

Testimony of Jeffrey Pidot

Before the Maine Legislative Committee on Labor and Housing

LD 70, An Act to Eliminate the Cap on Retirement Benefits for State Employees and Teachers to Which a Cost-of-living Adjustment Is Made

February 14, 2023

Senator Tipping, Representative Roeder and Members of the Committee:

My name is Jeff Pidot. For 30 years I served as an employee of Maine State government, in both the Attorney General's Office and in the Department of Conservation. During that time, I accrued benefits in the Maine State Retirement System (now Maine Public Employee Retirement System). As a consequence, during my career in Maine State government I was not enrolled (and could not enroll) in the federal social security system and accrued no retirement or other benefits in that system, which has a fair COLA formula.

When I retired from my job with the State in 2007, I paid thousands of dollars to the Retirement System to catch up on years when I was employed by the State but not part of the System. I did this because the Retirement System at that time and all previous times offered a COLA comparable to that applicable to Social Security benefits. However, in the following years, the Legislature reduced and then all but eliminated the COLA benefit for State retirees. As a result, today, nearly 16 years following my retirement, my pension benefit from the Retirement System is only marginally larger than it was when I retired. This results in a very significant reduction in the buying power of my pension, which is my principal source of income. Since I retired, the financial effect on me of this change has been grossly unfair and punitive, since the COLA has been eviscerated by the Legislature after I retired in reliance of the COLA that was then in effect. Of course, I am not alone, but one of many thousands who rely on their State pensions in retirement and are deprived of a meaningful COLA that would simply keep their benefits at an equal level.

I ask you kindly to restore the full COLA to State retirement system pension benefits, so that I and other retirees like me can be restored to the fair pension, as we would have had we been covered by social security.

Thank you for considering this testimony.