



WEEKLY LEGISLATIVE UPDATE

March 9, 2026

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WEEKLY UPDATE FROM THE CHAMBER PRESIDENT

PATRICK WOODCOCK
PRESIDENT & CEO
MAINE STATE CHAMBER OF COMMERCE

LEGISLATIVE ACTION

IN THE SENATE

LD 1822: AN ACT TO ENACT THE MAINE CONSUMER DATA PRIVACY ACT

Position: Oppose

Current Legislative Action: On Senate Calendar for Second Reading

Previous Legislative Action: Passed to Be Engrossed in House 71-68, Amended and Passed Senate in Non-concurrence 18-16

The bill would create new data processing rules for data collected by companies online. It would strictly limit the processing and sale of sensitive data, and limit data collection to “reasonably necessary and proportionate to provide or maintain a specific product or service...”

Implications: The bill would make Maine an outlier in the utilization of data by businesses to pursue targeted marketing online.

LD 1993: AN ACT TO INCREASE THE ANNUAL CAP ON FUNDS ASSESSED FOR THE SAFETY EDUCATION AND TRAINING FUND

Position: Opposed Original Bill

This bill increases the cap on the assessment that funds the Department of Labor’s Safety Education and Training Fund from 1% to 2% of total workers’ compensation benefits paid by insurers and self-insured employers.

Implications: It could increase funding for workplace safety programs but may also raise costs for insurers and self-insured employers, potentially leading to higher premiums or operating expenses for businesses.

LEGISLATIVE ACTION

IN THE HOUSE

L.D. 1089: AN ACT TO PERMANENTLY FUND 55% OF THE STATE'S SHARE OF EDUCATION BY ESTABLISHING A TAX ON INCOMES OF MORE THAN \$1,000,000

Position: Oppose

The bill would do as the title suggests, apply an income tax surcharge on incomes over \$1,000,000 to fund education (EPS).

Implications: The bill would increase income taxes on high earners.

ADVOCATE: LINDA CAPRARA



APPROPRIATIONS & FINANCIAL AFFAIRS

LOOKING AHEAD

Upcoming Work Sessions: All week at State House, Room 228

L.D. 2212, AN ACT MAKING SUPPLEMENTAL APPROPRIATIONS AND ALLOCATIONS FROM THE GENERAL FUND AND OTHER FUNDS FOR THE EXPENDITURES OF STATE GOVERNMENT AND CHANGING CERTAIN PROVISIONS OF THE LAW NECESSARY TO THE PROPER OPERATIONS OF STATE GOVERNMENT FOR FISCAL YEARS ENDING JUNE 30, 2026 AND JUNE 30, 2027.

Policy Committee: A&FA

Advocate: Linda Caprara

Position: Oppose

This is the Governor's Supplemental Budget Bill for FY 26-27. MSCC testified in opposition to the bill for three reasons. The bill would eliminate the Business Equipment Tax Reimbursement (BETR) Program, utilize the Budget Stabilization Fund for non-emergency purposes and only partially conforms to the federal R & D immediate expensing for larger businesses over (\$31 million in receipts). The bill proposes to conform fully for smaller businesses (under \$31 million).

Implications: Elimination of the BETR Program will increase taxes on Maine businesses. Utilizing the Budget Stabilization Fund for non-emergency purposes leaves the State exposed in economic downturns and may result in tax increases to fund essential services down the road. The State should conform to the federal R & D immediate expensing for all businesses regardless of size to allow businesses to compete for innovation.

TAXATION

LOOKING AHEAD

Upcoming Work Session: Tues. 3/10 1:00 p.m. at State House , Room 127

LD 2178 – AN ACT TO ESTABLISH THE INDEPENDENT OFFICE OF TAX APPEALS AND MAKE OTHER CHANGES TO THE LAWS GOVERNING THE TAX APPEALS PROCESS

Policy Committee: Tax

Advocate: Linda Caprara

Position: Monitor

Summary: This bill makes changes to improve the tax dispute resolution and administrative tax appeals process as follows. Part E directs the Department of Administrative and Financial Services, Bureau of Revenue Services, Office of Tax Policy to review the administrative tax appeals process and file with the Legislature by December 15, 2026 a report and recommended legislation for further simplifying and modernizing the tax appeals process.

