



130th MAINE LEGISLATURE

LD 397

LR 1321(01)

An Act To Recalculate Retirement Benefits for Certain State Employees Adversely Affected by Merit Pay Freezes

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Pickett of Dixfield

Committee: Labor and Housing

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$600,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$600,000	\$0	\$0	\$0

Fiscal Detail and Notes

The Retirement Allowance Fund within the Maine Public Employees Retirement System will require a one-time General Fund appropriation of \$600,000 in fiscal year 2021-22 for the cost of the unfunded actuarial liability created by allowing members of the Maine Public Employees Retirement System who retired on or after March 1, 2014 and prior to June 30, 2014 to have wages lost due to merit pay freezes included in the calculation of the member's retirement benefit retroactive to the date of the member's retirement. Pursuant to the Constitution of Maine, Article IX, Section 18-A, unfunded liabilities may not be created except those that result from experience losses.