

MAINE STATE LEGISLATURE

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MAJORITY

HOUSING AND ECONOMIC DEVELOPMENT

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STATE OF MAINE

SENATE

132ND LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 735, L.D. 1865, "Resolve, to Create a Tax Incentive Pilot Project to Encourage Businesses to Adopt a 4-day Workweek"

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

'Resolve, Directing the Department of Economic and Community Development to Establish and Administer a Pilot Project to Encourage Businesses to Adopt a 4-day Workweek'

Amend the resolve in section 1 in the 2nd line (page 1, line 2 in L.D.) by striking out the following: "Labor" and inserting the following: **'Economic and Community Development'**

Amend the resolve in section 1 in the 5th line (page 1, line 5 in L.D.) by striking out the following: "Labor" and inserting the following: **'Economic and Community Development'**

Amend the resolve in section 1 in subsection 1 in paragraph A in the first line (page 1, line 9 in L.D.) by striking out the following: "Labor" and inserting the following: **'Economic and Community Development'**

Amend the resolve in section 1 in subsection 1 by inserting after paragraph C the following:

'D. "Institution for higher education" has the same meaning as in the Maine Revised Statutes, Title 22, section 2053, subsection 4-B.'

Amend the resolve in section 1 in subsection 1 by striking out all of paragraph H (page 1, line 24 in L.D.) and inserting the following:

'H. "Wellness program credit" means the tax credit under the Maine Revised Statutes, Title 36, section 5219-FF.'

Amend the resolve in section 1 in subsection 1 by relettering the paragraphs to read alphabetically.

1 Amend the resolve in section 1 in subsection 2 in the 2nd line (page 1, line 26 in L.D.)
 2 by striking out the following: "continue for at least 2 years but no more than 4 years" and
 3 inserting the following: 'conclude no later than December 31, 2029'

4 Amend the resolve in section 1 in subsection 3 by striking out all of paragraph B (page
 5 1, lines 34 to 36 in L.D.) and inserting the following:

6 'B. Advertise and promote the pilot project, including the eligibility requirements of
 7 the wellness program credit, to employers in the State, including making an application
 8 available through the department's publicly accessible website. The department may
 9 seek the assistance of the Department of Labor, the Finance Authority of Maine
 10 established by the Maine Revised Statutes, Title 5, section 12004-F, subsection 1 or
 11 institutions for higher education in the State to advertise and promote the pilot project
 12 pursuant to this paragraph;'

13 Amend the resolve in section 1 in subsection 3 in paragraph C in the last line (page 1,
 14 line 39 in L.D.) by striking out the following: "15" and inserting the following: '25% of the'

15 Amend the resolve in section 1 in subsection 3 in paragraph F in the last line (page 2,
 16 line 20 in L.D.) by inserting after the following: "necessary;" the following: 'and'

17 Amend the resolve in section 1 in subsection 3 in paragraph G in the last 2 lines (page
 18 2, lines 22 and 23 in L.D.) by striking out the following: "tax credit; and" and inserting the
 19 following: 'wellness program credit.'

20 Amend the resolve in section 1 in subsection 3 by striking out all of paragraph H (page
 21 2, lines 24 and 25 in L.D.).

22 Amend the resolve in section 1 in subsection 5 in the 3rd line (page 3, line 3 in L.D.)
 23 by inserting after the following: "workweek." the following: 'In conducting its evaluation,
 24 the department may work with the Department of Labor, the Finance Authority of Maine
 25 or institutions for higher education in the State.'

26 Amend the resolve in section 1 by striking out all of subsection 7 (page 3, lines 40 to
 27 42 in L.D.) and inserting the following:

28 '7. **Guidance.** The department shall establish guidance documents and other materials
 29 necessary for the administration of the pilot project.'

30 Amend the resolve by striking out all of section 2 and inserting the following:

31 '**Sec. 2. Wellness program credit; Four-day Workweek Pilot Project.**

32 **Resolved:** That, for the duration of the Four-day Workweek Pilot Project established
 33 under section 1, a participating employer is eligible for the wellness program credit for
 34 expenditures made in connection with the pilot project to accommodate a participating
 35 employee's 4-day workweek and, for the purposes of this section:

36 1. The pilot project is considered a wellness program as defined in Title 36, section
 37 5219-FF, subsection 1, paragraph D;

38 2. Participating employer expenditures made in connection with the pilot project are
 39 considered qualified wellness program expenditures as defined in Title 36, section 5219-
 40 FF, subsection 1, paragraph C; and

41 3. The amount of the wellness program credit that may be claimed by a participating
 42 employer in accordance with this section for such expenditures is the amount of wages paid

1 to a participating employee in connection with the pilot project for hours not worked by
2 that employee.'

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

5 **SUMMARY**

6 This amendment is the majority report of the committee. The amendment directs the
7 Department of Economic and Community Development, instead of the Department of
8 Labor, as in the resolve, to establish and administer the Four-day Workweek Pilot Project
9 and provides the department authorization to work with the Department of Labor, the
10 Finance Authority of Maine and institutions for higher education in the State for the
11 purposes of promoting and evaluating the pilot project.

12 The amendment provides that the pilot project conclude no later than December 31,
13 2029.

14 The amendment replaces section 2 of the resolve, which directs the Department of
15 Labor and State Tax Assessor to develop a tax credit for the pilot project, with a provision
16 that authorizes, for the duration of the pilot project, a participating employer to be eligible
17 for a wellness program credit as established in the Maine Revised Statutes, Title 36, section
18 5219-FF.

19 **FISCAL NOTE REQUIRED**

20 (See attached)



132nd MAINE LEGISLATURE

LD 1865

LR 1039(02)

Resolve, to Create a Tax Incentive Pilot Project to Encourage Businesses to Adopt a 4-day Workweek

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-609)
Committee: Housing and Economic Development
Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$9,500	\$9,500
Revenue				
General Fund	\$0	\$0	(\$9,500)	(\$9,500)
Other Special Revenue Funds	\$0	\$0	(\$500)	(\$500)

Fiscal Detail and Notes

This bill would result in a revenue decrease to the General Fund of \$9,500 in fiscal year 2027-28 and \$9,500 in fiscal year 2028-29 from expanding the definition of qualified wellness program expenditures for purposes of the credit for wellness programs to include expenditures made in connection with the pilot program. The bill would also result in a revenue decrease to the Local Government Fund of \$500 in fiscal year 2027-28 and \$500 in fiscal year 2028-29.

Any additional costs to the Department of Economic and Community Development (DECD) to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources. Similarly, this fiscal note assumes that the Department of Labor, Finance Authority of Maine, and the University of Maine System will work with the DECD to conduct the evaluation of the pilot project as permitted by the bill to the extent that they can do so within existing budgeted resources.