Implications: MSCC would like to see stakeholders added to the review of the current appeals process.

Upcoming Work Session, Wed 3/11 1:00 PM at State House, Room 127

LD 713 – AN ACT REGARDING TAXATION

Sponsor: Former Representative Kristen Cloutier,

Policy Committee Assignments: Chamber; Tax

Advocate Assignments: Linda Caprara

Position: Monitor

The bill is a concept draft. Implications: To be determined.

TAXATION

LOOKING AHEAD

Upcoming Work Session: Thu 3/12 1:00 PM at State House, Room 127

LD 229 – AN ACT TO BRING FAIRNESS IN INCOME TAXES TO MAINE FAMILIES BY ADJUSTING THE TAX BRACKETS AND TAX RATES

Sponsor: Rep. Ann Matlack, St. George

Policy Committee: Tax

Advocate: Linda Caprara

Position: Oppose

The bill adds two income tax brackets in each category (for a total of 5), single, head of household and married filing jointly and increases the top income tax rates in the top two brackets in each category, from 7.15% to 7.75% and to 8.95%.

Implications: The bill if passed would increase income taxes on high earners. For single the rates would increase from 7.15% to 7.75% for income over \$144,500 and to 8.95% for income over \$1,000,000. For heads of household the rates would increase from 7.15% to 7.75% for income over \$216,750 and to 8.95% for income over \$750,000. For married filing jointly, the rates would increase from 7.15% to 7.75% for income over \$289,000 and to 8.95% for income over \$1,000,000.

TAXATION

LOOKING AHEAD

Upcoming Work Session: Thu 3/12 1:00 PM at State House, Room 127

LD 926 – AN ACT TO PROMOTE RESEARCH AND DEVELOPMENT IN THE STATE BY AMENDING THE RESEARCH EXPENSE TAX CREDIT

Policy Committee: Tax

Advocate: Linda Caprara

Position: Support Original Bill/Oppose Proposed Amendment

The bill as originally drafted would increase the research expense tax credit by increasing the amount of expenditures eligible for the credit, doubling the rate by which the credit is calculated and doubling the amount of the credit that may be claimed and halving the base amount used to determine the credit. The sponsor has proposed an amendment which would limit the amount of the credit which runs counter to what the original bill proposed to do.

Implications: Credit would be reduced and limited to small businesses.

Upcoming Work Session: Wed 3/11 10:00 AM at State House, Room 127

LD 2188 – AN ACT TO AMEND CERTAIN STATE TAX LAWS

Policy Committee: Tax

Advocate: Linda Caprara

Position: Monitor

The bill makes changes to Maine's tax laws. **Implications: None to MSCC members as of yet.**

JUDICIARY

LOOKING AHEAD

Upcoming Work Session: Wed. 3/11 1:00 p.m. at State House Room 438

L.D. 127, AN ACT TO STRENGTHEN LEGISLATIVE OVERSIGHT OF GOVERNMENT AGENCIES AND PROGRAMS BY REAFFIRMING THE LEGISLATURE'S ACCESS TO CONFIDENTIAL RECORDS

Sponsor: Senator Craig Hickman, Kennebec

Policy Committee: Judiciary/Tax

Advocate : Linda Caprara

Position: Oppose

The bill would provide that the Legislature's Government Oversight Committee could receive confidential records available to the Office of Program Evaluation and Government Accountability.

Implications: This would give the GOC access to confidential information such as tax returns, medical and mental health information, personnel records, etc.

