



128th MAINE LEGISLATURE

LD 100

LR 442(02)

An Act To Expand the 1998 Special Retirement Plan To Include Detectives in the Office of the Attorney General

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2017-18	FY 2018-19	Projections FY 2019-20	Projections FY 2020-21
Net Cost (Savings)				
General Fund	\$0	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$0	\$0	\$0	\$0

Fiscal Detail and Notes

Allowing detectives employed in the Office of the Attorney General on or after July 1, 2018 to participate in the 1998 Special Plan of the Maine Public Employees Retirement System will increase both the normal cost and unfunded actuarial liability components of the employer retirement rate, resulting in increased employer contributions to the Maine Public Employees Retirement System for detectives beginning in fiscal year 2018-19.

This legislation includes a transition provision for those detectives hired by the Office of the Attorney General prior to July 1, 2018 which allows these employees to elect to participate in the 1998 Special Plan by December 1, 2018. Based on an analysis performed by the Maine Public Employees Retirement System, this fiscal note assumes that 7 of the 12 eligible detectives will elect to participate in the 1998 Special Plan as soon as the option becomes available and the remaining detectives with opt to stay in the State Regular Plan. This provision is estimated to have a General Fund cost to the Office of the Attorney General \$3,074 in fiscal year 2018-19, a Federal Expenditures Fund cost of \$6,271 in fiscal year 2018-19 and an Other Special Revenue Funds cost of \$1,630 in fiscal year 2018-19 for the costs associated with moving the positions to the 1998 Special Plan.

This bill includes a General Fund appropriation of \$3,074 to the Personal Services line category and a deappropriation of \$3,074 to the All Other line category within the Office of the Attorney General's Administration - Attorney General program for fiscal year 2018-19 to fund the General Fund cost of this provision. The Office of the Attorney General has indicated that sufficient funds will be available within its proposed budgeted resources for fiscal year 2018-19 to support the Federal Expenditures Fund and Other Special Revenue Funds costs of this bill without needing additional allocations.

If any of the detectives hired by the Office of the Attorney General prior to July 1, 2018 who choose to remain in the State Regular Plan eventually retire or otherwise vacate their positions, any newly hired detectives will be placed in the 1998 Special Plan. The additional cost to the Office of the Attorney General to fill these positions at the higher employer contribution rate is estimated to be between \$2,000 and \$3,000 per position annually. When this additional cost will be incurred and which fund will be impacted can not be determined at this time.