## MAINE STATE LEGISLATURE

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1 2	FIRST REGULAR SESSION
3 4	ONE HUNDRED AND ELEVENTH LEGISLATURE
5 <b>6</b>	Legislative Document No. 299
7	H.P. 249 House of Representatives, January 27, 1983
8 9	Received by the Clerk of the House on January 27, 1983. Referred to the Committee on Aging, Retirement and Veterans, and ordered printed pursuant to Joint Rule 14.
10	EDWIN H. PERT, Clerk
11	Presented by Representative Sproul of Augusta.
12 13	STATE OF MAINE
14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-THREE
17 18 19	AN ACT to Remove the 4% Ceiling on the Cost-of-Living Allowances for State Pensioners.
20 21	Be it enacted by the People of the State of Maine as follows:
22 23	<pre>Sec. 1. 5 MRSA §1128, sub-§1, ¶A, as enacted by PL 1977, c. 573, §3, is amended to read:</pre>
24 25 26 27	A. Any percentage change in the Consumer Price Index from July 1st through June 30th shall be reflected in an equal percentage increase or decrease in the annual retirement allowance
28	decrease in the annual retirement allowance beginning in September, except that in the year
29	1977, such increase or decrease shall be in
30	Nevember to be determined by the Board of
31	Trustees of the Maine State Retirement System.
32	The beard of trustees shall automatically make
33	such adjustments in the retirement allowances up

to a maximum annual increase or decrease of 4%The cost of such these adjustments shall be
determined by the Board of Trustees of the Maine
State Retirement System board of trustees and
shall be included in their budget requests, if
necessary.

Sec. 2. 5 MRSA §1128, sub-§1, ¶B, as enacted by
PL 1977, c. 573, §3, is repealed.

## 9 STATEMENT OF FACT

 The purpose of this bill is to remove the 4% ceiling on the cost-of-living adjustment for state pensioners. Present law permits a maximum increase of 4% and a maximum decrease of 4% in pensioners' benefits, regardless of the fluctuation in the Consumer Price Index, to which the adjustment formula is tied. By removing this ceiling, the Board of Trustees of the Maine State Retirement System will be free to recommend whatever adjustment they deem appropriate.

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