The Newsletter of Legislative and Regulatory Issues Facing Maine Business

February 28, 2019

# Maine's workers' comp reforms facing huge legislative overhaul -

# ——— Despite 26 years of success, lawmakers could rewrite the statute

The groundbreaking Workers' Compensation Act of 1992, legislation which reinvigorated Maine's workers' comp insurance market and helped usher in a renewed culture and commitment by employers to workplace safety, is under attack by 129th Legislature.

More than 25 bill titles have been submitted for possible consideration during the next five months, with about half of those titles already printed in the form of bills headed for a public hearing before the Joint Standing Committee on Labor and Housing on Monday, March 4 and Wednesday, March 6. If all 25 bills (or even half) see enactment, not only would key provisions of the 1992 reforms be undone but in some cases these bills would send Maine back to the bad old days of 1980s workers' comp law – and for all intents and purposes, Maine would have a completely new statute.

Bills scheduled for Monday, March 4 at 10:00 a.m. in Room 202 of the Cross Building are:

- LD 312, An Act to Reduce the Cost of Workers' Compensation Insurance for Small Employers (Rep. Handy, D-Lewiston), would prohibit a workers' compensation insurer from charging a minimum premium and is framed as a reduction in cost for small employers;
- LD 600, An Act to Achieve Mental Health Parity in Workers' Compen-

sation (Sen. Bellows, D-Kennebec), would make it significantly easier for an employee to establish a mental injury. The standard of proof would be changed from "clear and convincing" to the much easier-to-prove "preponderance of the evidence." The bill also proposes that if a work-related injury aggravates a preexisting mental injury, a compensatory disability may result (just as an aggravation of a preexisting physical injury would so result); and,

• LD 601, An Act to Create Fairness by Reinstituting the Cost-of-living Adjustment for Workers' Compensation Benefits (Sen. Bellows, D-Kennebec), would reinstitute yearly cost-of-living adjustments for comp benefits, beginning on the third anniversary of the injury. The adjustment proposed would be equal to the percentage increase or decrease in the state average weekly wage for the previous year, or five percent, whichever is less.

The bills scheduled for Wednesday, March 6 beginning at 10:00 a.m. in Room 202 of the Cross Building are:

 LD 758, An Act to Clarify Work Search Requirements for Workers" Compensation (Rep. Sylvester, D-Portland) would turn the current

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# Bill would dramatically alter Maine's overtime threshold —

 By 2022, salaried employees would need to make \$55,224

A bill is headed to the Joint Standing Committee on Labor and Housing that will significantly increase the salary threshold that separates hourly versus salaried employees – far more significantly than even the Obama administration's proposal in 2016. The bill has been scheduled for public hearing on Monday, March 11 at 9:00 a.m. in Room 202 of the Cross Building.

LD 402, An Act to Restore Overtime Protections to Maine Workers, sponsored by Rep. Ryan Tipping (D-Orono), proposes the increase the overtime threshold by \$22,224 over a four-year period, finally landing on \$55,224 by 2022, and then indexing the threshold each year thereafter by the second quartile of usual weekly earnings for employed full-time wage and salary workers as published by the United States Department of Labor's Bureau of Labor Statistics.

Passage of this bill would be catastrophic for thousands of for-profit and non-profit businesses of all sizes, across the state of Maine.

Referred to as the "overtime" threshold, or alternately as the "salaried" threshold, it is the monetary dividing line between employees who are considered salaried/exempt for the purposes of overtime pay, and those who are hourly work-

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## Vol. 53, No. 06 *Impact* (207) 623-4568

Impact (ISSN 1055-3029) is published weekly January through June and monthly July through December by the Maine State Chamber of Commerce, 125 Community Dr., Suite 101, Augusta, Maine 04330-8010. Periodicals postage paid at Augusta, Maine, and additional mailing offices. Maine State Chamber member companies are assessed \$75.00 yearly for each newsletter subscription (subscribers or out-of-dues assessement). POSTMASTER: Please send any address changes to Impact, 125 Community Dr., Suite 101, Augusta, Maine 04330-8010.

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About the Maine State Chamber of Commerce: Since 1889, the Maine State Chamber has been fighting to lower your cost of doing business. Through our Grassroots Action Network and OneVoice program, we work with a network of approximately 5,000 companies statewide who see the value in such a service and provide the financial support that keeps our access, advocacy, and assistance efforts going strong. As Maine's Chamber, we make sure that the business environment of the state continues to thrive. The Maine State Chamber of Commerce advocates on behalf of their interests before the legislature and regulatory agencies and through conferences, seminars, and affiliated programs.

#### Workers' Comp... (Continued from Page 1...)

work search requirements upside down by placing the burden on the employer to demonstrate that there is suitable employment available in the employee's community. The employee will have a rebuttable presumption that he/she is entitled to 100 percent partial benefits upon demonstration of an inability to return to suitable employment with the employer. All the employee would have to do to remain at 100 percent partial is track down the identified job opportunities and not obtain employment there despite "reasonable efforts." This is taken from the Longshore Act;

- LD 809, An Act to Expand and Clarify the Disqualification from Workers' Compensation Benefits of an Employee Who Is Injured While Under the Influence of Drugs or Alcohol (Sen. Cyrway, R-Kennebec) pertains to injuries due to an employee's intoxication. It would disallow such claims when the employee is intoxicated by an illegal drug, mariiuana or alcohol while on duty and when the injury occurs. Section 202 of the Act currently does not define intoxication, nor does it specify that the intoxication, to be disqualifying, must take place at the time of injury or death. This will require careful parsing. At first glance, it would seem to potentially narrow the scope in time, but also make clear that intoxication is not limited to just alcohol use. (Ideally, intoxication by any legal drug which the employee was unlawfully using at the time of injury would also be covered.);
- LD 819, An Act to Enhance the Predetermination of Independent Contractors (Rep. Sylvester, D-Portland), pertains to the predetermination of independent contractors and would require that a "worker" requesting predetermination also provide all miscellaneous income forms for the previous calendar year or a reason why such forms were not received;
- LD 901, An Act to Clarify the Statute

of Limitations under the Maine Workers' Compensation Act of 1992 (Rep. Sylvester, D-Portland), would remove changes made to the statute of limitations section of the Act (§306) eight years ago and following the Law Court's decision in Wilson v. BIW. This bill would return us to the Court's construction of the pre-amendment statute of limitations as meaning that a petition must be filed within two years of the date of injury or two years after the employer files the first report of injury, whichever is later, and regardless of whether a first report of injury was required to be filed. The statute was amended, post-Wilson, to add the word "required" before "first report of injury;" this bill would strike the word "required," while leaving the "whichever is later" language intact, essentially tolling the statute of limitations indefinitely on med-only claims.

