



131st MAINE LEGISLATURE

LD 457

LR 2184(03)

An Act to Amend Maine's Tax Laws

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$0	\$39,836,000	\$0	\$0
Appropriations/Allocations				
General Fund	\$0	\$39,836,000	\$0	\$0

Fiscal Detail and Notes

This legislation provides that, for fiscal year 2024-25 only, the cost-of-living adjustment (COLA) awarded to retired state employees and teachers and their beneficiaries applies to the first \$40,000 of the retirement benefit. According to the Maine Public Employees Retirement System, this provision will create an unfunded actuarial liability (UAL) totaling \$39,836,000 that, pursuant to the Maine Constitution, will have to be funded immediately. This bill includes a one-time General Fund appropriation in that amount to the Retirement Allowance Fund within the Maine Public Employees Retirement System in fiscal year 2024-25 to pay for the cost of the COLA provision.