



129th MAINE LEGISLATURE

LD 1620

LR 1903(01)

An Act To Exclude Collectively Bargained Salary and Job Promotion Increases from the Earnable Compensation Limitation for Retirement Purposes

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Pres. Jackson of Aroostook

Committee: Labor and Housing

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential future biennium cost increase - All funds

Fiscal Detail and Notes

Although no immediate unfunded liability is created by the provisions of this bill, excluding salary or wage increases obtained as a result of collective bargaining or a job promotion from the cap on earnings used in the calculation of a member's average final compensation when determining a member's retirement benefit may result in increased future pension costs to the Maine Public Employees Retirement System if the earnings used in the calculation of retirement benefits because of this bill exceed the earnings assumptions used to estimate pension costs. The impact can not be determined at this time and will depend on actual experience.