

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 electronic originals
(may include minor formatting differences from printed original)

[This information is provided from the Bill Tracking & Text Search system for the following unprinted amendment:]

Amendment Name: Amendment CA (S-475) (LD 1659 2020)

Date: 8/6/2020

Date: (Filing No. S-)

LABOR AND HOUSING

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE
SENATE
129TH LEGISLATURE
SECOND SPECIAL SESSION

COMMITTEE AMENDMENT " " to S.P. 536, L.D. 1659, Bill, "An Act To Include Additional Corrections Officers and Mental Health Workers under the 1998 Special Plan for Retirement and To Amend the Laws Governing Retirement Benefits for Capitol Police Officers"

Amend the bill by striking out the title and substituting the following:

'An Act To Include Certain Mental Health Workers under the 1998 Special Plan for Retirement'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 5 MRSA §17851-A, sub-§1, ¶N, as enacted by PL 2019, c. 541, §4, is reallocated to 5 MRSA §17851-A, sub-§1, ¶O.

Sec. 2. 5 MRSA §17851-A, sub-§1, ¶N, as enacted by PL 2019, c. 542, §3, is reallocated to 5 MRSA §17851-A, sub-§1, ¶P.

Sec. 3. 5 MRSA §17851-A, sub-§1, ¶Q is enacted to read:

Q. Persons in the employment of the Department of Health and Human Services on March 1, 2021 or hired thereafter who have responsibility for providing direct care to persons in need of mental health services in a community-based or residential setting or to residents or patients of mental health institutions in this State. For purposes of this paragraph, "direct care" means services or treatment essential to a person's security, health or well-being, except for case management services.

Sec. 4. 5 MRSA §17851-A, sub-§2, as amended by PL 2019, c. 537, §4; c. 541, §5; and c. 542, §4, is repealed and the following enacted in its place:

2. Qualification for benefits. A member employed in any one or a combination of the capacities specified in subsection 1 after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; any employee identified in

COMMITTEE AMENDMENT

1 subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1,
2 paragraphs N to P; after February 28, 2021 for employees identified in subsection 1,
3 paragraph Q; and any employee identified in subsection 1, paragraph L, qualifies for a
4 service retirement benefit if that member either:

5 A. Is at least 55 years of age and has completed at least 10 years of creditable service
6 under the 1998 Special Plan in any one or a combination of the capacities; or

7 B. Has completed at least 25 years of creditable service in any one or a combination
8 of the capacities specified in subsection 1, whether or not the creditable service
9 included in determining that the 25-year requirement has been met was earned under
10 the 1998 Special Plan or prior to its establishment.

11 **Sec. 5. 5 MRSA §17851-A, sub-§3, ¶A,** as amended by PL 2019, c. 537, §5; c.
12 541, §6; and c. 542, §5, is further amended by repealing subparagraph (1) and enacting
13 the following in its place:

14 (1) Service credit purchased by repayment of an earlier refund of accumulated
15 contributions following termination of service is included only to the extent that
16 time to which the refund relates was served after June 30, 1998 and before
17 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
18 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H;
19 after December 31, 1999 for employees identified in subsection 1, paragraphs I to
20 K; and after June 30, 2020 for employees identified in subsection 1, paragraphs N
21 to P in any one or a combination of the capacities specified in subsection 1.
22 Service credit may be purchased for service by an employee identified in
23 subsection 1, paragraphs L, M and Q regardless of when performed; and

24 **Sec. 6. 5 MRSA §17851-A, sub-§4, ¶A,** as amended by PL 2019, c. 537, §6; c.
25 541, §7; and c. 542, §6, is repealed and the following enacted in its place:

