



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 1003

H.P. 650

House of Representatives, March 11, 2025

An Act Establishing the Retirement Benefit Improvement Fund

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative DODGE of Belfast.

Cosponsored by Representatives: BECK of South Portland, BOYER of Cape Elizabeth, DILL of Old Town, GRAHAM of North Yarmouth, MACIAS of Topsham, MCCABE of Lewiston, RAY of Lincolnville, ROEDER of Bangor.

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

2 **Sec. 1. 5 MRSA §1536, sub-§1**, as amended by PL 2021, c. 398, Pt. ZZZ, §§2 and
3, is further amended to read:

4 **1. Final priority reserves.** After the transfers to the State Contingent Account
5 pursuant to section 1507, the transfers to the Loan Insurance Reserve pursuant to section
6 1511, the transfers pursuant to section 1522, a transfer of \$2,500,000 for the Reserve for
7 General Fund Operating Capital ~~and~~, the transfers to the Retiree Health Insurance Internal
8 Service Fund pursuant to section 1519 and the transfer to the Retirement Benefit
9 Improvement Fund pursuant to section 17446, the State Controller shall transfer at the close
10 of each fiscal year from the unappropriated surplus of the General Fund an amount equal
11 to the amount available from the unappropriated surplus after all required deductions of
12 appropriations, budgeted financial commitments and adjustments considered necessary by
13 the State Controller have been made as follows:

14 A. Eighty percent to the stabilization fund; and

15 G. Twenty percent to the Highway and Bridge Capital program, Other Special
16 Revenue Funds account.

17 **Sec. 2. 5 MRSA c. 421, sub-c. 4, art. 10** is enacted to read:

18 **ARTICLE 10**

19 **RETIREMENT BENEFIT IMPROVEMENT FUND**

20 **§17446. Retirement Benefit Improvement Fund**

21 **1. Establishment of fund.** The Retirement Benefit Improvement Fund, referred to in
22 this section as "the fund," is established as an interest-bearing, nonlapsing fund for the
23 purpose of providing the resources necessary to increase the portion of the retirement
24 benefit in which cost-of-living adjustments are applied pursuant to section 17806,
25 subsection 1, paragraph A.

26 **2. Content of fund.** The fund consists of all resources transferred to the fund under
27 section 1536, subsection 1 and other resources made available to the fund.

28 Notwithstanding any provision of law to the contrary, at the close of the fiscal year ending
29 June 30, 2026 and each subsequent fiscal year thereafter, until such time as the cost-of-
30 living adjustment as described in section 17806, subsection 1, paragraph A is applied to a
31 retiree's full retirement benefit, as the next priority after the transfers authorized pursuant
32 to sections 1507, 1511 and 1522, the transfer of \$2,500,000 for the Reserve for General
33 Fund Operating Capital pursuant to section 1536 and the transfers to the Retiree Health
34 Insurance Internal Service Fund pursuant to section 1519 and after all required deductions
35 of appropriations, budgeted financial commitments and adjustments considered necessary
36 by the State Controller have been made, and prior to the transfers required under section
37 1536, subsection 1, paragraphs A and G, the State Controller shall transfer the remaining
38 balance of the unappropriated surplus of the General Fund to the fund established in
39 subsection 1.

