Meeting of the Paid Family and Medical Leave Benefits Authority

Tuesday, January 20, 2026, 8:30am

Frances Perkins Room, 45 Commerce Drive, Augusta, ME

Authority members in attendance:

- Maria Fox (Chair)
- Samuel Hight (Vice-Chair)
- David Barber (remote)
- Tina Bonney (remote)
- Bob Carey (remote)
- Sarah Conroy
- Michelle Corry
- Douglas Cotnoir
- Benjamin Grant (remote)
- Ranae L'Italien
- Jay Naliboff
- Kim Smith
- Jenni Tilton-Flood
- Christopher Washburn

Staff in attendance:

- Director Luke Monahan
- Deputy Director Reggie Parson
- Outreach & Policy Specialist Safiya Khalid
- Claims Administration Division Director Sarah Brydon
- Finance and Audit Division Manager Timothy Applegate
- Appeals Unit Chief Judy Shaw
- AAG Nancy Macirowski
- OA II Heather Grout

Chair Fox welcomed the Authority and started the meeting at 8:35am. AAG Macirowski acknowledged section 850-P of the PFML Statute, that Paid Family and Medical Leave benefits will begin May 1, 2026, unless the Authority votes to delay.

Harindra Sebastian presented the results of the Actuarial Study to the Authority on behalf of Spring Consulting. He prepared a 10-year projection, based on current rates, with multiple scenarios. He explained the fund solvency metrics and that the net fund balance is projected to increase over time. Sebastian estimated a net fund balance of $200 million at the end of 2025, growing to over $400 in 2035.

- A conversation around plan portability occurred. There will be no interruption of benefits when an employee changes employers.
- Director Monahan and Authority Member Smith clarified why the fund has a 12-month reserves contingency. UI has an 18-month contingency, because they provide up to 26 weeks of benefits. PFML has a shorter tail of coverage, because the plan benefits are capped at 12 weeks. The decision for a lower reserve also reflects that employment and PFML benefits are tied together, unlike with UI, where employment and benefits are inversely proportional.

- A discussion occurred around adjustment of premiums. Authority Member Cotnoir clarified that the department has the authority to make these decisions as needed. This gives the PFML program the authority and flexibility to ensure fund solvency. Deputy Director Parson noted that if the rate does go up as much as 0.1%, the Labor Committee will be notified. The rate is capped at 1% through 2027.
- Vice Chair Hight asked for the frequency of future reports. Director Monahan noted that the actuarial report will be released annually in July. Chair Fox requested quarterly reporting.
- A discussion occurred about how the initial volume of claims was factored into the report. The analysis compared other states' data. Director Monahan noted there will be an increase in the birth and bonding claims, and he clarified the differences between our situation and Minnesota's. Our initial spike in claims will not be as large as Minnesota's because of Maine's population size and other factors of the program structuring.
- A discussion occurred around fund investments. Director Monahan confirmed all funds are managed by the State Treasurer's office, and they are making investment decisions to maximize our return.
- Authority Member Tilton-Flood requested future reports on employee type and usage rates. She suggested adding a field to claims forms for information gathering. Director Monahan said we could track employer type by FEIN, and Authority Member Smith added that we cannot track H2A Visas. Authority Members expressed concern that plan usage could affect VISA status.
- A discussion occurred around mechanisms to check fraudulent applications and claims.

Chair Fox pushed back the vote on benefits until later the meeting, to address other issues.

Authority Member Tilton-Flood moved to approve the meeting minutes of the November 4, 2025, meeting, and Vice Chair Hight seconded. The Authority voted unanimously to approve the minutes of the November 4, 2025, meeting.

Chair Fox opened the discussion regarding LD 2018 An Act to Amend the Requirements Governing Self-insurance Plans in the Paid Family and Medical Leave Benefits Program. This is new legislation that could affect the program, and there is a public hearing scheduled for next week. AAG Macirowski reminded the Authority that their primary duties are as fiduciaries for the plan. As a matter of law, DOL runs the program. The LD in question clarifies the Statute.

- Director Monahan stated PFML's interpretation of the law is that group trusts are not allowed. There is a robust, highly-regulated, private plan market in Maine. Allowing for group trusts could adversely affect the fund.
- Authority Member Conroy noted the LD as written may be too broad to address the issue.
- Authority Member Cotnoir noted we're looking at clarifying language not changing the administration of the program.

Authority Member Naliboff moved that the Authority support LD 2018. Member Tilton-Flood seconded the motion to discuss the topic further. The Authority explored the issue.

- Authority Member Barber clarified that the LD would not allow group trusts. The PFML administration doesn't want it, as it could damage the long-term viability of the fund for small employers.
- Authority Member Cotnoir requested clarification on the proposed action of support. He voiced that it is not a significant enough issue for the authority to take a position.

Authority Member Cotnoir moved to amend the motion, stating we as a board choose not to take any formal legislative recommendation for this LD at this time. Authority Member Conroy seconded.

Chair Fox called for a vote. There were 13 votes in favor of not making a formal legislative recommendation for this LD at this time, and one abstention. The motion passed. Deputy Director Parson will keep the Authority informed about future work sessions related to the LD.

The Authority discussed the vote regarding whether to begin PFML benefits on May 1, 2026. Director Monahan confirmed that the department is ready. The Authority will get a walk-through of the application process prior to launch.

- Authority Member Corry raised the issue of timing for seasonal businesses.

Chair Fox called to vote on the authorization of benefits on May 1, 2026, based on the acceptance of the Actuarial Study, as presented in the report and through the questions answered.

Authority Member Cotnoir moved that the Authority approve the commencement of benefits on May 1, in accordance with statue, based on all information received to date, and the actuary report as presented. Authority Member Tilton-Flood seconded. The Authority voted unanimously to authorize the start of benefits of May 1, 2026. The motion passed.

The Authority scheduled the next meeting for June 9, 2026. An additional meeting will be scheduled at the end of the quarter for readiness, and for the Aflac demo.

Vice Chair Hight motioned to adjourn, Authority Member Cotnoir second. All voted unanimously to adjourn at 11:05.