



# 127th MAINE LEGISLATURE

LD 654

LR 1194(02)

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

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$3,984	\$4,143	\$4,309
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$3,984	\$4,143	\$4,309
Federal Expenditures Fund	\$0	\$12,324	\$12,817	\$13,330
Other Special Revenue Funds	\$0	\$3,984	\$4,143	\$4,309

### 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 detectives beginning in fiscal year 2016-17.

This legislation 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 August 1, 2016. Based on an analysis performed by the Maine Public Employees Retirement System, this fiscal note assumes that 5 of the 11 eligible detectives will elect to participate in the 1998 Special Plan as soon as the option becomes available and the remaining 6 detectives will choose to remain in the State Regular Plan. This bill includes a General Fund appropriation of \$3,984 in fiscal year 2016-17, a Federal Expenditures Fund allocation of \$12,324 in fiscal year 2016-17 and an Other Special Revenue Funds allocation of \$3,984 in fiscal year 2016-17 to the Office of the Attorney General for the cost associated with moving 5 positions to the 1998 Special Plan

When the 6 eligible detectives that are expected to choose to remain in the State Regular Plan eventually retire or otherwise vacate their positions any newly hired detectives will be placed in the 1998 Special Plan. The additional cost to the Office of the Attorney General to fill these positions at the higher employer contribution rate is estimated to be between \$3,500 and \$4,000 per position annually. When this additional cost will be incurred and which fund will be impacted can not be determined at this time.