26 A. If all of the member's creditable service in any one or a combination of the
27 capacities specified in subsection 1 was earned after June 30, 1998 and before
28 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
29 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after
30 December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after
31 December 31, 2001 for employees identified in subsection 1, paragraph L; after June
32 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020
33 for employees identified in subsection 1, paragraphs N to P; and after February 28,
34 2021 for employees identified in subsection 1, paragraph Q; if service credit was
35 purchased by repayment of an earlier refund of accumulated contributions for service
36 in any one or a combination of the capacities specified in subsection 1 after June 30,
37 1998 and before September 1, 2002 for employees identified in subsection 1,
38 paragraphs A and B; after June 30, 1998 for employees identified in subsection 1,
39 paragraphs C to H; after December 31, 1999 for employees identified in subsection 1,
40 paragraphs I to K; after December 31, 2001 for employees identified in subsection 1,
41 paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph
42 M; after June 30, 2020 for employees identified in subsection 1, paragraphs N to P;
43 and after February 28, 2021 for employees identified in subsection 1, paragraph Q; or
44 if service credit was purchased by other than the repayment of an earlier refund and

1 eligibility to make the purchase of the service credit, including, but not limited to,
2 service credit for military service, was achieved after June 30, 1998 and before
3 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
4 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after
5 December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after
6 December 31, 2001 for employees identified in subsection 1, paragraph L; after June
7 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020
8 for employees identified in subsection 1, paragraphs N to P; and after February 28,
9 2021 for employees identified in subsection 1, paragraph Q, the benefit must be
10 computed as provided in section 17852, subsection 1, paragraph A.

11 (1) If the member had 10 years of creditable service on July 1, 1993, the benefit
12 under subsection 2, paragraph B must be reduced as provided in section 17852,
13 subsection 3, paragraphs A and B.

14 (2) If the member had fewer than 10 years of creditable service on July 1, 1993,
15 the benefit under subsection 2, paragraph B must be reduced by 6% for each year
16 that the member's age precedes 55 years of age.

17 **Sec. 7. 5 MRSA §17851-A, sub-§4, ¶B,** as amended by PL 2019, c. 537, §7; c.
18 541, §8; and c. 542, §7, is repealed and the following enacted in its place:

19 B. Except as provided in paragraphs D, E, F and G, if some part of the member's
20 creditable service in any one or a combination of the capacities specified in
21 subsection 1 was earned before July 1, 1998 for employees identified in subsection 1,
22 paragraphs A to H; before January 1, 2000 for employees identified in subsection 1,
23 paragraphs I to K; before January 1, 2002 for employees identified in subsection 1,
24 paragraph L; before July 1, 2002 for employees identified in subsection 1, paragraph
25 M; before July 1, 2020 for employees identified in subsection 1, paragraphs N to P;
26 and before March 1, 2021 for employees identified in subsection 1, paragraph Q and
27 some part of the member's creditable service in any one or a combination of the
28 capacities specified in subsection 1 was earned after June 30, 1998 and before
29 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
30 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after
31 December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after
32 December 31, 2001 for employees identified in subsection 1, paragraph L; after June
33 30, 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020
34 for employees identified in subsection 1, paragraphs N to P; and after February 28,
35 2021 for employees identified in subsection 1, paragraph Q, then the member's
36 service retirement benefit must be computed in segments and the amount of the
37 member's service retirement benefit is the sum of the segments. The segments must
38 be computed as follows:

39 (1) The segment or, if the member served in more than one of the capacities
40 specified in subsection 1 and the benefits related to the capacities are not
41 interchangeable under section 17856, segments that reflect creditable service
42 earned before July 1, 1998 for employees identified in subsection 1, paragraphs A
43 to H; before January 1, 2000 for employees identified in subsection 1, paragraphs
44 I to K; before January 1, 2002 for employees identified in subsection 1,
45 paragraph L; before July 1, 2002 for employees identified in subsection 1,

