



Members of the Labor and Housing Committee
State of Maine
Augusta, ME
2023

May 25th,

Dear Committee Members

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

Hancock Lumber, a seventh-generation family business with fourteen locations and close to 650 employees in the State of Maine, celebrates its 175th anniversary this year. Our mission is to enhance the lives of the people that work for the company, and we endeavor to provide our team with the best compensation and benefits possible.

We follow the provisions of the federal Family and Medical Leave Act and, in addition, provide all employees with a jointly funded Short Term Disability program that provides up to 26 weeks of benefits for FMLA related absence. We would support further expansion of a paid leave program but contend that it must work for both employees and employers to be successful. As such, we do not support the proposed LD 1964 bill as drafted.

While we have several concerns our principal issues are as follows:

- **Payroll Taxes** – additional tax on both the employee and employer in what is already a highly taxed state, with the prospect of further tax increases if the program is underfunded.
- **Eligibility and Coverage too broad** – extending the eligibility and coverage beyond the current federal FMLA provisions will create additional cost borne by employees and employers and be open to abuse. Benefits are too high and will discourage employees from returning to work, leaving significant gaps in an already challenged workforce.
- **State-run versus locally and independently managed** – we strongly believe these benefits should be administered by individual employers rather than by a state-run program, to encourage employers to create the best culture and programs for their employees.

We appreciate and understand the Labor and Housing Committee's desire to provide paid family and medical leave benefits but believe that this should be a private program tied to the existing federal FMLA provisions with a benefit structure that provides short term support but encourages return to work as quickly as possible.

Sincerely,



A handwritten signature in black ink, appearing to read "P. Wainman".

Paul R. Wainman
President and CEO

Paul Wainman
Hancock Lumber
LD 1964

Attached letter in opposition to LD1964 submitted on behalf of Hancock Lumber
Company, Inc. of Casco Maine