



April 23, 2025

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

My name is Catie Reed and I join you today on behalf of the Maine Paid Leave Coalition. Our coalition formed in 2019 to develop and implement a paid family and medical leave system that works for all Mainers. We have grown to over 40 member organizations, representing hundreds of thousands of Mainers, because Maine people know that paid leave works. This policy is well thought out and is a result of nearly five years and thousands of hours of hard work, all of which can be seen through the Legislative Commission's report, actuarial studies, the many pieces of information posted from the Maine Department of Labor, and other state plan comparisons. Maine's Paid Family and Medical Leave law and program is not only comprehensive — it is developed by and for Maine people.

It is for these reasons that we are here today to provide testimony in support of LD 894 and LD 575, two bills that would offer improvements to make the program more effective and allow the Maine Department of Labor to run the program more efficiently. We also are here to strongly oppose LD406, LD539, LD952, LD 1169, LD1221, LD1249, LD1273, LD1307, LD1333, LD1400, and LD 1712 all of which ultimately dismantle Maine's PFML program, create unnecessary barriers for workers and caregivers, propose costly delays, and carve out numerous hard working Maine people who fund this benefit.

Today you will hear from many of our member organizations and from Mainers from all walks of life about why paid leave is important to their financial security, the stability of their families, and their overall well being. They are here today to remind you that the evidence is clear: **paid family and medical leave is good for workers, caregivers, and businesses. It is good for everyone. This is why almost every other country in the world and 14 states, including Maine, have created these programs, and 70% of Mainers support it.** Many of these bills we oppose are rooted in fear and misinformation, not facts. These bills pull apart key components of the carefully developed law and program that are already the result of years of hard work and compromise.

We would like to review some facts about paid leave and offer an overview of Maine's PFML program that should relieve any of the fabricated concerns and common myths these bills claim to address. There are a couple of key components in LD 1712 that are of significant concern for our coalition, including expanding the undue hardship language to give small and seasonal employers a

nearly automatic and unappealable claim to hardship; reducing the employee benefit wage replacement to a flat 65%; shortening the application timeline to make it harder to apply for leave; and reducing the financial penalty to hold employers accountable for noncompliance.

These components of LD 1712 are created to disenfranchise workers rights, reduce low income workers' ability to access a benefit they fund, and will do nothing to improve worker shortages by forcing employees out of the workforce altogether. Let us remind you that small businesses' current obligations have already been carefully considered, including only contributing 50% of the PFML premium, all of which can come from their employees. Job protection for workers does not kick in until 120 days of employment, meaning employers do not have to hold jobs open for employees who must take leave in less than 120 days at a job. Most importantly, many workers cannot afford to take paid leave at this low wage replacement.¹ Therefore this bill disenfranchises worker access to the program, does nothing to significantly reduce costs or premium payments for businesses and workers, does not secure any of the business friendly outcomes related to PFML like reduced costs found through employee retention, and will have an overall negative impact on the program through limited use.

This bill presents itself as neutral when it guts the program to address false claims of fraud under the guise of balance. There is nothing balanced about LD 1712 and let's be clear: **employee abuse of paid family and medical leave programs are nearly nonexistent and employer fears of such abuse are unfounded.**²

Let's clear up the false concern about PFML fraud and look at how the program works: Maine's PFML program already has safeguards in place, without creating new higher barriers to limit access to leave. These safeguards are built into applying to the PFML program - individuals must first meet a clear eligibility standard to apply, then complete the detailed steps to apply for leave outlined in Section IV of the rules. This requires an individual to provide numerous items, including documentation from a healthcare provider proving there is a qualifying reason for leave, and a provider-backed proposed schedule for the time needed. This also applies to family leave, requiring similar documentation for a loved one, along with information about the individual's relationship to their family member.

Additionally, Section V of the rules describes the process for the review of these applications by the Administrator, where further safeguards are in place and employers must provide additional

¹ California Budget & Policy Center. Paid Family Leave Payments Don't Add Up for California Workers Report, 2022.

<https://calbudgetcenter.org/resources/paid-family-leave-program-is-out-of-reach-for-many-californians/>
² National Partnership for Women and Families. Paid Family and Medical Leave: Busting 10 Common Myths with Facts and Evidence Fact Sheet, 2017.

<https://nationalpartnership.org/wp-content/uploads/2023/02/paid-family-and-medical-leave-busting-10-common-myths-with-facts-and-evidence.pdf>

documentation and are communicated with about the leave. On top of this, there remains a thorough Fraud and Ineligibility section in the rules (Section IX) which outlines the process the MDOL will take to investigate and determine fraud, and is secured in statute.

PFML is not the same as simply calling out sick for the day. When benefits go live in 2026, we know that there will need to be ongoing public education about how to apply to access the program, and we are already nervous the existing process will present access barriers to some— Putting up even more barriers is the opposite direction we should be heading.

Our coalition has been working on this issue alongside the Legislature, the Legislative Commission, and the Maine Department of Labor. **Now is not the time to make these sweeping changes to the program, in the middle of implementation, after years of research and input.** It is disappointing that we're still needing to defend a program that is so overwhelmingly popular, and has clear and consistent data indicating it's benefits and efficacy: **Women with access to 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 Paid leave programs, like the one we have built, **significantly decrease turnover costs for small businesses**, because employees are more likely to return to their jobs after paid leave.⁴ As in other states, our program can **improve family economic stability**, women's retirement savings, and evens out the gender- and race-pay gap.⁵ Most importantly, paid leave **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

The data is clear that plans, like Maine's, work – we just have to let it work. PFML overwhelmingly improves the overall health of the population across the lifespan, boosts employee morale and stabilizes the workforce. **This is why Maine's paid family and medical leave program is supported by 70% of Mainers.** We ask that you pay attention to data, facts, and experience in other states – do not stall or delay this thoughtful program and oppose these harmful bills.

Respectfully,

The Maine Paid Leave Coalition

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>