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TESTIMONY REGARDING

L.D. 84 AND L.D. 293

AN ACT TO INCREASE THE STATE SHARE OF THE COST OF HEALTH INSURANCE FOR RETIRED TEACHERS

Senator Daughtry, Representative Brennan and members of the Education and Cultural Affairs Committee. I am Eileen King, deputy executive director of Maine School Management Association, testifying on behalf of the legislative committees of the Maine School Boards Association and Maine School Superintendents Association regarding L.D. 84 and L.D. 293.

Our associations took different positions on these bills.

MSSA voted to support because of their concern the current percentage discourages teachers to retire even though they may be ready. That's because the retirement benefit alone doesn't adequately cover cost-of-living expenses. Superintendents supported the bill at the same time they acknowledged it could make worse our current teacher shortage. They also recognize there are teachers, who regardless of retirement age, will and should stay in the field because of their dedication to the profession.

MSBA, representing the school boards, voted neither for nor against because of concerns about increasing a benefit for school staff when people in the community are working reduced hours or are out of work because of Covid.

Based on fiscal notes from 2018 and 2019 for this initiative, the annual cost for going from 45 percent to 55 percent is roughly 3.6 million annually. This past session the bill died on the Appropriations Table after the Legislature shut down due to Covid.