

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 1040

H.P. 669

House of Representatives, March 14, 2025

**An Act to Raise the Cap on Retirement Benefits for Certain State
Employees and Teachers to Which a Cost-of-living Adjustment Is
Made**

Received by the Clerk of the House on March 12, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script, reading "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative DODGE of Belfast.
Cosponsored by Senator TIPPING of Penobscot and
Representatives: BOYER of Cape Elizabeth, BUNKER of Farmington, GRAHAM of North
Yarmouth, MACIAS of Topsham, MCCABE of Lewiston, ROEDER of Bangor, SATO of
Gorham, SHAGOURY of Hallowell.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17806, sub-§1, ¶A, as amended by PL 2021, c. 635, Pt. NN, §1, is further amended to read:

A. Except as provided in paragraphs A-1, A-2 and A-3, whenever there is a percentage increase in the Consumer Price Index from July 1st to June 30th, the board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 3%. Effective July 1, 2011, the increase applies to that portion of the retirement benefit up to \$20,000, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section. Effective July 1, 2022, the increase applies to that portion of the retirement benefit up to \$24,186.25, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section. Effective July 1, 2026, for retired state employees and teachers who retired on or before June 30, 2011 or their beneficiaries, the increase applies to that portion of the retirement benefit up to \$40,000, which amount must be indexed in subsequent years by the same percentage adjustments granted under this section.

SUMMARY

This bill provides that, effective July 1, 2026, the cost-of-living adjustment applies to \$40,000 of the retirement benefit being paid to retired state employees and retired teachers who retired on or before June 30, 2011 or their beneficiaries.