least consecutive 120 days.</li> </ul>						
<b>What types of leave are allowed?</b> <ul style="list-style-type: none"> <li><u>Family leave</u>: To care for a new child OR to care for family with a serious health issue.</li> <li><u>Medical leave</u>: To care for your own health issue.</li> <li><u>Safe leave</u>: To stay safe after abuse or violence.</li> <li><u>Military deployment</u>: To deal with the transition of a family member's impending military deployment.</li> </ul>	<b>Who has oversight? Could PFML be cheaper one day?</b> <ul style="list-style-type: none"> <li>The Maine Department of Labor (MDOL) is responsible for the implementation of this new program.</li> <li>The <u>PFML Authority</u> is the oversight entity, made up of both governmental and non-governmental members and has a fiduciary duty. They advise the program.</li> <li>The MDOL will oversee a professional actuary study in Feb. 2026 to ensure Maine's program is solvent and prepared for May 2026 launch. The maximum contribution rate must under 1% of wages split between employer and employee. However, if a future professional actuary study shows 1% is not necessary, the contribution can be lowered.</li> </ul>						
<b>Who pays in?</b> <div> <p>green= employer's mandatory contribution blue= employee's contribution that an employer may elect to cover</p> <table> <tr> <td>Employer has 15+ employees</td><td>Employer has 1-14 employees</td></tr> <tr> <td>.5%</td><td></td></tr> <tr> <td>.5%</td><td>.5%</td></tr> </table> </div> <ul style="list-style-type: none"> <li><u>No employee is responsible for contributing more than 0.5% of their wages.</u></li> <li>As shown, employers with fewer than 15 employees are <u>not</u> required to pay the employer share of the 1% premium.</li> <li>Contributions are pooled into the PFML Fund to cover claims and operating costs.</li> <li>Premium contributions begin before benefits in order to fund the benefits.</li> </ul>		Employer has 15+ employees	Employer has 1-14 employees	.5%		.5%	.5%
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**Below are general examples of payroll withholdings for employees**  
**(assuming their employer does NOT cover their 0.5% percent contribution)** NOTE: Businesses larger than 15 employees also contribute an equal amount. Businesses smaller than 15 employees contribute \$0.

Income Level	Annual Salary	Premium Deduction	Yearly Premium Deduction	Weekly Benefit, if approved
At or near minimum wage	\$35,000	\$3.36 per week	\$175 per year	\$580
Average wage	\$57,000	\$5.48 per week	\$285 per year	\$859
High wage	\$90,000	\$8.65 per week	\$450 per year	\$1,144

## PFML: By the Numbers

- May 1, 2026 – Benefits begin
  - Over 41,000 employers already registered
  - 93% of Mainers support PFML (Pan Atlantic Research, 2023)
  - Backed by a multi-year, bipartisan process involving:
    - The PFML Commission and Milliman actuarial studies
    - A statewide tour to solicit feedback from 300+ businesses
    - Two rounds and over 1,600 public comments during rulemaking
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## Program Summary

Maine's Paid Family and Medical Leave (PFML) program is on track, with over 41,000 employers already registered and workers contributing through payroll deductions. This program is the result of years of research, bipartisan work, and public engagement. Only one bill this session—**LD 894**—is designed to support successful implementation. All other proposals threaten to **delay benefits, gut protections, reduce wage replacement, or jeopardize solvency** before a single claim is even filed.

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## LD 894: "An Act to Amend the Laws Governing Paid Family and Medical Leave"

The only PFML bill that supports a successful launch without undermining the program

### What it does:

- Ensures the launch of PFML is focused, coordinated, and uninterrupted.
- Clarifies how intermittent leave works.
- Establishes the Bureau of PFML at the Department of Labor.
- Enhances enforcement mechanisms to uphold employer responsibilities.

### Why it matters:

- This is the only bill that *strengthens* implementation *without* rewriting core components.
- Protects workers' and employers' investments. Mainers have already started paying into the program; LD 894 ensures that their contributions support a program ready to deliver on its promise.
- Prevents administrative delays by giving the Department of Labor the tools it needs to enforce compliance, manage private plans, and clarify responsibilities for successor businesses.