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THE MAINE SENATE
132nd Legislature

**Testimony of Senator Stacey Guerin
In Opposition to LD 2018, "An Act to Amend the Requirements Governing Self-insurance
Plans in the Paid Family and Medical Leave Benefits Program"
Before the Joint Standing Committee on Labor
January 27, 2026**

Good Afternoon Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor. My name is Stacey Guerin, and I represent Senate District 4. I am here today to testify in opposition to LD 2018, "An Act to Amend the Requirements Governing Self-insurance Plans in the Paid Family and Medical Leave Benefits Program."

This bill would prohibit employers from pooling risk, financial resources, or administration when operating a self-insured private plan under Maine's Paid Family and Medical Leave program, and it would apply that prohibition retroactively to April 1, 2025. I have serious concerns with both the policy and the precedent this bill would set.

Pooling is a long-standing and responsible business practice, particularly for small and mid-sized employers. It allows businesses to spread risk, stabilize costs, and access professional administration that would otherwise be out of reach. Prohibiting pooling will make self-insurance unattainable for many Maine employers and will sharply limit the private plan option that was intended to provide flexibility and innovation within this program.

We have already heard from Maine businesses like Treeline, Inc., a family-owned company that has successfully used self-insurance and cooperative models for decades. They invested significant time, legal resources, and administrative effort to comply with the Paid Family and Medical Leave law as written. Changing the rules now, and applying them retroactively, would punish employers who acted in good faith and relied on existing law and guidance.

The retroactive nature of this bill is particularly troubling. Retroactive policy changes create uncertainty, undermine trust in government, and expose employers to unexpected costs and compliance risks after the fact. That approach is unfair and damaging, especially as this program is still being implemented.

If there are legitimate concerns about financial protections or oversight, they should be addressed through clear standards, bonding requirements, audits, and enforcement, not by eliminating cooperative models that help Maine employers remain viable, competitive, and compliant.

For these reasons, I respectfully urge the committee to vote ought not to pass on LD 2018. Thank you for your time and consideration. I would be happy to answer any questions.