

MAINE STATE LEGISLATURE

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L.D. 1143

S.
D. OF R.

STATE OF MAINE
SENATE
110TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. S-217)

COMMITTEE AMENDMENT "A " to S.P. 385, L.D. 1143, Bill, "AN ACT to Provide Cost-of-living Adjustments to Retired State Employees, Teachers and Beneficiaries."

Amend the bill by striking out everything after the title and inserting in its place the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, annual cost-of-living benefits for retirees in the Maine State Retirement System have been limited to 4%; and

Whereas, this 4% increase is clearly insufficient at a time of double-digit inflation; and

Whereas, an increase must be approved now, in order to be included in September, when the percentage increase in the annual retirement allowance takes effect; and

Whereas, in the judgment of the Legislature, these facts ^{meaning of the} create an emergency within the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, Be it enacted by the People of the State of Maine, as follows:

OF R.

Sec. 1. Annual retirement allowance. Notwithstanding

the Revised Statutes, Title 5, section 1128, subsection 1, in September, 1981, the annual adjustment in the retirement allowances shall be increased by an additional one-time 2% above the regular percentage increase or decrease. This one-time 2% increase shall be added to the retirement allowance for purposes of any adjustments payable on or after September, 1982.

Sec. 2. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	<u>1981-82</u>	<u>1982-83</u>
MAINE STATE RETIREMENT SYSTEM		
State Employees Retirement		
Unallocated	\$258,254	\$309,917
Teachers' Retirement		
Unallocated	<u>755,036</u>	<u>906,079</u>
TOTAL	\$1,013,290	\$1,215,996

Sec. 3. Allocation from Highway Fund. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

	<u>1981-82</u>	<u>1982-83</u>
MAINE STATE RETIREMENT SYSTEM		
Unallocated	\$131,017	\$157,227

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COMMITTEE AMENDMENT " A " to S.P. 385, L.D. 1143

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Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect on July 1, 1981.'

Statement of Fact

amendment

This / grants retired state employees and teachers a one-time, additional 2% cost-of-living increase in the retirement allowance, to be paid for 12 months starting in September, 1981. This one-time 2% increase will be added to the retirement allowances for purposes of computing the adjustment payable in September, 1982.

The funds to cover this increase will come from the General Fund and the Highway Fund. There may be a cost to the Special Revenue Fund of \$174,971 in the first year of the biennium and \$209,974 in the 2nd year of the biennium.

Reported by the Committee on Aging, Retirement and Veterans.
Reproduced and distributed pursuant to Senate Rule 11-A.
May 13, 1981

(Filing No. S-217)