

**132nd MAINE LEGISLATURE****LD 1872****LR 2244(02)****An Act to Reinvest in the Pension Funds of the Maine Public Employees Retirement System****Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Labor****Fiscal Note Required: Yes**

Fiscal Note

Diverts future revenue - General Fund

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$0	\$0	\$185,000,000

Fiscal Detail and Notes

Article IX, section 18-B of the Maine Constitution requires that all unfunded actuarial liabilities (UAL) of the Maine Public Employees Retirement System (MainePERS) existing as of June 30, 1996 be paid in full by the end of fiscal year 2028. Once this occurs, the amount required to be paid by the State towards the UAL will decrease significantly and the General Fund portion will become available to be appropriated for other purposes. This bill requires that the difference in General Fund dollars between what was required to be paid towards the UAL in 2028 and what is required to be paid in fiscal years 2028-29 through 2032-33, or \$185.0 million per year, whichever is lower, be transferred to a newly created Retirement Improvement Fund within the Maine Public Employees Retirement System to be used to pay for retirement benefit improvements. This fiscal note assumes that the average General Fund difference in required contributions per year will exceed \$185.0 million in fiscal year 2028-29 through fiscal year 3032-33 and the amount to be transferred to the fund will be \$185.0 million per year through that period.