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HOUSE OF REPRESENTATIVES

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Testimony of Rep. Jan Dodge presenting LD 1096, An Act to Help Retired Teachers and State Employees Keep Pace With Inflation by Matching the Cost-of-living Adjustment for Social Security **Benefits**

Before the Labor and Housing Committee

Good afternoon, Senator Tipping, Representative Roeder and esteemed colleagues of the Joint Standing Committee on Labor and Housing. I am Representative Jan Dodge from House District #39, which includes Belfast, Northport and Belmont. I am here to present LD 1096, An Act to Help Retired Teachers and State Employees Keep Pace With Inflation by Matching the Cost-of-living Adjustment for Social Security Benefits.

This bill would remove the current cap of 3% on the Cost of Living Adjustment (COLA) for MEPERS participants and would make it equal to the COLA paid to Social Security recipients.

The word injustice comes to mind as I think about the members of the Maine State Legislature and Governor who put this in place and all those who have ignored the negative effects this action has caused and all who have allowed the injustice to continue.

It is important to remember that inflation is currently running in the 9% range. Rising inflation rates did not just happen. They have been climbing steadily, and all the while retirees have been falling further and further behind.

It also bears repeating that this is a multi-faceted problem that includes a cap on the amount of a pension to which the COLA is applied. This same cohort of retirees is also responsible for paying 45% of their health insurance coverage, only recently reduced from the 55% of their coverage that they paid for MANY years!

With the introduction of this bill, your committee has now heard all three of the "MEPERS Justice Trifecta!" I urge you to consider the cumulative harm that retirees are continuing to experience and would ask you to support a three-pronged approach to move this group of public servants toward pension justice.

Thank you for your time and attention. I am happy to answer any question you have for me.