

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND FIFTEEN

—
H.P. 69 - L.D. 86

An Act To Improve Retirement Security for Retired Public Employees

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, cost-of-living adjustments are applied to the applicable portion of an eligible retiree's benefit amount beginning in September of each year; and

Whereas, the projections that provide the basis for the calculation of retirement costs for the 2016-2017 biennium assumed that there would be a 2.55% cost-of-living adjustment awarded in September 2015 and September 2016; and

Whereas, this legislation may impact the percentage increase to be applied to the applicable portion of an eligible retiree's benefit amount beginning in September 2015; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17806, sub-§1, ¶A, as amended by PL 2013, c. 424, Pt. B, §1, is further amended to read:

A. Except as provided in ~~paragraph~~ paragraphs A-1 and A-2, 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 paragraph and paragraph A-2.

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

A-2. Regardless of the amount of increase in the Consumer Price Index, for cost-of-living adjustments awarded in fiscal year 2015-16 and fiscal year 2016-17 only, the board shall automatically make a percentage increase in retirement benefits of no less than 2.55%. The increase applies to that portion of the retirement benefit that would otherwise be subject to an increase under subsection A.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.