



March 19, 2025

Honorable Michael Tipping, Senate Chair
Honorable Amy Roeder, House Chair
Joint Legislative Committee on Labor
100 State House Station
Augusta, ME 04333

Re: Testimony in support of LD 833, An Act to Expand the Earned Paid Leave Exception

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

The Maine Water Utilities Association (MWUA) appreciates the opportunity to provide testimony in support of LD 833.

About MWUA. MWUA is a nonprofit association based in Augusta that provides support for water works professionals throughout the State of Maine in advocating for safe drinking water through educational and technical programming as well as advocacy on the local, state, and national level. The Association was formed in 1925 and consists of approximately 86 utility and 60 associate members. Maine's water utilities provide service to approximately 700,000 Maine residents, thousands of Maine businesses and public institutions, and millions of visitors to Maine every year.

Discussion. LD 833 exempts employers that provide 80 or more hour of paid leave per year from Maine's Earned Paid Leave law. The Earned Paid Leave law, passed in 2019, requires employers with 10 or more employees to provide employees with one hour of paid leave for each 40 hours worked, up to 40 hours per year. Maine's water utilities have a long track record of providing employees with paid leave. Most water utilities provide generous paid leave packages including paid holidays, vacation, sick leave, and other forms of paid time off well in excess of the 40 hours required under the Earned Paid Leave law.

However, the Earned Paid Leave law includes administrative and financial burdens for employers (beyond providing paid leave) including:

- **Pay rates.** Employees receiving "additional compensation" in the week prior to using earned paid leave will be paid at a higher pay rate for the hours taken as earned paid leave. This not only creates additional expenses but requires the employer to be vigilant in tracking the hours that qualify for earned paid leave.
 - This additional tracking and payroll administration adds to the already significant administrative burden necessary to ensure accurate compensation.
- **Use of paid leave.** Employers often have company specific reasons/criteria for the use of paid leave. The Earned Paid Leave law establishes additional reasons/criteria for employees to use leave. Therefore, employers again need to track the qualifying hours employees take under Earned Paid Leave to ensure the employer is allowing the use of leave appropriately.
 - The broad criteria under the Earned Paid Leave law can create many challenges for employers that need a minimum staff size during a shift to maintain productivity, and in the case of water utilities to maintain an essential public health service.



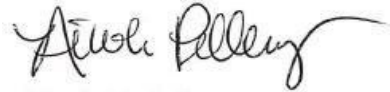
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Conclusion. Maine's water utilities recognize the benefits of providing paid leave for their employees. The Earned Paid Leave law adds administrative and financial burdens to employers that have historically and will continue to provide more leave than required under the Earned Paid Leave law. We encourage you to vote ought to pass on LD 833 to reduce the burdens on employers who provide 80 or more hours of annual leave.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Nicki Pellenz", with a stylized flourish extending to the right.

Nicki Pellenz
Executive Director

cc: James I. Cohen, Verrill Dana, LLP, Legislative Counsel