It should be clear from this list that several of the proposals have the potential to increase workers' comp costs and premiums, in some cases significantly. It is the position of the Maine State Chamber that the reforms enacted nearly 27 years ago have served our state, and its employers and employees, as envisioned. Once the highest in the nation, Maine's comp costs are still above national average. While it is true that overall comp premiums have fallen 60% in Maine, it is equally important to realize that prior to the enactment of the 1992 reform legislation, our costs were 151% on the rest of the nation.

While lower comp premiums were in part the goal of the reform, the real objective was to reduce incidences of workplace injury. We have accomplished this. Injury rates are way down, as are the severity of the injuries that occur. Maine businesses have invested in terms of money and in their culture in workplace safety. The results of these investments are a safer place to work. The punishment for making the workplace safer, and having fewer injured workers, should not be new, added and higher costs.

The Maine State Chamber will be present at the public hearings to testify on these bills. For additional information or questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org. □

#### Legislature to consider carbon tax -

#### If LD 434 passed, Maine would be the first state in the nation to impose a carbon tax

One of the largest taxes this legislature is to consider, which would increase the cost of doing business in Maine significantly, is contained in LD 434, An Act to Price Carbon Pollution in Maine. LD 434 proposes a carbon tax of \$5 per metric ton of carbon dioxide that could be produced from various fuels, increasing \$5 per year until it reaches \$40/ton in year eight. The fuels affected include diesel, fuel oil, gasoline, kerosene, natural gas and propane. If LD 434 passes, it would impact every single business and household in Maine that heats with a liquid fuel or natural gas - virtually the entire state. It would also impact the transportation costs of vehicles that use diesel, gasoline, natural gas or propane. According to one facility in Maine, it will increase their fuel costs in year one by \$75,000, and by year eight, it will be \$2,000,000 per year.

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Decreasing carbon emissions is a laudable goal, but the solution contained within LD 434 is not the right one for Maine. For Maine to be the only state with a carbon tax in place, our businesses would be at a competitive disadvantage against competitors across the country, and the increased costs will impact businesses across the board from our smallest to our largest. In addition, with Maine being a cold climate, rural state and the need to heat our homes, Maine households, especially those living in rural

areas, will see an increase in the cost of living expenses – below is a chart to show the household impact. The Maine State Chamber of Commerce believes this is an issue better dealt with at the broader regional, and ultimately the federal level, not Maine.

Not only is LD 434 a significant burden placed on Maine businesses and households, a significant portion of the bill is in direct conflict with the Maine Constitution. The Maine Constitution protects the revenue from any tax derived from a fuel used for the propulsion of vehicles to be used solely for highway purposes.

According to the Maine Constitution, Article IX, Section 19, regarding limitation on expenditure of motor vehicle and motor vehicle fuel revenues: "All revenues derived from fees, excises and license taxes relating to registration, operation and use of vehicles on public highways, and to fuels used for propulsion of such vehicles shall be expended solely for cost of administration, statutory refunds and adjustments, payment of debts and liabilities incurred in construction and reconstruction of highways and bridges, the cost of construction, reconstruction, maintenance and repair of public highways and bridges under the direction and supervision of a state department having jurisdiction over such highways and bridges and expense for state enforcement of traffic laws and shall not be diverted for any purpose, provided that these limitations shall not apply to revenue from an excise tax on motor vehicles imposed in lieu of personal property tax.

The tax contained within LD 434 that is used on diesel fuel, gasoline, natural gas or propane if it is used to propel a vehicle, would need to go to the highway. LD 434 does not do that – it directs the money to the new Carbon Content Assessment Fund. Adding \$0.35 cents per gallon to gasoline in year eight and not directing it to the highway fund is in direct conflict with Article IX, Section 19

#### How will the carbon tax in LD 434 impact you?

Using the formula in the bill, the following taxes are calculated for various affected fuels on a cent per unit volume basis, and the impact on household budgets, where applicable.

#### **Heating Oil**

| Year | Tax         | Tax/Household |
|------|-------------|---------------|
| 1    | \$.0508/gal | 1 \$40.65     |
| 5    | \$.2541/gal | 1 \$203.27    |
| 8    | \$ 4065/92  | all \$325.23  |

#### **Propane**

| Year | Tax          | Tax/HH   |
|------|--------------|----------|
| 1    | \$.0288/gall | \$35.21  |
| 5    | \$.1441/gall | \$176.04 |
| 8    | \$.2305/gall | \$281.66 |

#### Gasoline

| Year | Tax          | Tax/HH   |
|------|--------------|----------|
| 1    | \$.0445/gall | \$29.17  |
| 5    | \$.2223/gall | \$145.84 |
| 8    | \$.3557/gall | \$233.35 |

#### Natural Gas

| Year | Tax         | Tax/HH   |
|------|-------------|----------|
| 1    | \$.0266/ccf | \$28.64  |
| 5    | \$.1328/ccf | \$143.19 |
| 8    | \$.2125/ccf | \$229.10 |

**Source:** stopthetaxesmaine.com/maine/

of the Maine Constitution.

LD 434 is scheduled for a public hearing on Thursday, February 28 – prior to printing of this edition – and the Maine State Chamber of Commerce will be there to express our concerns and to urge the committee to look at other options to reduce carbon emissions instead of making Maine an outlier and increase the costs for businesses to operate in Maine. If you have and questions, please contact Ben Gilman by calling (207) 623-4568, ext. 111, or by emailing bgilman@mainechamber.org. □

# Overtime Threshold... (Continued from Page 1...)

ers and therefore eligible for overtime pay after working 40 hours in a week. As drafted, LD 402 would increase Maine's threshold from its current level of \$33,000 to \$40,408 in 2020, then increase it again to \$47,816 in 2021, and finally to \$55,224 in 2022.

Since 2009, Maine's monetary dividing line separating hourly/non-exempt versus salaried/exempt has been tied to changes in Maine's minimum wage. At that time, Title 26 was amended to create a threshold that is 3000 times the state's minimum wage. While the federal threshold is currently set at \$22,660, Maine's threshold has climbed to its current level of \$33,000. With the next scheduled increase in Maine's minimum wage (to \$12 an hour) set for 2020, the threshold will again climb to \$36,000. It will continue to increase, as Maine's minimum wage is indexed by changes to the CPI here yearly.

In 2015 and 2016, the final two years of President Barack Obama's tenure, he directed the U.S. Department of Labor to undertake rulemaking to adjust the threshold nationally. The process was a contentious one, with the U.S. Department of Labor receiving literally hundreds of thousands of comments on the subject from employers and labor groups alike. After an initial recommendation of roughly \$52,000, the department issued threshold guidelines increasing the amount from \$23,660 to \$47,467, to take effect in 2016.

Not surprisingly, this represented a significant jump for many employers across the nation, and a particularly huge leap for many small businesses, who were paying salaried employees more than \$23,660, but less than \$47,467 (or \$912 per week). Employers balked, both at the amount and the small timeframe given to adjust salaries – or demote workers to hourly status.

