

April 23, 2025

The Honorable Senator Michael Tipping Joint Committee on Labor Maine Senate 3 State House Station Augusta, Maine 04333

## TESTIMONY IN OPPOSITION OF LD 406, LD 539, LD 952, LD 1169, LD 1249, LD 1273, LD 1307, LD 1333, LD 1400, and LD 1712

STANCE: UNFAVORABLE

The National Partnership for Women & Families appreciates the opportunity to submit testimony in opposition of the following bills:

- 1. LD 406/HP 0260, An Act to Repeal the Laws Providing for Paid Family and Medical Leave and to Reimburse Taxpayers
- 2. LD 539/HP 0358, An Act to Repeal the Paid Family and Medical Leave Benefits Program
- **3.** LD 952/HP 0407, An Act to Exempt Agricultural Employers and Employees from the Maine Paid Family and Medical Leave Benefits Program
- 4. **LD 1169/HP 0774**, An Act Regarding Employer Payments for the Paid Family and Medical Leave Benefits Program
- **5. LD 1249/HP 0824,** An Act to Delay Payment of Benefits Under the Paid Family and Medical Leave Benefits Program
- **6. LD 1273/HP 0848,** An Act to Make Paid Family and Medical Leave Voluntary
- 7. LD 1307/HP 0537, An Act to Suspend the Remittance Obligation for Paid Family and Medical Leave Private Plan Users
- 8. LD 1333/ HP 0868, An Act to Make Changes to the Paid Family and Medical Leave Benefits Program
- **9.** LD 1400/HP 0922, An Act to Exempt Certain Public School Districts and Their Employees from the Paid Family and Medical Leave Benefits Program
- 10. LD 1712/HP 1147, An Act to Amend the Paid Family and Medical Leave Benefits Program to Balance Support of Businesses and Employees

This suite of legislation would deeply undermine or outright eliminate Maine's paid family and medical leave program. Undermining such a vital program would harm workers, specifically lower-income workers, their families, businesses, and Maine's economy.

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group that has worked for more than 50 years to advance every major public policy impacting the lives of women and families. The National Partnership works for a just and equitable society in which all women and families can live with dignity, respect, and security; every person has the opportunity to achieve their potential; and no person is held back by discrimination or bias. We believe that paid family and medical leave is critical to women's ability to succeed, particularly for women of color, disabled women and multi-marginalized women.

## MAINE'S PAID FAMILY AND MEDICAL LEAVE PROGRAM IS REASONABLE AND PROVIDES IMPACTFUL ECONOMIC SUPPORTS

Maine's family and medical leave program is set to provide twelve weeks of paid leave, progressive wage replacement, safe leave coverage, and a broad definition of "family," which allows more people to support those in need.¹ At some point, nearly everyone will need to take time away from work to deal with a serious personal or family illness, or to care for a new child. Eviscerating this program would continue to force workers to make the impossible decision between their health or their family's health and a paycheck.

Before Maine passed its paid family and medical leave program, ten states passed and implemented their programs; the overall impact on said states has been tremendous. A strong body of research points to the health and economic benefits of paid leave.<sup>2</sup> For example, breastfeeding duration increased substantially among women who took paid leave under California's state paid leave program, with significant increases in breastfeeding initiation among mothers in lower quality jobs.<sup>3</sup> For low-income families in New Jersey, researchers found that new mothers who use the state paid leave program breastfeed, on average, one month longer than new mothers who do not use the program.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> National Partnership for Women & Families. (2025, February) *Paid leave Means a Stronger Maine*. Retrieved 22 April 2025, from https://nationalpartnership.org/wp-content/uploads/2023/04/paid-leave-means-a-stronger-maine.pdf

<sup>&</sup>lt;sup>2</sup> National Partnership for Women & Families. (2021, May) Paid leave is Essential for Healthy Moms and Babies. Retrieved 22 April 2025, from https://nationalpartnership.org/report/paid-leave-is-essential-for/; National Partnership for Women & Families. (2023, June) Fathers Need Paid Family and Medical Leave. Retrieved 22 April 2025, from https://nationalpartnership.org/report/fathers-need-paid-leave/

<sup>&</sup>lt;sup>3</sup> Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press

<sup>&</sup>lt;sup>4</sup> Setty, S., Skinner, C., & Wilson-Simmons, R. (2016, March). Protecting Workers, Nurturing Families: Building an Inclusive Family Leave Insurance Program, Findings and Recommendations from the New Jersey Parenting Project. National Center for Children in Poverty Publication. Retrieved 22 April 2025, from http://nccp.org/projects/paid\_leave\_publications.html

