

MAINE STATE LEGISLATURE

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Date: 5/30/25

(Filing No. S-197)

MINORITY

LABOR

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

132ND LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 537, L.D. 1307, "An Act to Suspend the Remittance Obligation for Paid Family and Medical Leave Private Plan Users"

Amend the bill by striking out the title and substituting the following:

'An Act to Refund Premium Contributions Made by Employers with Approved Private Plans to the Paid Family and Medical Leave Insurance Fund'

Amend the bill by striking out everything after the enacting clause and before the emergency clause and inserting the following:

'Sec. 1. 26 MRSA §850-F, sub-§11 is enacted to read:

11. Refund of premium contributions. Premium contributions may be refunded pursuant to this subsection.

A. An employer that remitted premium contributions to the fund on or after January 1, 2025 and that received approval to substitute a private plan pursuant to section 850-H before January 1, 2026 is entitled to reimbursement of all premium contributions made to the fund, together with any interest earned thereon, upon written request submitted by mail to the department. Within 30 days of receipt of an employer's written request for reimbursement of premium contributions under this paragraph, the department shall refund the employer's premium contributions to the employer, together with any interest earned thereon from the date of receipt of the request. For purposes of this paragraph, an employer's request for reimbursement is deemed to be received by the department on the date on which the employer's request for reimbursement was mailed to the department.

B. An employer that elected to deduct any portion of its premium contribution from its employees' wages as permitted by subsection 5 shall refund its employees for their portion of premium contributions, together with any interest earned thereon, within 30 days of receipt of the refund from the department under paragraph A.

Sec. 2. Rules establishing expedited refund process and waiver of payroll premiums by November 1, 2025. Pursuant to its rule-making authority under the

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to S.P. 537, L.D. 1307 (S-197)

1 Maine Revised Statutes, Title 26, section 850-Q, the Department of Labor shall amend
2 12-702 C.M.R. Chapter 1: Rules governing the Maine Paid Family and Medical Leave
3 Program to:
4 1. Implement a specified timeline for decisions on applications for substitution of
5 private plans that meet the requirements of Title 26, section 850-H, not to exceed 30 days
6 from the department's receipt of an employer's application for substitution of a private plan;
7 and
8 2. Conform to the provisions of Title 26, section 850-F, subsection 11 as provided in
9 this Act.
10 The rules must be in effect no later than November 1, 2025.

11 **Sec. 3. Appropriations and allocations.** The following appropriations and
12 allocations are made.

13 **LABOR, DEPARTMENT OF**

14 **Paid Family and Medical Leave Insurance Fund Z383**

15 Initiative: Allocates one-time funds for the cost to calculate and refund contributions paid
16 by employers that remitted premium contributions on or after January 1, 2025 and who
17 received approval to substitute a private plan before January 1, 2026.

18 PAID FAMILY AND MEDICAL LEAVE	2025-26	2026-27
19 INSURANCE FUND		
20 All Other	\$20,000	\$0
21		
22 PAID FAMILY AND MEDICAL LEAVE	\$20,000	\$0
23 INSURANCE FUND TOTAL		

24
25 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
26 number to read consecutively.

27 **SUMMARY**

28 This amendment is the minority report of the committee. This amendment changes the
29 title and provides that an employer that remitted premium contributions to the Paid Family
30 and Medical Leave Insurance Fund on or after January 1, 2025 and that received approval
31 of a substitute private plan before January 1, 2026 is entitled to reimbursement of all
32 premium contributions with interest. It requires the Department of Labor to refund the
33 premium contributions within 30 days of receipt of request from the employer. It requires
34 the employer to refund any premium contributions deducted from an employee within 30
35 days if the employer deducted any portion of premium contributions under current law.
36 The amendment requires the Department of Labor to update its rules relating to the paid
37 family and medical leave benefits program. The amendment also adds an appropriations
38 and allocations section.

39 **FISCAL NOTE REQUIRED**
40 (See attached)

**132nd MAINE LEGISLATURE****LD 1307****LR 2176(02)****An Act to Suspend the Remittance Obligation for Paid Family and Medical Leave Private Plan Users****Fiscal Note for Bill as Amended by Committee Amendment****Committee: Labor****Fiscal Note Required: Yes****A(S-197)**

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Appropriations/Allocations				
Paid Family and Medical Leave Insurance Fund	\$20,000	\$0	\$0	\$0
Revenue				
Paid Family and Medical Leave Insurance Fund	(\$25,000,000)	(\$30,000,000)	\$0	\$0

Fiscal Detail and Notes

The Department of Labor estimates that reimbursing certain employers that remitted premium contributions to the Paid Family and Medical Leave Insurance Fund on or after January 1, 2025 and who received approval to substitute a private plan before January 1, 2026 will reduce revenue in the fund by \$25.0 million in fiscal year 2025-26 and \$30.0 million in fiscal year 2026-27.

This bill includes a one-time Paid Family and Medical Leave Insurance Fund allocation of \$20,000 in fiscal year 2025-26 to the Department of Labor for the cost associated with calculating and refunding contributions paid by employers on or after January 1, 2025 and who received approval to substitute a private plan before January 1, 2026.