



# HOUSE OF REPRESENTATIVES

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Testimony of Rep. Richard “Dick” Pickett before the Joint Standing Committee of Labor and Housing.

Senator Hickman, Rep. Sylvester, distinguished members of the Joint Standing Committee on Labor and Housing. I am Rep. Dick Pickett and I represent House District 116, Proudly serving the towns of Canton, Dixfield, Hartford, Mexico and Peru. I am here this morning to introduce 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.”**

Cost-of-living adjustments to the retirement benefits being paid to retired state employees, teachers or beneficiaries of either shall be determined as follows: Whenever there is a percentage increase in the Consumer Price Index from July 1st to June 30th, the State Retirement Board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 3% to the retiree’s full retirement benefit.

A change in the law took place effective July 1, 2011, which applied the increase to that portion of the retirement benefit up to \$20,000, which amount must be indexed in subsequent years by the same percentage adjustments.

It has been almost ten years and state retirees, teachers or beneficiaries still are not receiving the cost-of-living adjustments to their full retirement benefit.

LD 703 will provide that cost-of-living increases will apply to a retiree's entire retirement benefit instead of only to the first \$20,000 just like they did prior to July 1, 2011.

Thank you and I would be glad to answer questions at this time.

Representative Richard "Dick" Pickett