Paid leave gives parents time to establish a strong bond with a new child during the first months of life, which results in long-term health benefits for both children and parents.<sup>5</sup> A study in California indicates many positive health outcomes for elementary school aged children following the implementation of paid leave, including lower probabilities of having ADHD, hearing problems or recurrent ear infections or being overweight — especially among children with lower socioeconomic status and with mothers who have lower educational attainment.<sup>6</sup> Furthermore, research in California suggests that paid leave may also help prevent child maltreatment by reducing risk factors, such as family and maternal stress and depression.<sup>7</sup>

Studies have also shown the positive impact of paid family and medical leave for new mothers.<sup>8</sup> Every additional week of paid leave a mother takes reduces the likelihood of reporting poor mental well-being by 2 percent. Mothers who were able to take paid leave have a lower chance of being re-hospitalized by more than 51 percent and are almost twice as likely to have more success in managing stress and engaging in regular exercise.

For new fathers, paid leave promotes children's development and family well-being. Studies from other states' programs show that fathers who take two or more weeks off after the birth of a child are more involved in that child's direct care nine months after birth than fathers who take no leave; fathers who take leave are also more likely to have a stable marriage or relationship with the other parent. Involved fathers promote children's educational attainment and emotional stability and reduce maternal stress. In Involvement in the first six months after birth can also mean both mother and baby sleep better; Infant sleep development from three to six months postpartum is linked to maternal sleep and paternal involvement. When men attend prenatal medical appointments and remain involved throughout the pregnancy, women have safer births and decreased risk of postpartum

<sup>&</sup>lt;sup>5</sup> Ibid.

<sup>&</sup>lt;sup>6</sup> Lichtman-Sadot, S., & Pillay Bell, N. (2017, July). Child Health in Elementary School following California's Paid Family Leave Program. *Journal of Policy Analysis and Management*. Retrieved 22 April 2025, from http://shirlees.weebly.com/uploads/2/3/6/1/23619094/pfl\_ecls1609.pdf

<sup>&</sup>lt;sup>7</sup> Klevens, J., Luo, F., Xu, L., et al. (2015, November 28). Paid family leave's effect on hospital admissions for pediatric abusive head trauma. Injury Prevention. Retrieved 22 April 2025, from http://injuryprevention.bmj.com/content/early/2016/01/05/injuryprev-2015-041702

<sup>&</sup>lt;sup>8</sup> National Partnership for Women & Families. (2021, May) *Paid leave is Essential for Healthy Moms and Babies*. Retrieved 23 April 2025, from https://nationalpartnership.org/report/paid-leave-is-essential-for/

<sup>&</sup>lt;sup>9</sup> National Partnership for Women & Families. (2023, June) Fathers Need Paid Family and Medical Leave. Retrieved 22 April 2025, from https://nationalpartnership.org/report/fathers-need-paid-leave/ <sup>10</sup> Ibid.

<sup>&</sup>lt;sup>11</sup> Ibid.

<sup>&</sup>lt;sup>12</sup> Ibid.

depression.<sup>13</sup> New mothers have fewer postpartum health complications and improved mental health when new fathers can also take paid leave.<sup>14</sup>

## MAINE'S PAID FAMILY AND MEDICAL LEAVE PROGRAM MUST REMAIN A COMPREHENSIVE PROGRAM TO EFFECTIVELY SUPPORT WORKERS AND FAMILIES

Maine's current program builds on lessons from states' programs with older paid family and medical leave programs to provide workers comprehensive benefits. Rolling back key components of Maine's program, as proposed under this suite of bills, would make it difficult for workers, families, and businesses to fully benefit from a paid leave program.

Shifting Maine's program to a voluntary or opt-in program would make paid leave inaccessible to many workers. New Hampshire has demonstrated that voluntary programs do not reach most workers. New Hampshire's program contracted with a private insurer to provide paid family and medical leave to certain employers who opt-in to coverage. As of 2023, only 18,500 workers enrolled in the program – less than 3 percent of the state's workforce. <sup>16</sup>

**Exempting workers from Maine's paid leave program would leave families behind.** Sweeping exemptions would leave workers – especially low-income workers – and their families vulnerable to inequality. In states without paid leave programs, whether a worker has access to paid leave is largely a function of who they work for. Lower-wage workers have the least access: only 14 percent of workers in the bottom wage quartile have access to employer-provided paid family leave, and 23 percent have access to employer-provided short-term disability insurance. If Americans' unpaid caregiving were compensated even at the rate of our underpaid professional care workforce, it would be valued at more than \$1 trillion per year, two-thirds of that is earned by women. The lack of paid leave costs the

<sup>&</sup>lt;sup>13</sup> Ibid.

