

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SAC
ROS

L.D. 2018

Date: 3/31/26 MAJORITY

(Filing No. H-948)

LABOR

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1348, L.D. 2018, "An Act to Amend the Requirements Governing Self-insurance Plans in the Paid Family and Medical Leave Benefits Program"

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 26 MRSA §850-H, sub-§2, ¶A, as enacted by PL 2023, c. 412, Pt. AAA, §7, is repealed and the following enacted in its place:

A. If the private plan is in the form of self-insurance:

(1) The employer must furnish a bond to the State with a surety company authorized to transact business in the State, in the form, amount and manner required by the department;

(2) The department may not allow the pooling of risk among multiple employers; and

(3) The department shall allow multiple employers to share the cost of legal, accounting and 3rd-party administrator expenses as long as the arrangements do not result in pooling of risk;

Amend the bill in section 4 in paragraph G in the first 2 lines (page 1, lines 19 and 20 in L.D.) by striking out the following: "financial resources or administration"

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

SUMMARY

This amendment amends the bill. Like the bill, the amendment specifies that, under the law governing paid family and medical leave, the Department of Labor, with respect to a private plan in the form of self-insurance, may not allow the pooling of risk among multiple employers. The amendment amends the bill to require that the department, with respect to a private plan in the form of self-insurance, must allow multiple employers to

COMMITTEE AMENDMENT

ROS

COMMITTEE AMENDMENT "A" to H.P. 1348, L.D. 2018

1 share the costs of legal, accounting and 3rd-party administrator expenses as long as the
2 arrangements do not result in pooling of risk.

3

FISCAL NOTE REQUIRED

4

(See attached)



132nd MAINE LEGISLATURE

LD 2018

LR 2791(02)

An Act to Amend the Requirements Governing Self-insurance Plans in the Paid Family and Medical Leave Benefits Program

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-948)
Committee: Labor

Fiscal Note Required: Yes

Fiscal Note

No State fiscal impact - codifies existing interpretation of statute

Fiscal Detail and Notes

This bill prohibits the formation of private group trusts to pool risk among multiple employers for the provision of paid family and medical leave benefits, while still allowing multiple employers to share the cost of legal, accounting, and third-party administrator expenses. If allowed, such private group trusts would function as an alternative to the State trust, which pools the costs and risks of paid family and medical leave benefits statewide, and could potentially reduce the premium contributions paid to the State as well as the benefit claims paid out by the State.

In practice, the Department of Labor (department) has interpreted the statute establishing the paid family and medical leave benefits program to only allow coverage models explicitly identified in the statute and to prohibit all others. Consequently, the department has not approved any private group trusts to date and this fiscal note assumes there are none currently in operation. This bill codifies the department's interpretation in statute and therefore has no fiscal impact on the State.