1 paragraph M; before July 1, 2020 for employees identified in subsection 1,
2 paragraphs N to P; and before March 1, 2021 for employees identified in
3 subsection 1, paragraph Q or purchased by repayment of an earlier refund of
4 accumulated contributions for service before July 1, 1998, for employees
5 identified in subsection 1, paragraphs A to H; before January 1, 2000 for
6 employees identified in subsection 1, paragraphs I to K; before January 1, 2002
7 for employees identified in subsection 1, paragraph L; before July 1, 2002 for
8 employees identified in subsection 1, paragraph M; before July 1, 2020 for
9 employees identified in subsection 1, paragraphs N to P; and before March 1,
10 2021 for employees identified in subsection 1, paragraph Q in a capacity or
11 capacities specified in subsection 1 or purchased by other than the repayment of a
12 refund and eligibility to make the purchase of the service credit, including, but
13 not limited to, service credit for military service, was achieved before July 1,
14 1998 for employees identified in subsection 1, paragraphs A to H; before January
15 1, 2000 for employees identified in subsection 1, paragraphs I to K; before
16 January 1, 2002 for employees identified in subsection 1, paragraph L; before
17 July 1, 2002 for employees identified in subsection 1, paragraph M; before July
18 1, 2020 for employees identified in subsection 1, paragraphs N to P; and before
19 March 1, 2021 for employees identified in subsection 1, paragraph Q, must be
20 computed under section 17852, subsection 1, paragraph A. If the member is
21 qualified under subsection 2, paragraph B and:

22 (a) Had 10 years of creditable service on July 1, 1993, the amount of the
23 segment or segments must be reduced as provided in section 17852,
24 subsection 3, paragraphs A and B; or

25 (b) Had fewer than 10 years of creditable service on July 1, 1993, the
26 amount of the segment or segments must be reduced as provided in section
27 17852, subsection 3-A; and

28 (2) The segment that reflects creditable service earned after June 30, 1998 and
29 before September 1, 2002 for employees identified in subsection 1, paragraphs A
30 and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C
31 to H; after December 31, 1999 for employees identified in subsection 1,
32 paragraphs I to K; after December 31, 2001 for employees identified in
33 subsection 1, paragraph L; after June 30, 2002 for employees identified in
34 subsection 1, paragraph M; after June 30, 2020 for employees identified in
35 subsection 1, paragraphs N to P; and after February 28, 2021 for employees
36 identified in subsection 1, paragraph Q or purchased by repayment of an earlier
37 refund of accumulated contributions for service after June 30, 1998 and before
38 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
39 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H;
40 after December 31, 1999 for employees identified in subsection 1, paragraphs I to
41 K; after December 31, 2001 for employees identified in subsection 1, paragraph
42 L; after June 30, 2002 for employees identified in subsection 1, paragraph M;
43 after June 30, 2020 for employees identified in subsection 1, paragraphs N to P;
44 and after February 28, 2021 for employees identified in subsection 1, paragraph
45 Q in any one or a combination of the capacities specified in subsection 1, or
46 purchased by other than the repayment of a refund and eligibility to make the

1 purchase of the service credit, including, but not limited to, service credit for
2 military service, was achieved after June 30, 1998 and before September 1, 2002
3 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998
4 for employees identified in subsection 1, paragraphs C to H; after December 31,
5 1999 for employees identified in subsection 1, paragraphs I to K; after December
6 31, 2001 for employees identified in subsection 1, paragraph L; after June 30,
7 2002 for employees identified in subsection 1, paragraph M; after June 30, 2020
8 for employees identified in subsection 1, paragraphs N to P; and after February
9 28, 2021 for employees identified in subsection 1, paragraph Q must be
10 computed under section 17852, subsection 1, paragraph A. If the member is
11 qualified under subsection 2, paragraph B and:

12 (a) Had 10 years of creditable service on July 1, 1993, the segment amount
13 must be reduced in the manner provided in section 17852, subsection 3,
14 paragraphs A and B for each year that the member's age precedes 55 years of
15 age; or

16 (b) Had fewer than 10 years of creditable service on July 1, 1993, the
17 segment amount must be reduced by 6% for each year that the member's age
18 precedes 55 years of age.

