

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Date: 3/8/16

(Filing No. H-548)

APPROPRIATIONS AND FINANCIAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 435, L.D. 654, Bill, "An Act To Expand the 1998 Special Retirement Plan To Include Detectives in the Office of the Attorney General"

Amend the bill in section 3 in paragraph N in the 2nd line (page 1, line 13 in L.D.) by striking out the following: "2016 or" and inserting the following: '2016 who elect to participate in the 1998 Special Plan or who are'

Amend the bill by striking out all of section 9 (page 5, lines 6 to 10 in L.D.) and inserting the following:

Sec. 9. Transition. If a detective in the employment of the Office of the Attorney General on July 1, 2016 elects to participate in the 1998 Special Plan of the Maine Public Employees Retirement System, as provided in the Maine Revised Statutes, Title 5, section 17851-A, subsection 1, paragraph N, that detective shall make that election not later than 180 days after the effective date of this Act.

Sec. 10. Appropriations and allocations. The following appropriations and allocations are made.

**ATTORNEY GENERAL, DEPARTMENT OF THE
Administration - Attorney General 0310**

Initiative: Allocates funds for the additional cost for 5 detectives employed in the Office of the Attorney General on July 1, 2016 to participate in the 1998 Special Plan on a prospective basis.

FEDERAL EXPENDITURES FUND	2015-16	2016-17
Personal Services	\$0	\$12,324
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$12,324

COMMITTEE AMENDMENT

1	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
2	Personal Services	\$0	\$3,984
3			
4	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$3,984</u>

5 **Administration - Attorney General 0310**

6 Initiative: Provides funds for the additional cost for 5 detectives employed in the Office
7 of the Attorney General on July 1, 2016 to participate in the 1998 Special Plan on a
8 prospective basis.

9	GENERAL FUND	2015-16	2016-17
10	Personal Services	\$0	\$3,984
11			
12	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$3,984</u>

13	ATTORNEY GENERAL, DEPARTMENT OF		
14	THE		
15	DEPARTMENT TOTALS	2015-16	2016-17
16			
17	GENERAL FUND	\$0	\$3,984
18	FEDERAL EXPENDITURES FUND	\$0	\$12,324
19	OTHER SPECIAL REVENUE FUNDS	\$0	\$3,984
20			
21	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$20,292</u>
22			

23 **SUMMARY**

24 This amendment clarifies that detectives employed in the Office of the Attorney
25 General on July 1, 2016 may elect to participate in the 1998 Special Plan. It also adds an
26 appropriations and allocations section to cover the increased employer contributions to
27 the Maine Public Employees Retirement System.

28 **FISCAL NOTE REQUIRED**

29 (See attached)



127th MAINE LEGISLATURE

LD 654

LR 1194(02)

An Act To Expand the 1998 Special Retirement Plan To Include Detectives in the Office of the Attorney General

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-548)
Committee: Appropriations and Financial Affairs
Fiscal Note Required: Yes

Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$0	\$3,984	\$4,143	\$4,309
Appropriations/Allocations				
General Fund	\$0	\$3,984	\$4,143	\$4,309
Federal Expenditures Fund	\$0	\$12,324	\$12,817	\$13,330
Other Special Revenue Funds	\$0	\$3,984	\$4,143	\$4,309

Fiscal Detail and Notes

Allowing detectives employed in the Office of the Attorney General on or after July 1, 2016 to participate in the 1998 Special Plan of the Maine Public Employees Retirement System will increase both the normal cost and unfunded actuarial liability components of the employer retirement rate, resulting in increased employer contributions to the Maine Public Employees Retirement System for detectives beginning in fiscal year 2016-17.

This legislation includes a transition provision for those detectives hired by the Office of the Attorney General prior to July 1, 2016 which allows these employees to elect to participate in the 1998 Special Plan within 180 days of the effective date of this Act, assumed to be on or around August 1, 2016. Based on an analysis performed by the Maine Public Employees Retirement System, this fiscal note assumes that 5 of the 11 eligible detectives will elect to participate in the 1998 Special Plan as soon as the option becomes available and the remaining 6 detectives will choose to remain in the State Regular Plan. This bill includes a General Fund appropriation of \$3,984 in fiscal year 2016-17, a Federal Expenditures Fund allocation of \$12,324 in fiscal year 2016-17 and an Other Special Revenue Funds allocation of \$3,984 in fiscal year 2016-17 to the Office of the Attorney General for the cost associated with moving 5 positions to the 1998 Special Plan

When the 6 eligible detectives that are expected to choose to remain in the State Regular Plan eventually retire or otherwise vacate their positions any newly hired detectives will be placed in the 1998 Special Plan. The additional cost to the Office of the Attorney General to fill these positions at the higher employer contribution rate is estimated to be between \$3,500 and \$4,000 per position annually. When this additional cost will be incurred and which fund will be impacted can not be determined at this time.