Again, not surprisingly litigation ensued, and in August 2017, the U.S. District Court for the Eastern District of Texas later invalidated this regulation on

the basis that the \$47,456 annual salary (\$913 per week) was so high as to render the duties tests for exemption irrelevant.

This is extremely important because who is considered exempt from overtime eligibility versus those who qualify for overtime pay is a two-pronged test - the aforementioned pay test and a duties test. In addition to the minimum salary level, employees must also perform certain duties to qualify for the Fair Labor Standards Act's white collar (executive, administrative and professional) exemption. The court found that the duties tests were the more appropriate representation of Congressional intent for exemption, and that the salary test was to serve merely as a proxy, or shorthand, for the duties test. The court ruled that the salary test was increased so much as to make the duties test irrelevant, and that the new salary test would render nonexempt those employees who should be exempt due to the duties they perform.

With the huge salary threshold leaps LD 402 would require of Maine employers, the bill appears to make the same

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# LEGISLATIVE STRICTLY SOCIAL

Monday, March 25 ◆ 5:00 to 7:30 p.m. Senator Inn & Spa, Augusta

Presented by the Maine State Chamber of Commerce & the Kennebec Valley Chamber of Commerce

Light hors d'oeuvres and cash bar

Please RSVP to kmorrell@mainechamber.org

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**EDITOR'S NOTE:** The following testimony in opposition to LD 369, An Act to Support Healthy Workplaces and Healthy Families by Providing Earned Paid Sick Leave to Certain Employees, was delivered Peter M. Gore on behalf of the Maine State Chamber of Commerce, to the Joint Standing Committee on Labor and Housing on Monday, February 25, 2019. We have reprinted it here for your review. For additional information or questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org.

Senator Bellows, Representative Sylvester and members of the Joint Standing Committee on Labor and Housing, good morning. My name is Peter Gore, and I am the Executive Vice President at the Maine State Chamber of Commerce, a statewide business association representing both large and small businesses, here to speak to you in opposition to LD 369, An Act to Support Healthy Workplaces and Healthy Families by Providing Earned Paid Sick Leave to Certain Employees.

LD 369 appears to allow full- and part-time workers to accrue one hour of paid sick time for every 30 hours of work, up to a limit of 40 hours in a year, at any business that employs five or more people.

The employee would also be allowed to accrue up to 40 hours of unused leave into the next year, but again, the employer can cap leave used at 40 hours. The leave begins to accrue upon initiation of work, but the employee cannot use the leave until they have been employed at least 90 days.

The employee at an impacted business would be eligible to use the leave to take care of themselves or a sick family member, or if the employee or a member of the employee's family has been the victim of domestic abuse, sexual assault, or stalking. The employee may give oral or written notice of intent to use the leave when "foreseeable," but notice is not

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Sen. Shenna Bellows (D-Kennebec) and Rep. Mike Sylvester (D-Portland) co-chair the Joint Standing Commitee on Labor and Housing. The committee is responsible for legislation pertaining to the Department of Labor; wage and hour laws; working conditions, including health and safety; unemployment compensation; workers' compensation; labor relations; collective bargaining; private sector retirement; Workers' Compensation Board; Maine Labor Relations Board; retirement eligibility and benefits for state and municipal employees, including teachers; judicial and legislative retirement systems; Maine Public Employees Retirement System; insulation; Maine State Housing Authority; landlord-tenant laws; affordable housing; homelessness; housing safety; building codes; public services.

# Mandating paid sick leave will create an enormous challenge and burden on seasonal business ——

EDITOR'S NOTE: The following testimony in opposition to LD 369, An Act to Support Healthy Workplaces and Healthy Families by Providing Earned Paid Sick Leave to Certain Employees, was delivered Edward P. Hodgdon, marketing manager at Funtown Splashtown USA, Inc. as delivered to the Joint Standing Committee on Labor and Housing on Monday, February 25, 2019. We have reprinted it here for your review.

Good day, Chairpersons Bellows and Sylvester, and the members of the Committee on Labor and Housing. My name is Ed Hodgdon, and I am the marketing manager for Funtown Splashtown USA. I am here to testify against LD 369, mandating paid sick leave for employees.

Funtown Splashtown USA employs roughly 500 seasonal employees, with the cast majority being teenagers, that work beginning on Mother's Day weekend through Labor Day weekend. During that time, we entertain hundreds of thousands of guests who visit us from Maine and from the Northeastern United States and Eastern Canada.

Mandating paid sick leave will create an enormous challenge and burden on this seasonal business. Looking at 2018 payroll data, our team members work an average of 265 hours per season. LD 369 would grant each team member on average, eight hours of paid sick leave. With 2021's minimum wage being at least \$12.00 per hour, that would translate into roughly \$48,000 in payroll increase on top of mandated minimum wage increase to be determined when CPI is calculated.

Unlike some businesses were other employees could maybe pick up the slack of a co-worker who is sick, we do not have that luxury. Attractions need to be staffed to operate, so team members would need to be called in for additional shifts. We try not to pay overtime, but could be forced to pay overtime to fill shifts of team members using their paid sick leave. If we had to pay overtime to fill those shifts – 500 employees taking eight hours totals 4,000 hours of potential overtime. Since this

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# Overtime Threshold... (Continued from Page 4...)

mistake. The ultimate level of more than \$55,000 is even higher than the final Obama threshold level of more than \$47,000, and higher than California's threshold level of \$49,000 – thereby making Maine the highest threshold in the nation. In addition, the indexing provision of the bill links it to a *national income level* which will, by definition, not be in sync with Maine's.

There was considerable concern expressed by employers with respect to the 2016 federal regulations what would certainly apply to LD 402 beyond cost. Many workers currently considered salaried or management employees would likely see their position converted to hourly. Employers would just not be able to keep pace with the salary adjustments necessary to maintain exempt status, which, leads to several unintended consequences.

First, it created considerable morale

issues in the workplace. Previously salaried workers felt demoted and that their career trajectory had been stunted due to the change. Second, employers had to retool their workforce, all the while trying to maintain productivity. Employees who found themselves moving from salaried to hourly were asked to turn in cell phones, laptops, tablets, etc., and instructed to conduct no work after hours – even if their work ethic motivated them to continue to do so, and thereby negatively impacting productivity.

In the non-profit world, if LD 402 becomes law, the impact could be equally destructive – particularly for charitable non-profits. These groups survive on contributions, and in some cases, contracts with local governments to provide services. So, they are not necessarily able to go out and raise more revenue to cover these increased labor costs, particularly the amount necessary to cover the increases envisioned by LD 402. People working for these groups generally do so because they believe in the mission of helping others; they understand that they

will not be making as much as other employees. In many cases, jacking up the salary thresholds for exempt employees means they will no longer be able to work the longer and irregular hours providing these services demands. The same holds true for local governments, whose only method of raising revenues to cover LD 402's increases would be to raise property taxes on their citizenry.