19 **Sec. 8. 5 MRSA §17851-A, sub-§4, ¶G** is enacted to read:

20 G. The service retirement benefit of a member to whom subsection 1, paragraph Q
21 applies and who qualifies for service retirement benefits under subsection 2 must be
22 computed under section 17852, subsection 1, paragraph A on the basis of all of the
23 member's creditable service in the capacity specified in subsection 1, paragraph Q,
24 regardless of when that creditable service was earned, except that for a member
25 qualifying under subsection 2, paragraph B:

26 (1) If the member had 10 years of service on July 1, 1993, the benefit must be
27 reduced as provided in section 17852, subsection 3, paragraphs A and B for each
28 year the member's age precedes 55 years of age; or

29 (2) If the member had fewer than 10 years of creditable service on July 1, 1993,
30 the benefit must be reduced by 6% for each year that the member's age precedes
31 55 years of age.

32 **Sec. 9. 5 MRSA §17851-A, sub-§5**, as amended by PL 2019, c. 537, §8; c. 541,
33 §9; and c. 542, §8, is repealed and the following enacted in its place:

34 **5. Contributions.** Notwithstanding any other provision of subchapter 3, after June
35 30, 1998 and before September 1, 2002 for employees identified in subsection 1,
36 paragraphs A and B; after June 30, 1998 for employees identified in subsection 1,
37 paragraphs C to H; after December 31, 1999 for employees identified in subsection 1,
38 paragraphs I to K; after December 31, 2001 for employees identified in subsection 1,
39 paragraph L; after June 30, 2002 for employees identified in subsection 1, paragraph M;
40 after June 30, 2020 for employees identified in subsection 1, paragraphs N to P; and for
41 employees identified in subsection 1, paragraph Q, a member in the capacities specified
42 in subsection 1 must contribute to the State Employee and Teacher Retirement Program
43 or have pick-up contributions made at the rate of 8.65% of earnable compensation until

1 the member has completed 25 years of creditable service as provided in this section and
2 at the rate of 7.65% thereafter.

3 **Sec. 10. 5 MRSA §17851-A, sub-§6-B**, as enacted by PL 2019, c. 541, §10, is
4 amended to read:

5 **6-B. Consequences of participation in retirement plan under section 17851,**
6 **subsection 14.** A member in the capacity specified in subsection 1, paragraph ~~N~~ Q who,
7 prior to July 1, 2020, elected the retirement option provided in section 17851, subsection
8 14 is treated as follows under the 1998 Special Plan.

9 A. A member who made the election at the time of first employment in a position
10 covered under section 17851, subsection 14 is considered to be a member under the
11 1998 Special Plan as of the date of hire. Beginning July 1, 2020, a member covered
12 by this paragraph shall contribute to the State Employee and Teacher Retirement
13 Program or have pick-up contributions made at a rate of 8.65% of earnable
14 compensation until completion of 25 years of creditable service and shall contribute
15 at a rate of 7.65% thereafter.

16 B. A member who was serving in a position covered under section 17851, subsection
17 14 at the time of the election and who elected to participate in the retirement option
18 prospectively from the time of election is considered to be a member under the 1998
19 Special Plan as of the effective date of the election. Beginning July 1, 2020, a
20 member covered by this paragraph shall contribute to the State Employee and
21 Teacher Retirement Program or have pick-up contributions made at a rate of 8.65%
22 of earnable compensation until completion of 25 years of creditable service and shall
23 contribute at a rate of 7.65% thereafter.

24 C. A member who was serving in a position covered under section 17851, subsection
25 14 at the time of the election and who elected to participate in the retirement option
26 prospectively from the time of election and also elected to purchase credit for service
27 earned while serving in the same capacity before exercising the election is considered
28 to be a member under the 1998 Special Plan as of the beginning date of the service
29 for which credit is purchased, as long as all of the payments required under section
30 17852, subsection 15 are made before retirement. If all the required payments are not
31 made before retirement, that member is considered to be a member under the 1998
32 Special Plan as of the effective date of the election. Beginning July 1, 2020, for
33 employees identified in subsection 1, paragraph ~~N~~ Q, a member covered by this
34 paragraph shall contribute to the State Employee and Teacher Retirement Program or
35 have pick-up contributions made at a rate of 8.65% of earnable compensation until
36 completion of 25 years of creditable service and shall contribute at a rate of 7.65%
37 thereafter.

