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An Act To Establish the Operating Budget for the Maine State Retirement System for the Fiscal Year Ending June 30, 2008

Emergency preamble. Whereas, acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 90-day period might not terminate until after the beginning of the next fiscal year; and

Whereas, certain obligations and expenses incident to the operation of the Maine State Retirement System might become due and payable before the 90-day period terminates; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. Allocation of funds. Operating expenses of the Maine State Retirement System for the fiscal year ending June 30, 2008 must be paid from the system's Expense Fund in accordance with the following schedule.

MAINE STATE RETIREMENT SYSTEM	2007-08	2008-09
Personal Services	\$7,560,252	\$0
All Other	\$3,398,057	\$0
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TOTAL ALLOCATIONS	\$10,958,309	\$0

Sec. 2. Attribution of costs. The expenses identified in section 1 are charged to the Maine State Retirement System's participating employers as follows.

MAINE STATE RETIREMENT SYSTEM	2007-08	2008-09
State of Maine	\$8,985,814	\$0
Participating Local Districts	\$1,972,495	\$0
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MAINE STATE RETIREMENT SYSTEM TOTAL ATTRIBUTIONS	\$10,958,309	\$0

Sec. 3. Transfers of allocation; year-end balances. Transfers of allocations and carry-forwards of unexpended balances must be carried out in accordance with the Maine Revised Statutes, Title 5, section 17103, subsection 13.

Sec. 4. Collective bargaining agreements approval. The latest collective bargaining agreements previously approved by the Legislature expired on October 31, 2006. Successor bargaining is underway. The allocations made in section 1 of this Act and the attributions made in section 2 of this Act do not include any amounts that might be required to fund the new collective bargaining agreements.

Sec. 5. Authorization to expend unauthorized funds in the Expense Fund. Of the amount authorized to be expended in section 1 of this Act for the administrative operating costs of the Maine State Retirement System, \$600,000 will be provided from the system's Expense Fund established in the Maine Revised Statutes, Title 5, section 17301.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

SUMMARY

The Maine State Retirement System is required by statute to present its annual operating budget to the Legislature for approval. This bill for fiscal year 2008 is the system's 14th annual budget.

This bill identifies the system's personal services costs and its costs for other operating expenses for fiscal year 2008.

For information purposes, the bill presents the attribution of expenses to the system's 2 employer categories: the State of Maine and Participating Local Districts.