LD 402 will significantly increase to cost of doing business for nearly every employer - for profit or non-profit, large or small - operating in Maine. Furthermore, it will make Maine an outlier compared to the other 49 states who have not imposed such standards on their employers. This bill will certainly hurt Maine's ability to attract new businesses, new jobs, and new opportunities for our citizens. The Maine State Chamber will be strongly opposing LD 402 when it comes up for public hearing. For additional information or questions, please contact Peter Gore by calling (207) 623-4568, ext. 107, or by emailing pgore@mainechamber.org.

# LD 369 Paid Sick Leave... (Continued from Page 5...)

mandatory to access the leave. If an employer chooses to adopt a policy regarding the use of the leave they may do so, but the statute is clear that the leave *must* be provided, regardless of notice.

The definition of "family" or "family member" is very broad, going beyond the existing FMLA definition to include extended "family" members such as stepparents, grandparents, step grandparents, siblings – either biological or adoptive – and a person who stood in loco parentis when the individual was a minor.

In addition to requiring larger employers provide *paid* sick time, small businesses with fewer than five employees would be required to provide *unpaid* sick leave to their workers in the same manner as described above.

The issue of providing mandatory paid sick leave to employees who currently do not get such a benefit has been discussed and debated by previous Maine legislatures. The last time the bill saw serious consideration was in 2017. In addition, the

legislature also considered legislation on the issue in 2004, 2007, and 2010. In each case, the Maine State Chamber of Commerce has opposed this legislation, as has nearly every other statewide business association in Maine as adding considerably to the cost of doing business here.

Many Maine employers do provide some form of paid leave, in the form of vacation, holiday or sick time. However, many businesses do not extend those benefits to part-time, temporary, and seasonal workers. Requiring employers to provide these workers with paid leave is a significant departure from current practice. Under the proposal, part-time, seasonal, and temporary workers would accrue leave time.

In 2005, the Legislature considered LD 1044, An Act to Care for Families. Submitted by former Senate President Beth Edmonds, the bill proposed that employers in Maine be required to allow their employees to use any type of employer-provided paid time off in order to care for a sick family member. Working with the Senate President, as well as individuals from the Maine Women's Lobby and other employee advocates, representatives of the Maine State Chamber developed compro-

mise language that later became Public Law 2005, chapter 455. The 2005 law provided the following:

- Applied to employers with more than 25 employees;
- Defined immediate family members as the employee's child, spouse, or parent;
- Allowed the employer to cap the amount of leave an employee may use for this purpose at 40 hours in a 12-month period;
- Prohibited the employee to use any paid leave for this purpose unless leave has actually been earned;
- Gave the employee a choice of which type of paid leave to use, if they receive more than one type of paid leave – however, the employer is free to adopt a *uniform* employment policy governing which leave is to be used under this section of the bill;
- Required the employee using this leave to provide notice or verification of illness to the employer, as long as they also require such notice due to the employee's own illness; and,
- Allowed the employee to take the leave for any illness suffered by the

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# LD 369 Paid Sick Leave... (Continued from Page 6...)

immediate family member as they themselves may take in the case of their own illness.

With the enactment of Chapter 455, Maine became one of the first states in the country at that time to allow employees the use of their paid leave in such a flexible manner. Others have followed suit since then.

Adding mandatory paid sick leave mandates will not only increase the bottom line of many businesses due to increased paid time off, but it will also increase costs due to the very cumbersome tracking requirements that will be needed to calculate leave for full and parttime employees, as well as tracking the utilization of that leave time. The tracking

of this leave time, particularly for seasonal and temporary workers, will be difficult and expensive. Currently, only seven states – Arizona, California, New York, Massachusetts, Oregon, Connecticut, and Vermont – mandate such leave, making multi-state employers with operations here in Maine responsible for establishing a separate tracking system just for their Maine operations. Once again, we will be making it more expensive to do business here than in our competitor states.

The fact is, our businesses' resources are limited, and they will absolutely not be able to simply absorb the costs associated with this bill. This is particularly true considering the recently approved minimum wage increases, as well as the recent, significant increases in health insurance premiums experienced by many Maine small businesses. Therefore, their options are less than desirable in this current economic reality: Should they eliminate the simple statement of the simple s

nate or reduce other forms of leave currently, and voluntarily, provided to workers; reduce costs in other benefit areas, like employer contributions to health care premiums; put off creating a new job or returning a laid-off worker to work; or, lay off employees to cover their costs?

The proposal before you today may be well intended. However, it will make Maine an outlier from most other states in the country if it is adopted. Furthermore, it will cost employees in this state too, either in the form of lost benefits, lost or reduced wages, or perhaps even a job.

This bill will add significant and immediate cost to an employer's bottom line and create a new and burdensome tracking and reporting requirement for every effected Maine business. The Maine Chamber believes this proposal moves our state and our economy in the wrong direction, driving up the overall cost of doing business here and creating yet another deterrent for employers to locate or expand their businesses in Maine.

This proposal could not come at a more critical time for this state or our businesses. Small businesses today are feeling the impact of the new wage and hour costs associated with an \$11 an hour minimum wage and are already making adjustments to their business models in preparation for even higher costs in this area. This is reality. Just look at the plethora of bills to increase redemption fees to help struggling redemption centers to survive, and that is only one segment of our small business community. I would ask where and what will be done to help the corner store to ensure their viability. Passage of LD 369 will certainly not accomplish this. The question I am asked repeatedly by employers with respect to those issues as well as to LD 369 is what is being done to demonstratively, verifiably lower the cost of doing business for Maine's small businesses. I am hard pressed to find them an answer.

Instead, LD 369 takes us in exactly the opposite direction – making Maine an outlier from every other state in the country and potentially risking existing jobs and new opportunities for our citizens. It is for these reasons that we urge this committee to give LD 369 a unanimous "ought not to pass" report. I would be pleased to try and answer any questions you may have. Thank you. □

# Paid Sick Leave... (Continued from Page 5...)

wouldn't start until 2021, overtime would be at least \$18.00 per hour, or \$72,000.

When an employee gets to 90 days, and is now eligible to use their paid sick

leave, we start to lose them to school and sports. Being a bit cynical, I could see this being used as a paid day off, since employers cannot demand documentation to use the paid sick leave. We think there is a better solution that can be drafted that will satisfy the both businesses and the labor force that you are looking out for.

Thank you for your time. □



On Monday, February 25, Ed Hodgdon of Funtown Splashtown USA, Inc. testified before the Joint Standing Committee on Labor and Housing. We encourage our members to testify or contact the committee and their elected representative or senator on issues that impact their business and employees. Let us know how we can help by contacting a member of our advocacy team at www.mainechamber.org/advocacyteam.php.

