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Date: (Filing No. S-)

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**STATE OF MAINE
SENATE
132ND LEGISLATURE
SECOND REGULAR SESSION**

SENATE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 650, L.D. 1003, “An Act Establishing the Retirement Benefit Improvement Fund”

Amend the amendment by striking out the title and substituting the following:

'An Act Establishing the Retirement Improvement Fund'

Amend the amendment by striking out everything after the title and inserting the following:

'Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 5 MRSA c. 421, sub-c. 4, art. 10 is enacted to read:

ARTICLE 10

RETIREMENT IMPROVEMENT FUND

§17446. Retirement Improvement Fund

1. Establishment of fund. The Retirement Improvement Fund, referred to in this section as "the fund," is established within and administered by the retirement system as an interest-bearing, nonlapsing fund for the payment of retirement benefit improvements.

2. Content of fund. The fund consists of all money transferred to the fund under this section and other money made available to the fund, which may include but is not limited to legislative appropriations from the General Fund or any other fund, the unappropriated surplus of the General Fund or any other source or fund identified or established through law.

3. Use of fund. Money in the fund must be used to pay for retirement benefit improvements. Whenever the fund has sufficient capital to pay for an increase in the amount of at least \$1,000 on the benefit base on which the annual cost-of-living adjustment is applied pursuant to section 17806, subsection 1, paragraph A, for all beneficiaries in the retirement system, that increase must be applied but only until the benefit base reaches \$40,000.

SENATE AMENDMENT

1 **4. Reporting.** By March 1, 2029 and annually thereafter, the retirement system shall
2 submit a report regarding implementation of this section to the joint standing committee of
3 the Legislature having jurisdiction over retirement matters that includes the following
4 information for that fiscal year and the prior 3 fiscal years:

5 A. The amount of money transferred to the fund pursuant to subsection 2;

6 B. The total increases made to the benefit base on which the annual cost-of-living
7 adjustment must be applied in accordance with subsection 3;

8 C. The amount of any payment made or required to be made toward any remaining
9 obligation for the unfunded actuarial liability; and

10 D. The balance in the fund.

11 **Sec. 2. Legislative intent.** It is the intention of the Legislature through this Act to
12 provide for a sufficient retirement by increasing the cost-of-living adjustment for retired
13 state employees, teachers and their beneficiaries, to the greatest extent possible within
14 existing state resources, including the future use of current state appropriations dedicated
15 to the payment of the unfunded actuarial liability when those funds are no longer needed
16 for payment of the existing liability.

17 **Sec. 3. Appropriations and allocations.** The following appropriations and
18 allocations are made.

19 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

20 **Retirement Improvement Fund N521**

21 Initiative: Provides base allocations to authorize the expenditure of funds to pay for
22 retirement benefit improvements for retired state employees and teachers and their
23 beneficiaries.

24 OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
25 All Other	\$0	\$500
26		
27 OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$500

28 ''

29 Amend the amendment by relettering or renumbering any nonconsecutive Part letter or
30 section number to read consecutively.

31 **SUMMARY**

32 This amendment establishes the Retirement Improvement Fund to be used for the
33 payment of retirement benefit improvements.

34 **SPONSORED BY:** _____

35 (Senator ROTUNDO, M.)

36 **COUNTY:** Androscoggin