

*The Maine State Chamber of Commerce
Opposes
L.D. 1665, An Act to Prevent
the Spread of H1N1*

What L.D. 1665 does:

- L.D. 1665 will require *all* Maine businesses to provide paid sick leave to *all* their employees. Employers with **more than 25 employees** would have to provide all workers with up to **52 hours of paid sick leave**. Those with **24 or fewer employees** would have to provide all workers with up to **26 hours of paid sick leave**.
- Employees are entitled to accrue, or carry over, up to one full year's leave time from year to year.
- Leave may be used to take care of a "family member," which includes biological, adopted, or foster children, stepchild or ward; biological, foster, or adoptive parents, stepparents or guardian of the employee, *or spouse of the employee*; grandparents or spouse of a grandparent; biological, foster, or adoptive siblings, *the spouse of the same*, and finally domestic partners as defined in current Maine law.
- Covered absences include those resulting from an employee's *or family member's* physical or mental illness, or other medical condition of the employee, as well as from obtaining "preventative care." Also covered are absences that result when an employee's the place of employment or their child's school or daycare is closed due the declaration of a health emergency, as well as absences that are due to a "family member" encountering any of the outlined conditions, and finally absences associated with an employee or covered "family member" getting legal or social services that may pertain to domestic violence, stalking or sexual assault.
- This broadly expands the use of paid sick leave for **all** employees of **all** employers, currently covered or not.
- It is unclear whether L.D. 1665 would require employers to pay any accrued, unused leave in the form of wages earned at the end of employment, but by using the concept of "accrual" the bill makes this a distinct possibility under current Maine law.
- The bill covers both full and part time employees, and does not prorate the extent of the available leave for part-time employees. This is a strong disincentive against employing part-time workers.
- Accrual of leave time begins immediately, and is available 90 days after their first day of employment.
- Employers do not have the right to require their employees to provide documentation of the reason for leave, making the entitlement ripe for abuse.
- The bill is an emergency enactor, should it be signed by the Governor, it would go into effect immediately.

Why we strongly oppose L.D. 1665:

- L.D. 1665 will in effect, institute a mini paid-FMLA leave provision in Maine employment law.

- **Passage of L.D. 1665 will make Maine the first state in the nation to impose this type of burden on its employers... no other state in the country imposes this type of requirement on its businesses.**
- Passage of L.D. 1665 would significantly increase the cost of doing business for many employers in Maine at a time when they can least afford it. This state and this nation's economy are in the midst of the worst recession since the Great Depression. Maine has lost tens of thousands of jobs over the past 12-14 months; we cannot afford to lose more, and passage of this bill will put current and future jobs at risk.
- Maine employer's financial resources are not unlimited. **L.D. 1665 will force small business owners to choose when complying with the bill, between continuing health care benefits, paying higher wages, creating new jobs, or laying off some of their existing workforce.**
- Maine employers will also be forced to adjust current "paid time off" practices, to specifically designate time off as paid sick time or run the risk that none of the paid time off will qualify as the statutorily required paid sick time. Additionally, employers may **reduce the total leave currently provided to workers in order to avoid higher costs associated with L.D. 1665.**
- Two years ago, when the legislature last considered a similar proposal, employers indicated the **costs associated with complying ranged from thousands to hundreds of thousands of dollars in new costs.**
- Multi-state employers with operations here in Maine will be forced to establish a separate tracking system just for Maine, since no other state requires such leave. This added administrative burden on all Maine businesses is in addition to the added costs associated with a leave that no other state in the nation requires.
- **This session, lawmakers should be focusing on public policies that position this state to take advantage of every job creation opportunity available if we are to successfully climb out of this recession. Instead, LD 1665 takes us in exactly the opposite direction...making Maine an outlier from every other state in the country, and putting existing jobs and new opportunities for our citizens at risk.**

L.D. 1665 moves Maine in the wrong direction when it comes to economic competitiveness. It will make Maine an outlier, and give 49 other states a further competitive advantage when it comes to creating or retaining jobs and opportunities for our citizens. In reality, this bill is bad for workers, as it will force employers to make the tough decisions that in the end will result in them losing benefits, pay or even their job.

Please Urge Your Legislators to oppose L.D. 1665