

**Testimony of Kirsten LC Figueroa, Commissioner
Department of Administrative and Financial Services**

**Before the Joint Standing Committees on
Appropriations and Financial Affairs
and Labor and Housing**

**“An Act Making Unified Appropriations and Allocations for the Expenditures
of State Government, General Fund and Other Funds and Changing Certain
Provisions of the Law Necessary to the Proper Operations of State
Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and
June 30, 2025”**

February 10, 2023

Good afternoon, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations and Financial Affairs; Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing. I am Kirsten Figueroa, the Commissioner of the Department of Administrative and Financial Services. I am here today to testify in support of LD 258, the fiscal year 2024-2025 biennial budget bill, specifically the items on today’s agenda for the Retirement Allowance Fund.

Maine Public Employees Retirement System

The Retirement Allowance Fund is on **page A-620** of the budget document. Title 2, Section 1-A of Maine Revised Statutes authorizes the retirement benefit for former Maine Governors and their surviving spouses. Title 4, Chapter 29 provides retirement benefits to judges who retired prior to 1984 and their surviving spouses. In accordance with both statutes, the Maine Public Employees Retirement System estimates the appropriation necessary to fund benefits payable from these pay-as-you-go plans each biennium.

There are two initiatives in this program.

The first initiative is an appropriation of \$115 in FY24 and \$4,711 in FY25 for retirement costs associated with retired Governors and their surviving spouses. As with other System retirees, retired Governors receive an annual cost-of-living adjustment, which increases the amount of benefits to be paid year to year.

The second initiative is a deappropriation of \$149,349 in FY24 and \$149,349 in FY25. This initiative reduces funds for the Pre-1984 Judicial and surviving spouses under the Maine Revised Statutes, Title 4, section 1403. The last benefit recipient from the pre-1984 judges plan has passed away, so this pay-as-you go plan is being closed out.

This concludes my testimony. Thank you. I am happy to answer any questions.