



Leadership is our business

Associated Industries of Massachusetts  
One Beacon Street, 16th Floor  
Boston, MA 02108

[www.aimnet.org](http://www.aimnet.org) | 617.262.1180 | fax 617.536.6785

October 27 2015

**Testimony of Associated Industries of Massachusetts in opposition to S.1008/H.1718 - An Act establishing a family and medical leave and temporary disability leave insurance program.**

Associated Industries of Massachusetts (AIM) opposes An Act Establishing a Family and Medical Leave and Temporary Disability Leave Insurance Program, currently pending before the Joint Committee on Labor and Workforce Development.

Having reviewed the bill in detail, AIM would like to pose several questions to the committee. We strongly believe that the answers to each of these questions should be fully vetted before any bill emerges from this committee.

In Section 2. – Does the committee know what the estimated take-up rate is for individuals taking both the maternity leave and disability leave? For cost estimating purposes, take-up rates per program would be critical to know.

In Section 3. – As a result of the bill's passage a new office within the Executive Office of Labor will be created to administer the program for the commonwealth. Does the committee know the costs associated with this new office?

In Section 4. – What is the committee's estimate of the total program costs incurred by employers and the commonwealth for administering this program and providing these new benefits?

In Section 5. – Is the committee aware of any precedent for the creation of this program and it being administered by the treasurer? The commonwealth's treasurer and receiver general will absorb numerous operational duties as a result of managing the funds related to this bill. Is the treasurer properly staffed to provide operational services and is there a cost estimate for this function? Also, has the treasurer determined what the tax assessment per employer might be for this program and, if so, could we see that analysis?

In Section 6. – Could the committee explain the claims process and procedures and the bill's reference to Chapter 30A?

In Section 7. - Since benefits will be provided on a tax exempt basis, has the committee sought and received a cost estimate of the tax expenditure from the Department of Revenue?