<sup>&</sup>lt;sup>14</sup> Ibid.

<sup>&</sup>lt;sup>15</sup> See note 1.; Christiane, E. L., Dammann, K. M., Mala, M., Sherri L., Alderman, M., Bunik, M. (2024, November); Paid Family and Medical Leave: Policy Statement. *Pediatrics*. *154*(5).

<sup>&</sup>lt;sup>16</sup> Cuno-Booth, P.(2023, December 11). Almost a year in, NH paid family and medical leave doesn't have many participants *New Hampshire Public Radio*. Retrieved 23 April 2025, from https://www.nhpr.org/nh-news/2023-12-11/almost-a-year-in-nh-paid-family-and-medical-leave-doesnt-have-many-participants

<sup>&</sup>lt;sup>17</sup> Ibid.

<sup>&</sup>lt;sup>18</sup> Gallagher Robbins, K., & Mason, J. (2024, June 24). Americans' Unpaid Caregiving is Worth More than \$1 Trillion Annually – and Women are Doing Two-Thirds of The Work. Retrieved 22 April 2025, from National Partnership for Women & Families website:

https://national partnership.org/americans-unpaid-caregiving-worth-1-trillion-annually-women-two-thirds-work/

United States \$22.6 billion each year in lost wages alone. <sup>19</sup> Our economy loses an estimated more than \$775 billion in GDP each year because women's labor force participation is depressed by a lack of family-supportive policies. <sup>20</sup>

Carveouts also leave aging and disabled workers behind. Nearly thirty percent of Maine workers are 55 and older, and in the next 25 years, the number of Mainers who are 65 and older will grow by 19,000.<sup>21</sup> If they need care, about nine out of ten older adults would prefer to get it at home or with friends or family.<sup>22</sup> Paid leave reduces nursing home use and can help recruitment and retention of care workers.<sup>23</sup> By barring certain workers from the paid leave program, their older family members may not receive the familial support they need. As it stands, Maine's program supports family caregivers and disabled people – who are often caregivers themselves – manage their health and care needs while maintaining their income and employment.

Excluding public educators from paid leave if their school district has a "substantially equivalent" program could worsen the teacher shortage crisis. Maine is currently experiencing a critical teacher shortage, and teachers earn the lowest pay of all teachers in New England.<sup>24</sup> Data has shown that nearly one quarter of teachers who recently left their profession cited "personal life reasons (e.g., health pregnancy/childcare, caring for family)" as the most important reason for their departure.<sup>25</sup> The current program can ensure educators have the same access to paid leave and relieve them from making the difficult decision of choosing between their family or their career.

Establishing waiting periods and requiring workers to use unpaid leave before paid leave may be used would defeat the purpose of a paid leave program. Proposed legislation would require workers to wait up to four months before paid leave may be used or use unpaid leave under the federal Family and Medical Leave Act (FMLA) before accessing paid leave. Workers and their families do not choose to fall ill or require care. When workers do not have access to paid

<sup>&</sup>lt;sup>19</sup> Glynn, S. J. (2020, January 21). The Rising Cost of Inaction on Work-Family Policies. Retrieved 22 April 2025, from Center for American Progress website:

https://www.americanprogress.org/article/rising-cost-inaction-work-family-policies/

<sup>&</sup>lt;sup>20</sup> Glynn, S. J. (2023, November). The Cost of Doing Nothing, 2023 Update: The Price We STILL Pay without Policies to Support Working Families. On file with the National Partnership for Women & Families.

<sup>&</sup>lt;sup>21</sup> See note 1.

<sup>&</sup>lt;sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> Moravec, K. (2025, March 23). Lawmakers aim to tackle the teacher shortage from multiple angles. The Maine Monitor. Retrieved 22 April 2025, from https://themainemonitor.org/lawmakers-aim-to-tackle-teacher-shortage/

<sup>&</sup>lt;sup>25</sup> National Center for Education Statistics (NCES). (n.d.) *Schools and Staffing Survey (SASS)*. Retrieved 22 April 2025, from https://nces.ed.gov/surveys/sass/tables/tfs1213\_190507\_f1n.asp

leave that they need, workers and their families delay or forgo the care they need.<sup>26</sup> Research shows that having access to paid leave for medical or caregiving purposes correlates with less financial stress, improved financial health, and higher job satisfaction.<sup>27</sup> In the event a worker becomes seriously ill or has to take care of their family before a paid leave benefit triggers, they will be forced to take unpaid leave. Workers would still be forced to decide between their health or their family's health and a paycheck.