ADVOCATE: AMANDA JOHNSON



HEALTH AND HUMAN SERVICES

LOOKING FORWARD

Upcoming Work Session: Thu 3/12 1:00 PM at Cross Building, Room 209

LD 2196 – AN ACT TO LOWER HEALTH INSURANCE COSTS, REDUCE BARRIERS TO HEALTH CARE AND ENSURE FAIR PRICES FOR HEALTH CARE

Policy Committee Assignments: Chamber; EET

Advocate Assignments: Amanda Johnson

Position: Oppose

The bill caps hospital prices at 200 percent of Medicare rates, keeps chronic condition prior authorizations valid for one year, protects coverage recently approved under prior plans, and requires insurers to report cost and utilization data.

Implications: The bill could slow healthcare cost growth and improve coverage continuity for patients with chronic conditions. However, it will put financial pressure on hospitals, especially smaller ones, and create administrative challenges or potential limits on services.

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

LOOKING AHEAD

Upcoming Public Hearings: Thu 3/12 1:00 PM at Cross Building, Room 220

LD 378 – AN ACT TO STRENGTHEN THE HEALTH CARE SYSTEM IN MAINE

Policy Committee; LHHI

Advocate : Amanda Johnson

Position: Monitor

This bill ensures employers and other health plan sponsors can audit medical and pharmacy claims when insurers act as third-party administrators. It requires administrators and PBMs to provide claims and financial data needed to verify contract compliance.

Implications: LD 378 could improve transparency and accountability by allowing employers to audit health plan claims and verify that insurers, TPAs, and PBMs are following contract terms, which may help control healthcare costs. However, it could also increase administrative burdens, raise data privacy concerns, and potentially slow payment processes for high-cost claims.

LABOR

Upcoming Work Session: Tue 3/10 1:00 PM @ Cross, Room 202

LD 669 – AN ACT REGARDING LABOR

Policy Committee: LHHI

Advocate : Amanda Johnson

Position: Monitor, not taking a position

This amendment adds DOT highway maintenance workers to Maine’s line-of-duty death benefit program, keeps the \$100,000 inflation-indexed payment for surviving family members, allows consideration of job-related suicides, permits limited interim payments, and requires benefits to be paid from the Maine Budget Stabilization Fund.

Implications: This amended draft expands eligibility for Maine’s line-of-duty death benefit to include DOT highway maintenance workers and allows job-related suicides to qualify, broadening the circumstances under which benefits may be paid.

LABOR

Upcoming Work Session: Tue 3/10 1:00 PM @ Cross, Room 202

LD 2018 – AN ACT TO AMEND THE REQUIREMENTS GOVERNING SELF-INSURANCE PLANS IN THE PAID FAMILY AND MEDICAL LEAVE BENEFITS PROGRAM

Policy Committee: LHHI

Advocate: Amanda Johnson

Position: Oppose Original Bill

This bill clarifies that private self-insured plans under the paid family and medical leave program may not pool risk, financial resources, or administration among multiple employers.

Implications: The bill prohibits self-insured private plans under Maine’s PFML program from pooling risk, finances, or administration and applies this restriction retroactively. While it provides regulatory clarity, it reduces flexibility for employers, especially small and mid-sized businesses—by eliminating a key tool for managing costs and administrative burden and may disrupt existing arrangements made in good faith.

LABOR

Upcoming Work Session: Tue 3/10 1:00 PM at Cross Building, Room 202

LD 2110 – AN ACT TO UPDATE EMPLOYER SUBSTANCE USE TESTING POLICY REQUIREMENTS

Policy Committee Assignments: Chamber; LHHI

Advocate Assignments: Amanda Johnson

Position: Oppose original bill

This bill updates employer substance use testing requirements, including employee rights to contest non-negative results, medical review officer reporting, changes to rehabilitation timelines and costs, laboratory standards, and other technical updates.

Implications: It may improve fairness and consistency in workplace testing but could create challenges by shifting rehabilitation costs to employees, shortening timelines, and raising concerns about testing accuracy, impartiality, and potential employer liability.