# Supporting regional school leadership academies highlights value of strong leadership in the success of company or a school

The Joint Standing Committee on Education and Cultural Affairs Committee held a public hearing on **LD 406**, *An Act to Establish Regional School Leadership Academies*, on Monday, February 25. This bill was heard for the third time in front of the Education Committee and the House Chair, Rep. Victoria Kornfield (D-Bangor) is the bill's sponsor. The Maine State Chamber of Commerce testified in support of LD 406.

The Maine business community and Maine State Chamber members are incredibly invested in our state's PreK through Grade 12 public education system. Maine's students and teachers, as well as the entire system, deserve our investment. We appreciate all the hard work our public schools and learning communities are doing to graduate students so that they are well-prepared for college and the workplace.

If there's one thing that the education community and the business community can whole-heartedly agree on, it's the value of strong leadership to the success of company or a school. It is just plain common sense to invest in our school leaders. We in the business community are witnessing the same shortage of qualified business leaders to take over long established businesses as schools are seeing. The shortage of school leaders in Maine has not been solved by recruiting school leaders from outside the state.

The Maine State Chamber agrees with Rep. Kornfield that the best way to lead our schools is to grow our own leaders. Her legislation provides a pathway that is practical, cost efficient, and will create a new generation of leaders prepared for an ever-changing education landscape. We applaud Rep. Kornfield and stand by to support this legislation.

For additional information or questions, please contact Megan Sanborn by calling (207) 623-4568, ext. 108, or by emailing msanborn@mainechamber.org. □

# FocusMaine celebrates Maine's food economy entrepreneurs in its first year and expands Leadership Team

# New efforts in biopharma and workforce development also positioned to drive statewide job growth

Across the state, Maine food companies and producers are getting help cashing in on the growing demand for specialty foods. Companies producing products with strong local identities, such as grains and mushrooms, are well-positioned for success. The state's robust aquaculture industry has seen the same leap in national attention for its high-quality and sustainable products.

With the growing demand for Maine's agriculture and aquaculture bounty comes the ripple effect of economic diversity and growth, as well as better-paying, skilled jobs. Those, in turn, can serve as a magnet for young people to remain in the state, or return to share in this new economy.

These are the fundamental building blocks of FocusMaine's strategy, which are bearing fruit in its first year of implementation. FocusMaine is a non-profit partnership created in 2014 by business leaders, with the goal of creating 20,000 new, high-quality jobs in Maine within the next decade. The FocusMaine partnership includes Coastal Enterprises, Inc., the Maine Center for Entrepreneurs, Maine Aquaculture Association, the Gulf of Maine Research Institute, Maine & Co., Live and Work in Maine, and Educate Maine.

In just one year, the benefits of this collaboration have been realized by agriculture and aquaculture businesses around the state. Farmers, seafood producers, artisanal bakeries and beverage companies are expanding to meet a growing demand, and career-ready students are gaining direct work experience that helps them envision a dynamic future in Maine.

That's the upbeat message of the first annual report of FocusMaine, which is helping local enterprises enter emerging national and international markets. Through business accelerators, planning tools, investor and business attraction, and a growing focus on domestic marketing, FocusMaine is building the infrastructure to grow the demand for Maine products.

"Our efforts have a unique focus on 'traded sectors' – those developing products that can be traded in national and international markets – which have the best potential to create more jobs and higher-quality jobs," said Kim Hamilton, president of FocusMaine. "On average, each job in traded sectors creates another 1.6 jobs in the local economy – at higher wages, too."

According to Hamilton, Maine is uniquely poised to enter these growing markets:

- Consumers are willing to pay more for quality foods. Maine has a growing national reputation as a dependable source of healthy food.
- Maine is within a 24-hour drive of 150 million potential customers, making delivery of fresh foods assured. The demand for locally-produced food has increased nearly fivefold during the past 20 years.
- Maine's growing aquaculture industry is well positioned to provide a sustainable source of protein to meet soaring global demand.

Next on FocusMaine's agenda is the biopharma industry, with the goal of encouraging companies, now clustered in

Continued on Page 10...

# MaineSpark Future Success announces grant opportunity

MaineSpark's Future Success Alliance is pleased to announce the availability of "Innovative Partnerships Promoting College and Career Readiness in Maine" subgrants for programs and policies that improve student post-secondary success through innovation. These grants are designed to advance the capacity of groups and organizations working to improve opportunities for Maine students who are racially, socioeconomically or geographically underrepresented as they progress from high school to and/or through a postsecondary program, career or both. These grants have been made possible thanks to the support of the Nellie Mae Education Foundation and the MELMAC Education Foundation.

The Alliance will award approximately four grants of \$5,000 each to fund activities during a 12-month period. Applicants should focus on supporting racially, socioeconomically or geographically underrepresented populations by incorporating one or more of the following priorities:

• Increasing parent involvement in

- college and career readiness: projects that improve parental involvement in a program or programs that focus on postsecondary success;
- Support school counseling innovation: support projects that increase the effectiveness of school counselors and school counseling teams to address barriers to underserved populations;
- Increasing business engagement in college and career readiness: projects that increase the level of local business ownership over programs that support student college and career readiness with intention (e.g. internships, mentorship programs, career days, etc.); or,
- Integration with other funding sources (if applicable): projects will outline how they will integrate with other funding sources they may have.

For additional information or to review the request for proposals, please email FutureSuccess@mainespark.me.

# Bravo AT&T Salutes the Maine State Chamber of Commerce.

# Portland High School students begin work experiences in the community —

The work experiences are based on each student's interests and career aspirations. Students in the Greater Portland area engage in these internships for two to three hours per week for a total of 45 hours. They earn one elective credit for completing the experience.

Students gain necessary work skills and networking opportunities: "I loved everyone from the staff, to the residents, to the workers, and housekeeping. In the two days that I have been there, I have learned a lot already, [for example] how medicines can be given to different types of people [and how] to check for sugar levels."

Participating organizations benefit as well: "It has been a pleasure having our student on our team, giving us the opportunity to share our knowledge with an outstanding young man who in my opinion has a great future ahead of him."

We are very fortunate to have many dedicated business partners. Businesses that are currently hosting students include The Dehler Animal Clinic, Forest Avenue Veterinary Hospital, Portland Parks and Recreation, VIA Marketing Agency, Garrand Marketing, The Maine Audubon, The Maine People's Alliance, The Maine Jewish Film Festival, Casco Bay Artisans, The Cedars, Lee Auto Mall, The Barron Center, Portland Players, Avesta Housing, The City of Portland's Information Technology Department, Systems Engineering, Painting for a Purpose, Tyler Karu Interior Design, 75 State Street, and Lyseth Elementary School.

We are always looking for more business partners. If you are interested in hosting a student, volunteering as a mock interviewer, or talking about other ways to get involved, please contact Andrea Levinsky by calling (207) 874-8250, ext. 7425, or by emailing levina@portlandschools.org. □

# FocusMaine... (Continued from Page 8...)

the Boston area and elsewhere, to look north. Among the attractive incentives are a high quality of life and low cost of living all within a short commute to Boston. Jobs in this sector are especially attractive, creating another 6.2 jobs in the local economy.

