



Senator Tipping, Chair Representative Roeder, Chair Distinguished Members of the Joint Standing Committee on Labor c/o Legislative Information Office 100 State House Station Augusta, ME 04333

Re: LD 1712 An Act to Amend the Paid Family and Medical Leave Benefits

Senator Tipping, Representative Roeder, and Distinguished Committee Members,

I am writing this letter on behalf of the Associated General Contractors of Maine to support the modifications to Maine's Paid Family and Medical Leave Benefits outlined in LD 1712. AGC Maine members comprise small to large employers, and most offer comprehensive benefits packages, including existing paid private leave plans. LD 1712 provides additional clarity and will improve the initial law through specific changes outlined at the public hearing.

In Section 1, subsection 7, Notice to Employer, the bill addresses the challenges during seasonal employment, which is critical for small employers in the construction industry. Specifically, it assists companies with fifteen or fewer employees, particularly those with more than 25% of their employees already on leave. Those provisions provide balance to operations that are regulated by existing environmental and industry regulations and laws, where most of the work is contained in peak construction months.

Section 7, 5-A. Payment of the share of the premium by employees ensures that the intent of the original law is clear and consistent with the messaging and testimony delivered by proponents. The share of costs was described as an employee deduction of up to 50% of the premium for companies with 15 or more employees.

Section 8 clarifies the penalty structure by outlining the regulators' enforcement actions for suspected violations, as well as the distinction between a clerical error by the employer and a willful violation, as commonly referred to in labor laws.

Lastly, as discussed during the public hearing, the construction industry has widely adopted or had existing private plans. The Committee should **strongly consider** the variance between the state taxes and the approval of private plans for the additional tax created by this law that cannot be utilized in the new program. We believe those funds should be returned to the payers.

Thank you for considering my comments.



Sincerely,

Kelly Flagg Executive Director

KEFlagg