

Crystal Ward  
MEA-Retired  
LD 258

Hello Honorable Senator and Representative Sachs and members of the Appropriations and Financial Affairs Committee and Honorable Senator Tipping and Rep. Roeder and members of the Labor and Housing Committee.

My name is Crystal Ward; I am from Lewiston, a retired teacher and the MEA-Retired Legislative chairperson representing over 5600 members statewide. In 2011 the MainePers pension plan was blown up by a Legislature and a Governor who stated "It was about time retired had a little skin in the game". Pensions were frozen, COLA's were capped at 3% , the COLA would only apply to the first \$20,000 of the pension and the retirement age was raised to 65. The quadrupedal whammy !!! All the financial planning in the world could not have foreseen this happening. The BIG backwards slide began and continues today. Over time a change was passed that the COLA amounts would be added to the \$20,000 to calculate each years increases. In 2022 the amount to figure COLA increase on is \$24,911.84 ---  
 $\$24,911.84 \times 3\% = \$747.36 / 12 \text{ months} = \$62.28$  per month before taxes. The real COLA was 9.1% or  $\$2265.98 / 12 = \$188.91 / \text{month}$ . This was a giant LOSS when the cost of everything was very high. Every year the retired lose buying power, too many are moving ever closer to poverty. There are many retirees who are setting in this very large boat. It is time to develop a procedure to FIX these disastrous 2011 cuts, no more kicking the can down the road; every year the compounding problem has a more and more negative impact on the buying power and wellbeing of retired. There are several bills that would give the MainePERS retired some relief such as: increasing the percent paid for Health Insurance increasing from 55% to 65% by 2025 (historically the Legislature had promised 100%), pay for Medicare Part B, increase/eliminate the COLA cap, and develop a plan to return the COLA calculation on the entire amount of the pension which was the State plan from the 1960's through 2011. 2011 is a day that will live in infamy for the retired in MainePers! A major tax cutting plan paid for by the RETIRED in Maine that is doing ever increasing harm. It is time !