

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

Date: (Filing No. S- )

**TAXATION**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE  
SENATE  
131ST LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 211, L.D. 457, “An Act to Amend Maine’s Tax Laws”

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

**'An Act to Increase the Cost-of-living Adjustment for Certain Government Retirement Benefits for Fiscal Year 2024-25'**

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

**'Sec. 1. 5 MRSA §17806, sub-§1, ¶A**, as amended by PL 2021, c. 635, Pt. NN, §1, is further amended to read:

A. Except as provided in paragraphs A-1, A-2 ~~and~~ A-3 ~~and~~ A-4, whenever there is a percentage increase in the Consumer Price Index from July 1st to June 30th, the board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 3%. Effective July 1, 2011, the increase applies to that portion of the retirement benefit up to \$20,000, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section. Effective July 1, 2022, the increase applies to that portion of the retirement benefit up to \$24,186.25, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section.

**Sec. 2. 5 MRSA §17806, sub-§1, ¶A-4** is enacted to read:

A-4. For cost-of-living adjustments awarded under paragraph A in fiscal year 2024-25 only, the increase applies to that portion of the retirement benefit up to \$40,000.

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

**RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES  
Retirement System - Retirement Allowance Fund 0085**

**COMMITTEE AMENDMENT**

1 Initiative: Provides one-time funds to pay the unfunded actuarial liability created by  
2 providing that, for fiscal year 2024-25 only, the cost-of-living adjustment awarded to  
3 retired state employees and teachers and their beneficiaries applies to the first \$40,000 of  
4 the retirement benefit.

5	<b>GENERAL FUND</b>	<b>2023-24</b>	<b>2024-25</b>
6	All Other	\$0	\$39,836,000
7			
8	<b>GENERAL FUND TOTAL</b>	<hr/>	<hr/>
9		\$0	\$39,836,000

10 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
11 number to read consecutively.

12 **SUMMARY**

13 This amendment, which is the minority report of the committee, replaces the bill, which  
14 is a concept draft, changes the title and provides that, for the cost-of-living adjustment  
15 awarded to retired state employees and teachers and their beneficiaries in fiscal year 2024-  
16 25 only, which is paid in September 2024, the adjustment applies to the first \$40,000 of the  
17 retirement benefit. Effective July 1, 2025, the increase applies to the portion that otherwise  
18 would have been in effect absent this one-time change.

19 **FISCAL NOTE REQUIRED**  
20 **(See attached)**