

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND SIXTEEN

—
H.P. 1144 - L.D. 1677

Resolve, Directing the Department of Administrative and Financial Services and the Maine Public Employees Retirement System To Identify Retirees Whose Retirement Benefit Calculations Were Adversely Affected by Certain Pay Freezes and To Calculate Costs Associated with Authorizing Those Retirees To Include Such Lost Wages in Retirement Benefit Calculations

Preamble. Whereas, the law governing the calculation of member retirement benefits was amended by Public Law 2015, chapter 267, Part CCCC, section 1 and chapter 385 to allow members of the Maine Public Employees Retirement System who retired on or after July 1, 2015 to pay the necessary member contributions to include in their retirement benefit calculations wages lost due to merit pay freezes and longevity pay freezes; and

Whereas, equity requires that the law be similarly amended to allow members of the Maine Public Employees Retirement System who retired prior to July 1, 2015 to pay the necessary member contributions to include in their retirement benefit calculations wages lost due to such pay freezes; and

Whereas, in order to rectify the situation, it is necessary first to determine the population of retirees who are potentially affected by this inequity, and then to calculate the costs associated with expanding the universe of retirees who are permitted to elect to contribute the necessary member contributions to include in their retirement benefit calculations wages lost due to such pay freezes; now, therefore, be it

Sec. 1. Identification of members. Resolved: That the Department of Administrative and Financial Services and the Maine Public Employees Retirement System shall work together to identify retirees who retired prior to July 1, 2015 and whose retirement benefit calculations were adversely affected by merit pay freezes and longevity pay freezes in effect in fiscal years 2011-12 and 2012-13; and be it further

Sec. 2. Calculation of costs. Resolved: That the Department of Administrative and Financial Services and the Maine Public Employees Retirement System shall work together to calculate the projected costs associated with authorizing members of the Maine Public Employees Retirement System who retired prior to July 1, 2015 to include

in their retirement benefit calculations wages lost due to merit pay freezes and longevity pay freezes in effect in fiscal years 2011-12 and 2012-13; and be it further

Sec. 3. Report. Resolved: That, no later than January 12, 2017, the Department of Administrative and Financial Services and the Maine Public Employees Retirement System shall report their findings pursuant to sections 1 and 2 to the joint standing committee of the Legislature having jurisdiction over retirement matters. The joint standing committee of the Legislature having jurisdiction over retirement matters may report out to the First Regular Session of the 128th Legislature a bill to authorize members of the Maine Public Employees Retirement System who retired prior to July 1, 2015 to include in their retirement benefit calculations wages lost due to merit pay freezes and longevity pay freezes in effect in fiscal years 2011-12 and 2012-13.