Expansion of jobs in all these sectors will require a skilled workforce, according to the annual report. To meet that need, FocusMaine's Internship Experience is designed to raise awareness among younger workers of long-term career opportunities in Maine. In 2018, the program engaged more than 400 summer interns working in 29 diverse Maine businesses.

To guide FocusMaine's work, three Maine business leaders joined FocusMaine's Leadership Team, adding a wealth of expertise to the organization. New members are:

- Michael Bourque, CEO of MEMIC;
- Charles E. (Chuck) Hewett, Ph.D.,
   Former Executive Vice President of The Jackson Laboratory; and,
- Raymond T. (Chip) Kelley, Maine Market President of KeyBank.

"We are excited that together with our partners we are solving challenges that cannot be addressed by any single organization," added Hamilton. "We are optimistic that FocusMaine's work and collaborative approach will continue to connect Maine's unique assets to the global economy, cultivating and attracting people who want to call Maine home and creating a more competitive and prosperous Maine."

For more information, please visit www.focusmaine.org. FocusMaine's 2018 Annual Report is available at http://focusmaine.org/focusmaine-annual-report/.

#### **Public Hearings**

Public hearings are open to everyone. This public hearing schedule is subject to change. Questions may be directed to the Secretary of the Senate's Office at (207) 287-1540. For the most current schedule, please visit http://legislature.maine.gov/committee/#Committees or contact the committee clerk.

#### Monday, March 4, 2019

## Education and Cultural Affairs 10:00 a.m.; Cross Building, Room 208

**LD 405**, An Act To Increase the Statewide Minimum Salary for Teachers (Rep. Kornfield of Bangor)

**LD 419**, An Act To Require a Minimum Salary of \$50,000 for Public School Teachers (Rep. Collings of Portland)

**LD 502**, An Act To Establish the Summer Success Program Fund (Rep. Pierce of Falmouth)

#### **Labor and Housing**

10:00 a.m.; Cross Building, Room 202 LD 312, An Act To Reduce the Cost of Workers' Compensation Insurance for Small Employers (Rep. Handy of Lewiston)

**LD 600**, An Act To Achieve Mental Health Parity in Workers' Compensation (Sen. Bellows of Kennebec)

LD 601, An Act To Create Fairness by Reinstituting the Cost-of-living Adjustment for Workers' Compensation Benefits (Sen. Bellows of Kennebec)

#### Tuesday, March 5, 2019

## Innovation, Development, Economic Advancement and Business

1:00 p.m.; Cross Building, Room 202 LD 768, Resolve, To Establish the Commission To Research the Economic Disparities of Racial and Ethnic Populations (Rep. Talbot Ross of Portland)

LD 769, Resolve, To Direct the Commissioner of Professional and Financial Regulation To Create a Working Group To Study Credentialing Skilled Individuals with Foreign Credentials (Rep. Tepler of Topsham)

#### Wednesday, March 6, 2019

## Education and Cultural Affairs 1:00 p.m.; Cross Building, Room 208

LD 587, An Act To Require Career Options Education for High School Students (Rep. Crockett of Portland)
LD 882, Resolve, To Require the Examination of the System of Learning

#### **Labor and Housing**

Results (Rep. Sampson of Alfred)

#### 10:00 a.m.; Cross Building, Room 202

**LD 758**, An Act To Clarify Work Search Requirements for Workers' Compensation (Rep. Sylvester of Portland)

LD 809, An Act To Expand and Clarify the Disqualification from Workers' Compensation Benefits of an Employee Who Is Injured While Under the Influence of Drugs or Alcohol (Sen. Cyrway of Kennebec)

LD 819, An Act To Enhance the Predetermination of Independent Contractors (Rep. Sylvester of Portland)
LD 901, An Act To Clarify the Statute of Limitations under the Maine Workers' Compensation Act of 1992 (Rep. Sylvester of Portland)

#### **Taxation**

#### 1:00 p.m.; State House, Room 127

**LD 420**, An Act To Amend the Maine Exclusion Amount in the Estate Tax (Rep. Collings of Portland)

**LD 518**, An Act To Change the Exclusion Amount under the Estate Tax (Rep. Brooks of Lewiston)

**LD 854**, An Act To Improve Tax Incentives for Broadband Service (Rep. Ackley of Monmouth)

#### Thursday, March 7, 2019

Environment and Natural Resources 1:00 p.m.; Cross Building, Room 216 LD 906, An Act Concerning Pavement Sealing Products (Rep. Larsen-Daughtry of Brunswick)

Continued on Page 13...



## **PROJECT DOGIN**

Engage. Educate. Employ.

PROJECTLOGIN.COM

# WE CONNECT MAINERS TODAY WITH COMPUTING & IT CAREERS FOR THE FUTURE

Maine has many good jobs in information technology (IT) and computing, and a lot of smart kids and adults capable of doing the work. Project>Login brings them together.

A program of Educate Maine, Project>Login is the state's leading resource for anyone interested in the computing and IT field. We work with schools, Maine companies with tech jobs, and a variety of programs to connect Mainers today with careers for the future in computing and IT.

#### **CAREERS & JOBS**

We make it easy for parents, students and others to explore good jobs in computers and IT available right now, right here in Maine.

Employers can work with Project>Login staff to promote opportunities for computing and IT internships.

Educators can check their curriculum for alignment with the available jobs.











#### **K-12 EDUCATION**

Project>Login staff engage in advocacy and direct work with schools in all 16 counties to ensure that every Maine student has access to computer science, and acquires the skills necessary for the tech jobs of the future. We sponsor hands-on digital festivals, high-quality teacher professional development programs, and community-building events.

#### HIGHER ED & TRAINING

There are many ways to get ready for IT and computing jobs: college, internships, training programs and more.

Many Maine businesses support the education and training required to work for them with internships, often paid—a great way to try out a career path. Project>Login helps facilitate more than 175 computing and IT internships each year, many through campus networking receptions we host with employers, faculty, and students at Maine's higher education institutions.

#### **TECHHIRE MAINE**

TechHire Maine, part of a national program, is designed especially to help Mainers enter the computing field from non-traditional pathways. We work to encourage companies to hire candidates based on skills regardless of how they were learned.

#### CODE.ORG

Along with Maine Mathematics and Science Alliance, we are the Code.org Regional Partner for Maine, providing high quality computer science professional development for teachers of grades K-12.

In 2017-18, we supported the implementation of computer science by more than 30 teachers at 25 middle and high schools in Maine.

