



127th MAINE LEGISLATURE

LD 654**LR 1194(01)**

An Act To Expand the 1998 Special Retirement Plan To Include Detectives in the Office of the Attorney General

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Nadeau of Winslow**Committee: Appropriations and Financial Affairs****Fiscal Note Required: Yes**

Preliminary Fiscal Impact Statement

Current biennium cost increase - General Fund
Current biennium cost increase - Federal Expenditures Fund
Current biennium cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Allowing detectives employed in the Office of the Attorney General on or after July 1, 2016 to participate in the 1998 Special Plan of the Maine Public Employees Retirement System will increase both the normal cost and unfunded actuarial liability components of the employer retirement rate, resulting in increased employer contributions to the Maine Public Employees Retirement System for all detectives beginning in fiscal year 2016-17.

This legislation also includes a transition provision for those detectives hired by the Office of the Attorney General prior to July 1, 2016 which allows these employees to elect to participate in the 1998 Special Plan within 180 days of the effective date of this Act, assumed to be on or around October 1, 2016. This preliminary fiscal impact statement assumes that all eligible detectives will elect to participate in the special plan as soon as the option becomes available. Given this assumption, the additional General Fund costs to the Office of the Attorney General are estimated to be \$20,143 in fiscal year 2015-16 and \$26,519 in fiscal year 2016-17. Since this provision is not included in the Governor's budget proposal for the 2016-2017 biennium, General Fund appropriations to the Office of the Attorney General will be required.

The Office of the Attorney General may also require additional Federal Expenditures Fund allocations of an estimated \$13,197 in fiscal year 2015-16 and \$17,779 in fiscal year 2016-17 for those eligible employees who are paid with federal dollars. An increase in Other Special Revenue Funds allocations of \$2,779 in fiscal year 2015-16 and \$3,800 in fiscal year 2016-17 may also be required for eligible employees that are paid with dedicated funds.