

**Testimony of Kirsten LC Figueroa, Commissioner  
Department of Administrative and Financial Services**

**Before the Joint Standing Committees on  
Appropriations and Financial Affairs  
and Labor and Housing**

**“An Act Making Unified Appropriations and Allocations for the Expenditures  
of State Government, General Fund and Other Funds and Changing Certain  
Provisions of the Law Necessary to the Proper Operations of State  
Government for the Fiscal Years Ending June 30, 2021, June 30, 2022 and  
June 30, 2023”**

**February 25, 2021**

Good afternoon Senator Breen, Representative Pierce, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Rafferty, Representative Sylvester and members of the Joint Standing Committee on Labor and Housing. My name is Kirsten Figueroa, and I am the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of the fiscal year 2022-2023 biennial budget bill, LD 221, specifically the item on today’s agenda for the Retirement Allowance Fund.

**Maine Public Employees Retirement System**

The Retirement Allowance Fund is on **page A-465** of the budget document. Title 2, Section 1-A of Maine Revised Statutes authorizes the retirement benefit for former Maine Governors and their surviving spouses. Title 4, Chapter 29 provides retirement benefits to judges who retired prior to 1984 and their surviving spouses. In accordance with both statutes, the Maine Public Employees Retirement System estimates the appropriation necessary to fund benefits payable from these pay-as-you-go plans each biennium.

There are two initiatives in this program.

The first initiative is an appropriation of \$2,242 in FY22 and \$6,637 in FY23 for retirement costs associated with retired Governors and their surviving spouses. As with other System retirees, retired Governors receive an annual cost-of-living adjustment, which increases the amount of benefits to be paid year to year.

The second initiative is an appropriation of \$140,713 in FY22 and \$149,349 in FY23. In the previous budget, this account had excess funds for the Pre-1984 Judicial Plan as a result of the passing of one of the beneficiaries, which were used to cover other beneficiary benefits. Those funds will be exhausted, however, going into this biennial, so this request is necessary to adequately fund the statutorily required benefit.

This concludes my testimony. Thank you. I am happy to answer any questions.