



# Maine Credit Union League

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In Opposition to LD 1964  
***An Act to Implement the Recommendations of the Commission to  
Develop a Paid Family and Medical Leave Benefits Program***

Committee on Labor and Housing  
*May 25, 2023*

Good Afternoon, Senator Tipping, Representative Roeder, and distinguished members of the Committee on Labor and Housing,

My name is Robert Caverly, and I am the Vice President of Advocacy & Outreach at the Maine Credit Union League. The Maine Credit Union League is the trade association for Maine's 50 credit unions and over 725,000 members statewide. We respectfully submit the following testimony in opposition to LD 1964.

Credit unions are financial cooperatives that provide needed diversity in Maine's financial services industry. The cooperative principles credit unions are based upon include the concern for community that prompts credit unions to provide outstanding benefits and positive company culture. These principles have led to several credit unions being recognized on the annual Maine Best Places To Work listing. Together, Maine credit unions have over 200 branches statewide and employ around 2,000 Mainers, offering competitive benefits packages, positive work environments, and room to grow and develop professionally.

As community members, employers, and financial cooperatives, we understand the importance of paid family and medical leave. However, it is our opinion that in its current form, the funding mechanisms in LD 1964 would have a negative impact on credit unions and their members. At the credit union, each member is a part owner, sharing their profits back with their members through dividends, lower fees, and better interest rates. Annually, the average credit union member saves an average of \$175 in interest and fees compared to banking customers. Any policy that raises employment costs in an already challenging labor economy will impact the credit union's ability to provide these financial benefits to members.

The League thanks you for this opportunity to share our viewpoint. We strongly urge the committee to take extra caution and care with this proposal to ensure that the unintended consequences it can create are properly accounted for.