Delaying program implementation would be detrimental to Maine's working families, businesses, and the state's economy. Not only would workers have to forgo critical time to care for themselves or their loved ones, businesses would also suffer. With paid leave, businesses stand to benefit from a more stable, productive workforce. Benefits include lower turnover costs through greater retention, higher productivity, and higher morale.<sup>28</sup> Paid leave programs benefit small businesses in particular. Small businesses often have trouble matching the more generous leave benefits offered by larger employers, potentially resulting in a hiring disadvantage. When paid leave is administered through a public paid leave insurance program, it levels the playing field and helps small businesses compete for talent. Small employers benefit in particular because the cost of leave is shared.

Reducing the wage replacement rate would severely undermine the effectiveness of Maine's current program. Reducing the wage replacement from 90 percent to 65 percent would leave workers who have to take longer leaves in more economically precarious situations. Research shows that the wage replacement rate needs to be at least 80 percent to be usable and key for lowest wage workers. For workers who earn the minimum wage in Maine, a 65 percent replacement wage would place them under the poverty line. Maine's current program has an adequate wage replacement that will help reduce poverty among workers who take leave. 30

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<sup>&</sup>lt;sup>26</sup> Weston-Williamson, M. W. (2024, December 18). Lack of paid leave hurts Americans' health. Center for American Progress. Retrieved 22 April 2025 from:

https://www.americanprogress.org/article/lack-of-paid-leave-hurts-americans-health/

<sup>&</sup>lt;sup>27</sup> Garon, T., Mason, J., & McKay, J. (2021, September). *Unpaid and Unprotected*. Retrieved 22 April 2025 from Financial Health Network website: https://finhealthnetwork.org/research/unpaid-and-unprotected-how-the-lack-of-paid-leave-for-medical-and-caregiving-purposes-impacts-financial-health/

<sup>&</sup>lt;sup>28</sup> National Partnership for Women & Families. (2023, October). *Paid Family and Medical Leave Is Good for Business*. Retrieved 22 April 2025, from https://nationalpartnership.org/wp-content/uploads/2023/02/paid-leave-good-for-business.pdf

<sup>&</sup>lt;sup>29</sup> Raub, A., Nandi, A., Earle, A., Chorny, N., Wong, E., Chung, P...Heymann, J. A detailed look at approaches across OECD countries. (p. 7) Retrieved 22 April 2025, from World Policy Center website: https://www.worldpolicycenter.org/sites/default/files/WORLD Report - Parental Leave OECD Country Approaches\_0.pdf

<sup>&</sup>lt;sup>30</sup> Boyens, C., Smith, K., Wheaton, L., Smalligan, J., Hueston, K., & Simpson, L. (2024, September). Understanding equity in paid leave through microsimulation analysis. Retrieved 22 April 2025, from

## Expanding the "undue hardship" notice requirement and eliminating the right to appeal denied leave requests would leave workers vulnerable.

Expanding the state's "undue hardship" notice exemption — the only of its kind — would greatly harm workers. The expanded undue hardship exemption would allow employers to deny leave for certain circumstances, including anything an employer deems an "undue hardship." To worsen matters, workers would be unable to appeal their employer's decision to deny leave for "undue hardship." This would leave workers vulnerable to harmful employer behavior and create even greater barriers to paid leave.

The National Partnership for Women & Families is disappointed to see the legislature taking steps to undo a vital program that would support working families during times of need. No person should have to choose between their health, their family's health, or a paycheck. It is time for lawmakers to recommit to supporting working families and ensure that workers can take the time they need to care for themselves and their families.

Thank you for your consideration, and we urge you to vote against these harmful bills. If you have any questions regarding this testimony, please contact Brittany Williams, Economic Justice Policy Counsel at the National Partnership for Women & Families at bwilliams@nationalpartnership.org.

Sincerely, Brittany Williams Economic Justice Policy Counsel

U.S. Department of Labor website: https://www.dol.gov/agencies/wb/Understanding-Equity-in-Paid-Leave-Microsimulation-Analysis