

**130th MAINE LEGISLATURE****LD 1101****LR 1244(01)****An Act To Expand the 1998 Special Retirement Plan To Include Civilian Employees Who Work for the Department of Public Safety Crime Lab and Computer Crimes Unit****Preliminary Fiscal Impact Statement for Original Bill****Sponsor: Sen. Diamond of Cumberland****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	\$16,188	\$33,396	\$34,465	\$35,567
Highway Fund	\$5,249	\$10,827	\$11,173	\$11,531
Appropriations/Allocations				
General Fund	\$16,188	\$33,396	\$34,465	\$35,567
Highway Fund	\$5,249	\$10,827	\$11,173	\$11,531
Federal Expenditures Fund	\$2,424	\$4,986	\$5,146	\$5,310
Other Special Revenue Funds	\$427	\$860	\$888	\$916

Fiscal Detail and Notes

Allowing civilian employees employed in the Maine State Police Crime Laboratory or computer crimes unit within the Department of Public Safety on or after October 1, 2021 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 on behalf of civilian employees beginning in fiscal year 2021-22.

This legislation includes a transition provision for those eligible civilian employees hired by the Department of Public Safety prior to October 1, 2021 which allows these employees to elect to participate in the 1998 Special Plan by December 31, 2021. An analysis performed by MainePERS identified 21 eligible civilian employees that may elect to participate in the 1998 Special Plan as soon as the option becomes available. Given this analysis, the State Police program will require General Fund appropriations of \$8,591 and \$17,659; Highway Fund allocations of \$5,249 and \$10,827; Federal Expenditures Fund allocations of \$2,424 and \$4,986; and Other Special Revenue Funds allocations of \$427 and \$860 in fiscal years 2021-22 and 2022-23, respectively, for the costs associated with moving the positions to the 1998 Special Plan. Additionally, the Computer Crimes program will require General Fund appropriations of \$7,597 in fiscal year 2020-21 and \$15,737 in fiscal year 2022-23.

If any of the eligible civilian employees hired by the Department of Public Safety prior to October 1, 2021 who choose to remain in the State Regular Plan eventually retire or otherwise vacate their positions, any newly hired employees will be placed in the 1998 Special Plan. The additional cost to the department 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 cannot be determined at this time.