#### **STAFF**

#### Jason Judd, Ed.D.

Program Director Project>Login

#### Katherine Sadowski

Program Coordinator Project>Login

#### Angela Oechslie

Program Coordinator Project>Login

#### **OUR FUNDERS**

AT&T • Bank of America • Code.org
Google • Husson University • IDEXX
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MaineHealth • Maine Medical Center
Northeast Bank • Thomas College
Tyler Technologies
University of Maine System
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# EDUCATE MAINE

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#### Digest of New Legislation

Maine Chamber staff have studied each of these recently printed bills to assess potential impact on business trends. If you have concerns regarding any bill, please communicate those concerns to a member of our governmental services staff at (207) 623-4568.

A total of 200 business-related bills have been tracked to date since the session began on January 2, 2019!

#### **BUDGET AND FINANCE**

LD 1000, An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2019. Emergency (Rep. Gattine, D-Westbrook, Governor's Bill) Joint Standing Committee on Appropriations and Financial Affairs. Part A makes appropriations and allocations. Part B repeals the limited lifetime maximum coverage and reimbursement of 24 months under the MaineCare program for buprenorphine and naloxone combination drugs for the treatment of addiction. Part C repeals the limited lifetime maximum reimbursement of 24 months under the MaineCare program for methadone for the treatment of addiction. Part D repeals the laws governing the former Downeast Correctional Facility and establishes a Department of Corrections prerelease center in Washington County. Part E transfers the remaining funds in the cost recovery fund of the Public Utilities Commission to the unappropriated surplus of the General Fund in fiscal year 2018-19. Part F requires the State Controller to transfer any remaining balance specifically related to federal supplemental nutrition assistance program overpayments in the Food Supplement Administration program, Federal Expenditures Fund to the Food Supplement Administration program, Other Special Revenue Funds. Part G imposes an additional assessment on electric utility entities for fiscal year 2018-19 to provide funding to the Office of the Public Advocate in order to fund the costs

of representing ratepayers in rate cases.

LD 1001, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021. Emergency (Rep. Gattine, D-Westbrook, Governor's Bill) Joint Standing Committee Appropriations and Financial Affairs. This bill is a concept draft pursuant to Joint Rule 208. This bill as emergency legislation proposes to make unified appropriations and allocations for the expenditures of State Government, General Fund and other funds and change certain provisions of the law necessary to proper operations Government for the fiscal years ending June 30, 2019, June 30, 2020 and June 30, 2021, as submitted by the Governor pursuant to the Maine Revised Statutes, Title 5. The documents submitted by the Governor may be found here: https://legislature.maine.gov/ros/9635.

LD 1002, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, Highway Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021. Emergency (Rep. McLean, D-Gorham, Governor's Bill) Joint Standing Committee on Appropriations and Financial Affairs.

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# Public Hearings... (Continued from Page 10...)

#### Monday, March 11, 2019

Appropriations and Financial Affairs 10:00 a.m.; State House, Room 228

LD 1001, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021 (Rep. Gattine of Westbrook)

#### **Labor and Housing**

9:00 a.m.; Cross Building, Room 202

**LD 402**, An Act To Restore Overtime Protections for Maine Workers (Rep. Tipping of Orono)

**LD 857**, An Act To Increase Accountability for Wage Violations (Rep. Collings of Portland)

**LD 888**, An Act To Provide Workplace Support to Individuals with Hearing Loss (Rep. Warren of Hallowell)

#### **Labor and Housing**

2:00 p.m.; Cross Building, Room 202

LD 1013, An Act To Clarify the Disqualification from Unemployment Benefits of a Person Who Is Terminated from Employment for Being Under the Influence of Marijuana (Sen. Cyrway of Kennebec)

#### Tuesday, March 12, 2019

Appropriations and Financial Affairs 1:00 p.m.; State House, Room 228

LD 1001, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021 (Rep. Gattine of Westbrook)

Continued on Page 14...

#### New Legislation... (Continued from Page 13...)

This bill is a concept draft pursuant to Joint Rule 208. This bill as emergency legislation proposes to make unified appropriations and allocations for the expenditures of State Government, Highway Fund and other funds and change certain provisions of the law necessary to the proper operations of State Government for the fiscal years ending June 30, 2019, June 30, 2020 and June 30, 2021, as submitted by the Governor pursuant to the Maine Revised Statutes, Title 5. The documents submitted by the Governor may be found here: https://legislature.maine.gov/ros/9634.

#### **EDUCATION**

LD 985, An Act To Maintain High School Diploma Standards by Repealing Proficiency-based Diploma Standards. (Rep. Fecteau, R- Augusta) Joint Standing Committee on Education and Cultural Affairs. This bill repeals the provisions of law that allow diplomas indicating graduation from a secondary school to be based on a student's demonstration of proficiency.

LD 995, An Act To Establish a Student Loan Bill of Rights To License and Regulate Student Loan Servicers. (Sen. Vitelli, D-Sagadahoc) Joint Standing Committee on Innovation, Development, Economic Advancement and Commerce.

It creates a position of student loan ombudsman under the Superintendent of Consumer Credit Protection within the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection. The student loan ombudsman's duties include: receiving, reviewing and, if possible, resolving complaints from student loan borrowers; compiling and analyzing student loan borrower data; assisting student loan borrowers

Continued on Page 15...

#### Public Hearings... (Continued from Page 13...)

#### Wednesday, March 13, 2019

**Appropriations and Financial Affairs** 10:00 a.m.; State House, Room 228

LD 1001, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021 (Rep. Gattine of Westbrook)

**Environment and Natural Resources** 10:00 a.m.; Cross Building, Room 216

LD 797, An Act To Limit Greenhouse Gas Pollution and Effectively Use Maine's Natural Resources (Rep. Tucker of Brunswick)

LD 818, An Act To Reduce Greenhouse Gas Emissions (Sen. Sanborn Cumberland)

LD 893, An Act To Create an Updated Unified Maine Climate Action Plan (Sen. Dill of Penobscot)

#### **Taxation**

1:00 p.m.; State House, Room 127

LD 107, An Act To Lower the Maine Individual Income Tax Incrementally to Zero (Rep. Hanley of Pittston)

LD 903, An Act To Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income (Rep. Cuddy of Winterport)

LD 905, An Act To Exempt Long-term Capital Gains from Income Tax for Certain Income Levels (Rep. Larsen-Daughtry of Brunswick)

LD 963, An Act To Exempt Overtime Pay from Individual Income Tax (Rep. Grignon of Athens)

LD 977, An Act To Restore the Super Credit for Substantially Increased Research and Development (Rep. Hepler of Woolwich)

#### Thursday, March 14, 2019

**Appropriations and Financial Affairs** 1:00 p.m.; State House, Room 228 LD 1001, An Act Making Unified

Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021 (Rep. Gattine of Westbrook)

**Energy Utilities and Technology** 1:00 p.m.; Cross Building, Room 211

LD 334, An Act To Change the Definition of "Renewable Capacity Resource" (Rep. Babine of Scarborough) LD 754, An Act To Ensure the Regional Greenhouse Gas Initiative Trust Fund Continues To Promote Energy Efficiency and Benefit Maine Ratepayers (Rep. Wadsworth of Hiram)

