



125th MAINE LEGISLATURE

LD 1632

LR 2594(01)

An Act To Amend Provisions Limiting the Return to Work after Retirement by Teachers, School Employees and State Employees

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Hill of York

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

No net fiscal impact

Fiscal Detail and Notes

When limitations on conditions of restoration to service after retirement were enacted in 2011 no costs or savings were budgeted. It was assumed that limiting compensation to 75% would deter some retirees from returning to work and those positions would have to be filled by replacement workers. The State and school administrative units would have to pay health insurance costs and retirement costs for new replacement workers, which would offset the savings from the 25% reduction in compensation for those who would return at the lower pay. Limiting the provisions to apply only to school superintendents and principals is not expected to significantly change the net impact of the original legislation.