MAINE STATE LEGISLATURE

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| 1 | L.D. 1400 |
|----------------------------|---|
| 2 | Date: 6/4/25 MINORITY (Filing No. H-505) |
| 3 | LABOR |
| 4 | Reproduced and distributed under the direction of the Clerk of the House. |
| 5 | STATE OF MAINE |
| 6 | HOUSE OF REPRESENTATIVES |
| 7 | 132ND LEGISLATURE |
| 8 | FIRST SPECIAL SESSION |
| 9 10 11 | COMMITTEE AMENDMENT "A" to H.P. 922, L.D. 1400, "An Act to Exempt Certain Public School Districts and Their Employees from the Paid Family and Medical Leave Benefits Program" |
| 12 | Amend the bill by striking out the title and substituting the following: |
| 13 14 | 'An Act to Exempt Certain Public School Districts and Agricultural Employers and Employees from the Paid Family and Medical Leave Benefits Program' |
| 15 | Amend the bill by inserting after the enacting clause the following: |
| 16 17 | 'Sec. 1. 26 MRSA §850-A, sub-§13, as enacted by PL 2023, c. 412, Pt. AAA, §7, is amended to read: |
| 18 19 20 21 22 | 13. Employee. "Employee" means a person who may be permitted, required or directed by an employer in consideration of direct or indirect gain or profit to engage in any employment in the State but does not include an independent contractor or any individual employed in agriculture, as described in the Employment Security Law and the Federal Unemployment Tax Act, 26 United States Code, Section 3311. |
| 23 24 | Sec. 2. 26 MRSA §850-A, sub-§14, as enacted by PL 2023, c. 412, Pt. AAA, §7, is amended by amending the first blocked paragraph to read: |
| 25 26 27 28 | "Employer" does not include the Federal Government or any person, sole proprietorship, partnership, corporation, association or other business entity that employs individuals in agriculture, as described in the Employment Security Law and the Federal Unemployment Tax Act, 26 United States Code, Section 3311, in this State. |
| 29 30 31 | Amend the bill in section 3 in the 2nd line (page 1, line 17 in L.D.) by inserting after the following: "districts" the following: 'and employers of individuals employed in agriculture and self-employed individuals employed in agriculture' |
| 32 33 | Amend the bill in section 3 in the 4th line (page 1, line 19 in L.D.) by striking out the following: "850-S. A school district employer" and inserting the following: '850-S or by an employer of individuals employed in agriculture and self-employed individuals employed |

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COMMITTEE AMENDMENT "A" to H.P. 922, L.D. 1400

in agriculture, as described by the Employment Security Law and the Federal Unemployment Tax Act, pursuant to Title 26, section 850-F. A school district employer or employer of individuals employed in agriculture, as described in the Employment Security Law and the Federal Unemployment Tax Act,'

Amend the bill by inserting after section 3 the following:

'Sec. 4. Appropriations and allocations. The following appropriations and allocations are made.

LABOR, DEPARTMENT OF

Paid Family and Medical Leave Insurance Fund Z383

Initiative: Allocates one-time funds for the cost to calculate and refund contributions paid by exempted school districts and agricultural employers.

| 12 | PAID FAMILY AND MEDICAL LEAVE | 2025-26 | 2026-27 |
|----------|-------------------------------|----------|---------|
| 13 14 | INSURANCE FUND All Other | \$60,000 | \$0 |
| 15 16 | PAID FAMILY AND MEDICAL LEAVE | \$60,000 | \$0 |
| 17 | INSURANCE FUND TOTAL | , , | • |

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

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SUMMARY

This amendment changes the title of the bill and excludes from the paid family and medical leave benefits program any individual employed in agriculture, including an individual self-employed in agriculture, as described by the Employment Security Law and the Federal Unemployment Tax Act. It requires the Department of Labor to refund contributions made by employers of individuals in agriculture pursuant to the paid family and medical leave benefits program. It requires an employer that deducted a portion of the premium required for an employee from that employee's wage to remit that portion of the premium to the employee as part of the employee's wage. It also adds an appropriations and allocations section.

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FISCAL NOTE REQUIRED

(See attached)

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132nd MAINE LEGISLATURE

LD 1400

LR 2088(02)

An Act to Exempt Certain Public School Districts and Their Employees from the Paid Family and Medical Leave Benefits Program

Fiscal Note for Bill as Amended by Committee Amendment A'' (H - 505)
Committee: Labor

Fiscal Note Required: Yes

Fiscal Note

| Appropriations/Allocations | FY 2025-26 | FY 2026-27 | Projections FY 2027-28 | Projections FY 2028-29 |
|-------------------------------|---------------|----------------|---------------------------|------------------------|
| ~ - ~ | 460000 | ** | 40 | 40 |
| Paid Family and Medical Leave | \$60,000 | \$0 | \$0 | \$0 |
| Insurance Fund | | | | |
| Revenue | | | | |
| Paid Family and Medical Leave | (\$6,800,000) | (\$27,200,000) | (\$27,200,000) | (\$27,200,000) |
| Insurance Fund | | | • | |

Fiscal Detail and Notes

The Department of Labor estimates that exempting school districts that provide substantially equivalent benefits and agricultural employers and employees from the paid family and medical leave benefits program will reduce contributions to the Paid Family and Medical Leave Insurance Fund by \$6.8 million in fiscal year 2025-26 and \$27.2 million per year beginning in fiscal year 2026-27.

This bill includes a one-time Paid Family and Medical Leave Insurance Fund allocation of \$60,000 in fiscal year 2025-26 to the Department of Labor for the costs associated with calculating and refunding the contributions paid into the fund by exempted school districts and agricultural employers and employees.