

March 3, 2022

Senator Breen, Representative Pierce and Members of the Appropriations and Financials Affairs Committee; and Senator Daughtry, Representative Sylvester, and Members of the Labor and Housing Committee,

The Maine Paid Leave Coalition is a group of partners working together to create a paid family and medical leave system that works for all Mainers, leaving no one behind. On behalf of our 30 member organizations, representing tens of thousands of Mainers, we respectfully request that you appropriate the funds necessary to advance the work of the <a href="Paid Family and Medical Leave Commission">Paid Family and Medical Leave Commission</a> and to build the infrastructure required to make their recommendations a reality.

The evidence is clear: paid family and medical leave is good for everyone - which is why almost every other country in the world and ten states have created these systems. Paid family and medical leave supports the health and bonding of new babies<sup>1</sup>; relieves postpartum depression<sup>2</sup> and supports breastfeeding<sup>3</sup>; is good for gender and racial equity<sup>4</sup>; supports aging adults<sup>5</sup>; is good for people in recovery; and helps small businesses thrive<sup>6</sup>. Everyone needs care at some point in their lives, and paid family and medical leave helps make that happen.

Packard Foundation Publication. Retrieved 4 March 2015, from http://paidfamilyleave.org/pdf/NebwornFamilyLeave.pdf

<sup>&</sup>lt;sup>1</sup> Gomby, D., & Pei, D. (2009). Newborn Family Leave: Effects on Children, Parents, and Business. David and Lucile Packard Foundation Publication. Retrieved 4 March 2015, from

http://paidfamilyleave.org/pdf/NebwornFamilyLeave.pdf

Hyde, J.S. (1995). Women and maternity leave: Empirical data and public policy. Psychology of Women Quarterly, 19 (1995), 299-313.; Klein, Hyde, Essex, & Clark, 1998). Hyde, J.S., Essex, J.J., Clark, R., & Klein, M.H. (2001). Maternity leave, women's employment, and marital incompatibility. Journal of Family Psychology, 15(3), 476-491.
Gomby, D., & Pei, D. (2009). Newborn Family Leave: Effects on Children, Parents, and Business. David and Lucile

<sup>&</sup>lt;sup>4</sup> MECEP analysis of US Census Bureau, American Community Survey, 2014-2018 5-Year Estimates for Maine, retrieved by Sarah Austin (2020).

<sup>&</sup>lt;sup>5</sup> Taylor MŘ, O'Connor P, Resident parents and shorter hospital stay. Archives of Disease in Childhood 1989;64:274-276.

<sup>&</sup>lt;sup>6</sup> MECEP analysis of US Census Bureau, American Community Survey, 2014-2018 5-Year Estimates for Maine, retrieved by Sarah Austin (2020).

The cracks in our care infrastructure have existed for decades, but the pandemic brought them to the forefront. We know families and our state is strongest when we have time to heal from illness or injury, to welcome a new child, to help a loved one recover or ease their passing.

Our current laws aren't keeping up with the needs of our families or a 21st century economy. Recognizing this crisis, the Maine Legislature wisely passed <u>LD 1559</u> and tasked the Commission with making recommendations to implement a paid family and medical leave benefits program, including any necessary legislation.

While the Commission has until Nov 2022 to complete their work, the funding for setting up the program is available now. If it is not set aside during this legislative session, the Commission's recommendations may just stay that: recommendations. Without action and funding this session, recommendations to a future legislature could be where their work ends. We know there are many creative ways to solve this problem, if we have the political will to do so.

We want to draw your attention to the United States Treasury Department <u>final rule</u> on the state and local American Rescue Plan (ARP) funds. The final rule confirms that creating, expanding, or financially supporting paid sick time, paid family leave, and paid medical leave are permissible uses of these funds. The rule makes clear that such expenditures are within the scope of the ARP funds.

In the supplemental material to the final rule, the Treasury specifically states that "under the final rule, creating, expanding, or financially supporting paid sick, medical, or family leave programs is an enumerated eligible use of funds to respond to the negative economic impacts of the pandemic." The Treasury emphasized the fact that lack of paid leave "exacerbates financial hardships experienced as a result of the public health emergency" for those who need to care for themselves or loved ones, and has a disproportionate impact on workers of color and low-income workers.

We know that the Commission is waiting for the results of an actuarial study, but we also already know the estimated resources required for establishing the infrastructure. Estimates from Maine and across the country demonstrate that approximately a one-time investment of \$40 million dollars\* will create a self-sustaining program that will benefit every member of our community over the long term.

We ask you to respond to the growing call for a state paid family and medical leave program and appropriate the funding to create the foundation for this essential infrastructure. The current budget surplus - even greater than anticipated - and access to ARP funding makes now the time for this prime investment in our future. It's possible, it's affordable, and it's transformative.

Once again, thank you for your hard work negotiating the final supplemental budget proposal.

Respectfully,

The members of the Maine Paid Leave Coalition

**AARP** Maine

American Academy of Pediatrics, Maine Chapter

Birth Roots Center for Community Supported Parenting

Maine Association for the Education of Young Children

Maine Center for Economic Policy

Maine Children's Alliance

Maine Coalition to End Domestic Violence

Maine Council on Aging

Maine Education Association

Maine Employment Lawyers Association

Maine Equal Justice

Mainers for Working Families

Maine People's Alliance

Maine Small Business Coalition

Maine State Breastfeeding Coalition

Maine Women's Lobby

National Association of Social Work, Maine Chapter

Planned Parenthood of Northern New England

Southern Maine Workers Center

Paid Leave for ME

Maine Providers Standing Up for Healthcare

\*Maine's 2018 fiscal note for implementing paid family and medical leave was \$38.5 million: <a href="https://legislature.maine.gov/legis/bills\_128th/fiscalpdfs/FN070101.pdf">https://legislature.maine.gov/legis/bills\_bills\_128th/fiscalpdfs/FN070101.pdf</a>