

February 14, 2023

Testimony in Support of 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."

Senator Tipping, Representative Roeder and distinguished members of the Labor and Housing Committee, please accept this testimony in support of LD 70. I am a resident of Scarborough and live in a dual income home to be able to afford the cost of living in Southern Maine, a scenario that has become a familiar situation in all parts of the state. My wife and I have spent our entire careers in public service working toward retirement and will both be impacted by the cost of living cap that only impacts MainePERS members who are teachers or State employees. Unlike our municipal and county counterparts, we are penalized by an already fixed income having very small and strict limits on cost-of-living adjustments. Consider this as you sit and listen to your constituents speak, in real numbers the maximum increase that any impacted retiree can see in a cost of living adjustment under current law is \$725.58 per year. Have your costs only increased by \$725 this year and every other year?

In recent years, all working Mainers have been impacted by rising costs and crushing inflation. As it stands, retirees impacted by this limit are also capped at the maximum upward adjustment of 3%, unlike participating local districts that enjoy a 4% increase with no income cap. Furthermore, as MainePERS retirees are impacted by the Social Security Windfall Elimination Provision (WEP) they also cannot collect the full annual cost of living adjustments made by the Social Security Administration. Many have paid into and earned these benefits but those too are reduced by as much as 60% of what was earned.

The 129th Maine Legislature sent to the US Congress and President of the United States the "JOINT RESOLUTION MEMORIALIZING THE PRESIDENT AND CONGRESS OF THE UNITED STATES TO SUPPORT THE REFORM OF THE SOCIAL SECURITY OFFSETS OF THE GOVERNMENT PENSION OFFSET AND THE WINDFALL ELIMINATION PROVISION." This resolution sought to urge Congress to repeal the penalties suffered by Maine retirees on their Social Security income due to their participation in MainePERS. LD 70 gives the 131st Legislature the opportunity to create real and meaningful change that directly impacts these same impacted individuals by removing the statutory barrier that limits their earned and otherwise protected cost of living adjustments.

I urge this committee to vote LD 70 as ought to pass. Thank you for your time, service and attention to this matter.

Respectfully submitted,



Mark Roberts

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