

Maine Grocers & Food Producers Association PO Box 5234 Augusta, ME 04332 207.622.4461 info@mgfpa.org



Retail Association of Maine 45 Melville Street, Suite 1 Augusta, ME 04330 Tel: 207.623.1149 | Mobile: 207.240.7377 curtis@retailmaine.org www.retailmaine.org

April 23, 2025

Senator Mike Tipping, Chair Representative Amy Roeder, Chair Members of the Labor Committee

RE: Testimony in SUPPORT of LD 1712, An Act to Amend the Paid Family and Medical Leave Benefits Program to Balance Support of Businesses and Employees. We also offer additional input into the dozen other bills related to Paid Family and Medical Leave Benefits

Dear Senator Tipping, Representative Roeder and members of the Labor Committee:

The Maine Grocers & Food Producers Association and the Retail Association of Maine are providing joint testimony in support of LD 1712, and will provide some additional comment into the other bills related to Maine's Paid Family and Medical Leave program. Our business trade associations represent Main Street businesses including independently owned and operated grocery stores and supermarkets, general merchandise and specialty retailers, convenience stores, distributors, food and beverage manufacturers, and supporting partners — together representing more than 450 members statewide. Maine's retail sector employs more than 85,000 Mainers.

LD 1712 proposes a set of practical, balanced changes to Maine's Paid Family and Medical Leave (PFML) law—changes that reflect the reality of operating a business while supporting employee needs for time away from work.

Let me highlight a few critical provisions:

First, the bill would clarify the process around claiming an undue hardship—something particularly important for small businesses where even one absence can significantly disrupt operations. This does not mean denying leave. It simply ensures that when there's flexibility—for example, scheduling elective procedures—employers and employees can work together to find a mutually workable time.

Second, LD 1712 proposes a flat benefit of 65% of an individual's average weekly wage. We support this simplification, which provides clarity for employees and helps ensure the fund remains solvent. Other states have seen delays and funding shortfalls—this change helps prevent that here in Maine.

Third, the bill tightens the application window for leave—from 90 days to 15 for family leave and 30 for medical leave. While we understand there may be exceptional cases, the current timeline leaves employers in limbo. A shorter window promotes better communication and planning—key to avoiding disruption.

Fourth, the bill replaces the current overly punitive penalty structure for honest mistakes in payroll remittance with a more reasonable, per-employee fine. This change reflects good policy: distinguishing between willful noncompliance and easily remedied administrative errors.

As other proposals are considered today, we want to be clear:

- We do not support LD 406, and LD 539 which would repeal the current program. Our associations are on record for being supportive of paid family and medical leave, but our message has been to make sure the Maine's program adequately balances the needs of employers and employees, and that the benefits and parameters of the program are in line with other states.
- We oppose LD 575, which would remove the undue hardship provision entirely. This change would strip employers of any flexibility and make leave scheduling unmanageable in many workplaces.
- We also oppose LD 894, which includes punitive enforcement provisions and complicates the already challenging rollout of PFML, especially for employers attempting to comply in good faith.
- We take no position on LD 952 which would exempt agriculture employees, and LD 1400 which would exempt school employees.
- We take no position on LD 1221, but we understand the concern that future funds could be diverted away
 from the PFML program. Anyone who has been around state government a longtime knows this is within
 the realm of possibility, and there should be significant efforts now and, in the future, to prevent this fund
 from being raided at some point.
- We take no position on LD 1249, but would suggest perhaps carrying over this bill to 2026. This would give stakeholders time to see if the funds coming into the program are meeting expectations. If not, LD 1249 could be used to make additional adjustments to the timing.
- We take no position on LD 1273.
- We appreciate that LD 1333 and LD 1307 include thoughtful ideas that merit further discussion, particularly
 around eligibility timelines and private plan flexibility. We do think there should be some sort of period that
 an employee needs to work for an employer before leave can be taken with exceptions for extenuating
 circumstances.

In closing, our message is simple: LD 1712 is about making this new program work—for employees and employers. Let's take the time to refine the system now so it can succeed for the long haul.

Curtis Picard, President & CEO, Retail Association of Maine

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45 Melville St., Augusta, ME 04330 curtis@retailmaine.org | 207-623-1149

C. Cummings

Christine Cummings, Executive Director, Maine Grocers & Food Producers Association PO Box 5234, Augusta, ME 04332 christine@mgfpa.org | 207-622-4461