

Testimony of Irene Lee on LD 2212

Funding LD 1003: An Act Establishing the Retirement Benefit Improvement Fund and LD 328: An Act Requiring the State to Pay a Retired State Employee's or Retired Teacher's Premium for Medicare Part B Under Medicare Advantage, as part of the Governors proposed Supplemental Budget

Senator Rotundo, Senator Gattine, members of the Appropriations and Financial Affairs Committee, Representative Tipping, Representative Roeder, members of the Labor Committee. I'm Irene Lee, from Vassalboro, ME and I'm a retired state employee. I am here to speak on our retirement benefits through MainePERS and the continued harm caused by the 2011 LePage Pension Cuts. I am asking that you support funding for two retirement restoration bills, namely LD 1003 and LD 328 as part of the Governor's proposed Supplemental Budget known as LD 2212.

LD 1003: I retired in 2014 from the Maine Department of Labor as a CareerCenter Consultant. Due to the 2011 LePage Pension Cuts, cost of living adjustments for retired state employees are capped at 3% annually. In 2021 the Consumer Price Index (CPI), which is used to calculate our COLA and Social Security COLA was at 5.9% and in 2022 it was 8.7%. That is 9.6% more than the 3% each year that state retirees received. No wonder we are falling further and further behind. The 3% cap on the COLA definitely is not enough to make a difference in day to day living or to keep up with the pace of inflation. Costs of groceries, electricity, and energy have all substantially increased over the past years. It has meant living life to the bare bones. Establishing this \$500 retirement benefit improvement fund will help capture excess revenue for us who have been shortchanged by the legislature for nearly 15 years.

LD 328: When I started working for the state in 1997, a big selling point to go work for the State of Maine was that our health insurance would be paid in full in retirement. This made accepting a state job very attractive. Of course, no one told me that my Medicare premium would not be covered. Today I pay \$202.90 monthly for my Aetna Medicare Advantage coverage. Retired employees who have never paid into the Social Security system can choose to be covered by this same plan without having to pay a premium. I believe the state is treating retired state employees differently and showing partiality to NON Social Security recipients by paying for their entire premium costs. I firmly believe that the medical insurance provision should be applied equally to everyone. I am not asking that benefits be cut from any retirees. I am only asking that we all receive the same benefits for having done our work and retiring from state service.

Please consider using the state government surplus to fix the broken promises made to me and thousands of other state employees and teachers by funding these bills. It won't make us whole but it is a step in the right direction. Thank you for your consideration.

Respectfully submitted,
Irene Lee