38 Employee contributions and actuarial and administrative costs paid to the State Employee
39 and Teacher Retirement Program by a member covered by this subsection may not be
40 returned to that member, except that these employee contributions may be refunded to a
41 member who terminates service and requests a refund under section 17705-A.

42 **Sec. 11. Transition.** If an employee described in the Maine Revised Statutes, Title
43 5, section 17851-A, subsection 1, paragraph Q who is employed on March 1, 2021 elects
44 to participate in the 1998 Special Plan of the Maine Public Employees Retirement

1 System, as provided in Title 5, section 17851-A, subsection 1, that employee must make
 2 that election no later than June 30, 2021 and that employee's participation in the 1998
 3 Special Plan becomes effective July 1, 2021.

4 **Sec. 12. Appropriations and allocations.** The following appropriations and
 5 allocations are made.

6 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

7 **Crisis Outreach Program Z216**

8 Initiative: Provides ongoing funds for the costs associated with the increase in the
 9 employer's contribution rates for the normal cost and unfunded actuarial liability as a
 10 result of certain employees within the Department of Health and Human Services being
 11 allowed to participate in the 1998 Special Plan effective March 1, 2021.

12	GENERAL FUND	2019-20	2020-21
13	Personal Services	\$0	\$3,681
14			
15	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$3,681</u>

16 **Dorothea Dix Psychiatric Center Z222**

17 Initiative: Provides an allocation for the costs associated with the increase in the
 18 employer's contribution rates for the normal cost and unfunded actuarial liability as a
 19 result of certain employees within the Department of Health and Human Services being
 20 allowed to participate in the 1998 Special Plan effective March 1, 2021.

21	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
22	Personal Services	\$0	\$39,126
23			
24	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$39,126</u>

25 **Riverview Psychiatric Center Z219**

26 Initiative: Provides an allocation for the costs associated with the increase in the
 27 employer's contribution rates for the normal cost and unfunded actuarial liability as a
 28 result of certain employees within the Department of Health and Human Services being
 29 allowed to participate in the 1998 Special Plan effective March 1, 2021.

30	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
31	Personal Services	\$0	\$18,093
32			
33	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$18,093</u>

34 **Riverview Psychiatric Center Z219**

1 Initiative: Provides ongoing funds for the costs associated with the increase in the
 2 employer's contribution rates for the normal cost and unfunded actuarial liability as a
 3 result of certain employees within the Department of Health and Human Services being
 4 allowed to participate in the 1998 Special Plan effective March 1, 2021.

5	GENERAL FUND	2019-20	2020-21
6	Personal Services	\$0	\$1,089
7			
8	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$1,089</u>

9	HEALTH AND HUMAN SERVICES,		
10	DEPARTMENT OF		
11	DEPARTMENT TOTALS	2019-20	2020-21
12			
13	GENERAL FUND	\$0	\$4,770
14	OTHER SPECIAL REVENUE FUNDS	\$0	\$57,219
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$61,989</u>

17 **RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES**

18 **Retirement System - Retirement Allowance Fund 0085**

19 Initiative: Provides one-time funds for the increase in the unfunded actuarial liability as a
 20 result of allowing the service retirement benefits for certain employees within the
 21 Department of Health and Human Services earned under the regular state employee and
 22 teacher plan to be calculated under the 1998 Special Plan effective March 1, 2021.

23	GENERAL FUND	2019-20	2020-21
24	All Other	\$0	\$3,945,571
25			
26	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$3,945,571</u>

27	RETIREMENT SYSTEM, MAINE PUBLIC		
28	EMPLOYEES		
29	DEPARTMENT TOTALS	2019-20	2020-21
30			
31	GENERAL FUND	\$0	\$3,945,571
32			
33	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$3,945,571</u>

1	SECTION TOTALS	2019-20	2020-21
2			
3	GENERAL FUND	\$0	\$3,950,341
4	OTHER SPECIAL REVENUE FUNDS	\$0	\$57,219
5			
6	SECTION TOTAL - ALL FUNDS	\$0	\$4,007,560
7			

8 **SUMMARY**

9 This amendment replaces the bill and is the majority report of the committee. It adds
10 employees employed on March 1, 2021 and hired thereafter who provide direct care to
11 persons in need of mental health services in a community-based or residential setting or
12 to residents or patients of mental health institutions in this State to the 1998 Special Plan
13 for certain Maine Public Employees Retirement System members.