LD 950, An Act To Develop a State Energy Plan To Provide a Pathway to an Energy Portfolio Free of Fossil Fuels (Rep. Devin of Newcastle)

#### Health Coverage, Insurance and Financial Services

1:00 p.m.; Cross Building, Room 220 LD 705, An Act Regarding the Process for Obtaining Prior Authorization for Health Insurance Purposes (Sen. Gratwick of Penobscot)

942, An Act To Require Reimbursement for Medical Marijuana (Rep. Collings of Portland)

#### Friday, March 15, 2019

**Appropriations and Financial Affairs** 10:00 a.m.; State House, Room 228

LD 1001, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021 (Rep. Gattine of Westbrook)

**Environment and Natural Resources** 10:00 a.m.; Cross Building, Room 216 LD 640, Resolve, To Require a Study of Greenhouse Gas Emissions Reductions from the Proposed Central Maine Power Company Transmission Corridor (Sen. Carson of Cumberland)

# New Legislation... (Continued from Page 14...)

to understand their rights and responsibilities; providing information to the public, agencies and Legislators regarding concerns of student loan borrowers and making recommendations to resolve them; analyzing and monitoring the development and implementation of other legislation and policies that affect student loan borrowers and recommending necessary changes; reviewing student education loan history for borrowers who consent; disseminating information about the ombudsman's availability to assist others; seek the assistance of financial institutions or the Finance Authority of Maine in the resolution of student loan borrower complaints; and other necessary actions.

- It requires the superintendent to submit an annual report by January 1st of each year in regard to the effectiveness of the student loan ombudsman and to recommend additional steps necessary to gain regulatory control over licensing and enforcement with respect to student loan servicers.
- 3 It establishes a licensing procedure for student loan servicers, which includes an investigation of an applicant, along with a license fee and an investigation fee and requires the costs of the investigation to be paid by the licensee or person being investigated.
- 4 It identifies prohibited acts for student loan servicers, including employing any scheme, device or artifice to defraud or mislead student loan borrowers.
- 5 It identifies duties of the superintendent in regard to investigations and examinations of student loan servicers.
- 6 It exempts from the student loan servicer requirements imposed by this legislation most financial institutions

licensed by the State, including licensed banks and credit unions, supervised financial organizations, Maine financial institutions and mutual holding companies whose home state is Maine and the Finance Authority of Maine. Those exempt organizations are required to work with the student loan ombudsman to resolve student loan borrower complaints and provide information as requested by the ombudsman.

- 7 It requires student loan servicers to comply with all applicable federal laws and regulations related to student education loan servicing.
- 8 It requires the superintendent to adopt routine technical rules necessary to carry out the provisions in this bill.

LD 997, An Act To Promote Social and Emotional Learning and Development for Young Chiren. (Sen. Breen, D-Cumberland) Joint Standing Committee on Education and Cultural Affairs. This bill requires the Commissioner of Education to implement, beginning September 1, 2020, a statewide voluntary early childhood consultation program to provide support, guidance and training to families, early care and education teachers and providers working in public elementary schools, child care facilities, family child care settings and Head Start programs serving infants and young children who are experiencing challenging behaviors that put them at risk of learning difficulties and removal from early learning settings. The bill requires the Department of Education to design and implement the program and to report to the joint standing committee of the Legislature having jurisdiction over education matters on the implementation of the statewide voluntary early childhood consultation program.

LD 1036, Resolve, Establishing a Task Force To Study the Creation of a Comprehensive Career and Technical Education System To Support Workforce Development. Emergency (Rep. Higgins, R-Dover-Foxcroft) Joint Standing Committee on Education and Cultural Affairs. This resolve establishes the Task Force To Study the Creation of a Comprehensive Career and Technical Education System to examine the feasibility of establishing a comprehensive 4-year high school career and technical education program to provide a technical high school setting for middle school students to attend at the completion of the 8th grade.

LD 1046, An Act To Authorize the Department of Education To Provide Flexibility in the Required Credentials for Teachers in Career and Technical Programs. (Sen. Woodsome, R-York) Joint Standing Committee on Education and Cultural Affairs. This bill authorizes the Commissioner of Education to exempt a teacher from certain qualifications adopted by the State Board of Education to teach career and technical education. An exemption must be in accordance with rules adopted by the commissioner.

#### **TAXATION**

LD 903, An Act to Improve Corporate Tax Fairness by Amending the Rates Imposed on Corporate Income. (Rep. Cuddy, D-Winterport) Joint Standing Committee on *Taxation*. The bill would increase corporate income tax rates in Maine. The bill would establish 2 new tax brackets and 3 new rates for tax years beginning on or after January 1, 2020. Under the bill income between \$2,000,000 and \$3,000,000 would be taxes at a rate of 8.5% and income between \$3,000,000 and \$3,500,000 would be taxed at a rate of 8.75%. Currently income that falls under these categories are taxed at 8.33%. Also the bill would also increase the top tax rate for income over \$3,500,000 from 8.93% to 9%.

LD 958, An Act to Amend Maine's Income Tax Laws. (Rep. Tipping, D-Orono) Joint Standing Committee on Taxation. The bill is a concept draft that proposes to amend Maine's income tax laws. □

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## 2019 Business Day at the Statehouse



Thurs., March 14 | 8:00 am to Noon | Hall of Flags, Second Floor, Maine State House, Augusta EMPLOYERS AND EMPLOYEES WELCOME! PLEASE JOIN US!

You are invited to the Maine State Chamber of Commerce's annual Business Day at the Statehouse on Thurs., March 14 (Snow date: May 2), from 8:00 a.m. to 12:00 p.m. in the Hall of Flags (Statehouse, Second Floor). Business Day at the Statehouse provides a prime opportunity for our members, and their employees, to discuss business issues and priorities with legislators and state government officials, as we work together to strengthen Maine's econ-

omy and keep Maine competitive. Participants have the unique opportunity to connect face-to-face with legislators. Employers often use this time to emphasize the importance of preserving and retaining existing jobs, strengthening Maine's economy through the creation of new opportunities, and keeping Maine businesses competitive in today's economy. With your participation, the "Voice of Maine Business" will resonate throughout Augusta! We anticipate another great turnout this year! Please **RSVP** today by visiting www.mainechamber.org. If you have additional questions, please email lcaprara@mainechamber.org.

#### THANK YOU TO OUR SPONSORS!

Allied Engineering, Inc. | Backyard Farms, LLC | Burns & McDonnell | Consolidated Communications, Inc. Emera Maine | Enbridge | Hannaford Supermarket | IDEXX Laboratories, Inc. | Maine DECD | MaineHealth McDonald's Corporation | Poland Spring Water Company | Procter & Gamble-Tambrands | Reed & Reed Texas Instruments Refreshment Sponsor: Spectrum Healthcare Partners