ADVOCATE: ASHLEY LUSZCZKI



HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

LOOKING AHEAD

Upcoming Work Session: Wed 3/12 1:30 PM at Cross Building, Room 220

LD 2162 – AN ACT TO REGULATE AND PREVENT CHILDREN’S ACCESS TO ARTIFICIAL INTELLIGENCE CHATBOTS WITH HUMAN-LIKE FEATURES AND SOCIAL ARTIFICIAL INTELLIGENCE COMPANIONS

Policy Committee: TPC

Advocate : Ashley Luszczki

Position: Oppose

Establishes restrictions on artificial intelligence chatbots and “social AI” systems, particularly those accessible to minors. The bill prohibits certain human-like or socially interactive AI features for users under age 18 and requires companies deploying covered AI systems to implement safeguards, including age verification and data use limitations. It also creates enforcement authority and allows private legal action on behalf of minors for alleged violations.

Implications: The legislation would require businesses developing or deploying AI tools to implement age-verification systems and reassess how AI products are designed, offered, and accessed in Maine. As drafted, the bill could apply broadly beyond consumer-facing AI companions, potentially affecting productivity tools, customer service platforms, and research technologies. It may increase compliance costs, data privacy risks associated with collecting sensitive identification information, and legal exposure due to the creation of a private right of action.

ADVOCATE:
PATRICK WOODCOCK



HOUSING

LOOKING AHEAD

Upcoming Work Session: Tues 3/10 1:30PM at Cross Building, Room 206

LD 2173 AN ACT TO UPDATE THE LAWS REGARDING HOUSING DEVELOPMENTS AND ACCESSORY DWELLING UNITS

Advocate: Patrick Woodcock

Position: Support

[Chamber Testimony](#)

The bill would make a number of technical modifications to LD 1829 that passed into law last year and placed restrictions on municipalities limiting some housing projects through minimum lot sizes, height expansions for affordable housing projects, and prohibiting sprinkler requirements in ADUs. The bill makes some technical changes including the extension of municipal adoption

Implications: The bill would clarify some municipal housing restrictions and allow a grace period for municipalities to adopt the new definition of subdivision and allow more time for the compliance of the additional height for affordable housing development.

HOUSING

LOOKING AHEAD

Upcoming Work Session: Wed 3/11 10:00 AM at Cross Building, Room 206

LD 2224: AN ACT TO REDUCE CERTAIN COSTS ASSOCIATED WITH RESIDENTIAL CONSTRUCTION

Sponsor: Senator Curry

Advocate: Patrick Woodcock

Position: Support

[Chamber Testimony](#)

The bill implements the consensus recommendations of the working group that worked to make recommendations to lower the costs of housing production. These recommendations including eliminating a requirement for smoke curtains to be a part of elevator installation, video cameras in elevators, studies fire sprinkler requirements, include wireless technology for emergency communication.

Implications: The bill would reduce some compliance costs for residential construction in the state. There were many other recommendations from the working group and housing advocates are pushing for additional changes in the legislation to build on the current draft of LD 2224. These recommendations include:

- **Allow up to 6 stories of single-stair residential construction**
- **Expand municipal subdivision review thresholds from 3 lots to up to 5 lots**
- **Increase the residential sprinkler threshold from 3 units to 5 units**
- **Prohibit municipal requirements for sprinklers in single-family housing**
- **Add a MUBEC board member with affordable housing experience to ensure cost impacts of code decisions are fully considered**
- **Allow smaller, readily available elevators in buildings up to 3 stories where elevators are not otherwise required**

UPCOMING EVENTS

Next Weekly Legislative Update:
Monday, March 16, 2026



Weekly
Legislative Update

Join us weekly during the legislative session from 8:30 - 9 a.m. on the first day of the week



MAINE
STATE
CHAMBER
COMMERCE

**2026
BUSINESS
DAY AT THE
STATE HOUSE**

HALL OF FLAGS, MAINE STATE HOUSE
TUESDAY, MARCH 10, 2026
8:30 AM - 12 NOON



MAINE
STATE
CHAMBER
COMMERCE

**WEBINAR:
MAINE SPORTS ECONOMY**

A VIRTUAL EVENT
WEDNESDAY, MARCH 25, 2026
10:00 AM - 11:00 AM



MAINE

S T A T E

CHAMBER

of

COMMERCE