14 This amendment also resolves a conflict created when 3 public laws enacted a new
15 paragraph with the same paragraph letter in the Maine Revised Statutes, Title 5, section
16 17851-A, subsection 1 by reallocating 2 of the paragraphs and fixing all the cross-
17 references to reflect those reallocations.

18 **FISCAL NOTE REQUIRED**

19 **(See attached)**



129th MAINE LEGISLATURE

LD 1659

LR 808(02)

An Act To Include Additional Corrections Officers and Mental Health Workers under the 1998 Special Plan for Retirement and To Amend the Laws Governing Retirement Benefits for Capitol Police Officers

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Labor and Housing
Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$3,950,341	\$182,382	\$186,029
Appropriations/Allocations				
General Fund	\$0	\$3,950,341	\$182,382	\$186,029
Other Special Revenue Funds	\$0	\$57,219	\$1,121,360	\$1,143,787

Fiscal Detail and Notes

This legislation adds persons employed in the Department of Health and Human Services (DHHS) on March 1, 2021, or hired thereafter, who have a responsibility for providing direct care to persons in need of mental health services in a community-based or residential setting or to residents or patients of mental health institutions in this State to the 1998 Special Plan and allows the service retirement benefits already earned by those employees under the State Employee and Teacher program to be calculated under the 1998 Special Plan. This bill includes General Fund appropriations totaling \$3,950,341 and Other Special Revenue Funds allocations totaling \$57,219 in fiscal year 2020-21 for the cost of this provision.

Of the total General Fund appropriations included in the bill, \$3,945,571 is provided on a one-time basis to the Retirement Allowance Fund within the Maine Public Employees Retirement System for the increase in the unfunded actuarial liability created as a result of the retroactive provision in this bill. Pursuant to the Constitution of Maine, Article IX, Section 18-A, unfunded liabilities may not be created except those that result from experience losses. General Fund appropriations of \$4,770 and Other Special Revenue Funds allocations of \$57,219 in fiscal year 2020-21 are also provided to various programs within DHHS for the increase in the employer's contribution to the normal cost component and unfunded actuarial liability for those employees hired after March 1, 2021. The ongoing General Fund cost of this provision for both employees hired after March 1, 2021 and employees hired by DHHS prior to March 1, 2021 that elect to participate in the 1998 Special Plan is estimated to be \$182,381 in fiscal year 2021-22 and \$186,029 in fiscal year 2022-23. Other Special Revenue Funds costs are estimated to be \$1,121,360 and \$1,143,787 in fiscal years 2021-22 and 2022-23, respectively.

It is important to note that this legislation includes a transition provision for those direct care workers hired by DHHS prior to March 1, 2021 which allows these employees to elect to participate in the 1998 Special Plan by July 1, 2021. Based on the most current information available, approximately 499 direct care workers will be eligible to make that election. Because no data was available to estimate how many eligible employees may actually choose to participate in the 1998 Special Plan, this fiscal note assumes 100% participation. The actual cost of this provision may be less depending on the number of employees that elect to participate in the 1998 Special Plan.

If any of the direct care workers hired by DHHS prior to March 1, 2021 who choose to remain in the regular State Employee and Teacher Plan eventually retire or otherwise vacate their positions, any newly hired direct care workers will be placed in the 1998 Special Plan. The additional cost to DHHS to fill these positions at the higher employer contribution rate is estimated to be between \$2,000 and \$3,000 per position annually. When this additional cost will be incurred and which fund will be impacted cannot be determined at this time.