



MAINE AFL-CIO

A Union of Unions Standing for Maine Workers
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Testimony of Maine AFL-CIO Legislative & Political Director, Adam Goode, in Support of LD 703, “An Act To Increase the Amount to Which a State Employee or Teacher Retiree's Cost-of-living Adjustment Is Applied from \$20,000 to the Retiree's Actual Retirement Benefit”

Senator Hickman, Representative Sylvester and members of Labor & Housing Committee, my name is Adam Goode. I'm the Legislative and Political Director of the Maine AFL-CIO. We represent 40,000 working people in the state of Maine. We work to improve the lives and working conditions of our members and all working people. We testify in support of LD 703.

LD 703 helps address the struggle of public sector retirees. Currently, retired state employees, teachers and beneficiaries only get a cost-of-living increase for this first \$20,000 of their retirement benefit. LD 703 makes those cost-of-living increases apply to the entire benefit.

This bill seeks to fix an action from the 125th Maine Legislature, where there were significant pension cuts that included a freeze to the COLA for 3 years, an increased retirement age for those who had less than 5 years of service, and a cap on the COLA for retiree pensions.

Public sector workers and retirees have not been able to catch up with the cost of living since these actions were taken. This is best understood in the context of how pensions for retired state employees and teachers have fared in comparison to recipients of Social Security. From 2010 to 2018, retirement benefit levels of state employees and teachers feel behind that of their peers receiving Social Security by 2.1%.

Passing LD 703 will help public sector retirees and their families keep up with property taxes, food, health care costs and other basic necessities.