

MAINE STATE LEGISLATURE

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Date

6/13/23

L D 426

(Filing No H-507)

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LABOR AND HOUSING

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STATE OF MAINE

6

HOUSE OF REPRESENTATIVES

7

131ST LEGISLATURE

8

FIRST SPECIAL SESSION

9

COMMITTEE AMENDMENT "A" to H P 259, L D 426, "An Act to Amend the Eligibility Criteria for Creditable Service in the Armed Forces of the United States Under the State Retirement System"

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

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'An Act to Amend the Eligibility Criteria for Creditable Service in the Armed Forces of the United States Under the State Retirement System and to Require Specific Reporting'

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Amend the bill by inserting after section 2 the following

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'Sec. 3. Maine Public Employees Retirement System to report on number of members who request to purchase subsidized military credit for service in the United States Armed Forces during operations in Lebanon and Grenada.

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The Maine Public Employees Retirement System shall report by February 15th in 2024, 2025 and 2026 to the joint standing committee of the Legislature having jurisdiction over retirement matters and the joint standing committee of the Legislature having jurisdiction over appropriations matters on the number of members who request to purchase subsidized military credit for service in the United States Armed Forces during operations in Lebanon and Grenada and the cost to subsidize the purchase of service credit by members with service in the United States Armed Forces during operations in Lebanon, August 21, 1982 to February 26, 1984, or operations in Grenada, October 25, 1983 to December 15, 1983, for members who applied and were determined eligible in the calendar year immediately preceding the report

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Sec. 4. Appropriations and allocations. The following appropriations and allocations are made

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RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES

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Retirement System - Retirement Allowance Fund 0085

34

Initiative Provides one-time funds for the unfunded actuarial liability created as a result of expanding the periods of conflict for which members of the State Employee and Teacher

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COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "A" to H P 259, L D 426

1 Retirement Program who served in the armed forces during those conflicts can purchase
2 service credit at a subsidized rate

3	GENERAL FUND	2023-24	2024-25
4	All Other	\$2,600,000	\$0
5			
6	GENERAL FUND TOTAL	<u>\$2,600,000</u>	<u>\$0</u>

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8 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
9 number to read consecutively

10 **SUMMARY**

11 This amendment requires the Maine Public Employees Retirement System to provide
12 the number of members who request to purchase subsidized military credit for service in
13 the United States Armed Forces during operations in Lebanon and Grenada as part of an
14 annual report required to be made to the joint standing committees of the Legislature having
15 jurisdiction over retirement matters and appropriations matters The amendment also adds
16 an appropriations and allocations section

17 **FISCAL NOTE REQUIRED**
18 (See attached)

COMMITTEE AMENDMENT



131st MAINE LEGISLATURE

LD 426

LR 1042(02)

An Act to Amend the Eligibility Criteria for Creditable Service in the Armed Forces of the United States Under the State Retirement System

Fiscal Note for Bill as Amended by Committee Amendment "A (H-507)"

Committee: Labor and Housing

Fiscal Note Required: Yes

Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Net Cost (Savings)				
General Fund	\$2,600,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$2,600,000	\$0	\$0	\$0

Fiscal Detail and Notes

This bill includes a one-time General Fund appropriation of \$2,600,000 in fiscal year 2023-24 to the Retirement System - Retirement Allowance Fund program within the Maine Public Employees Retirement System (MainePERS) for the unfunded actuarial liability created as a result of expanding the periods of conflict for which members of the State Employee and Teacher Retirement Program who served in the armed forces during those conflicts can purchase service credit at a subsidized rate Pursuant to the Constitution of Maine, Article IX, Section 18-A, unfunded liabilities may not be created except those that result from experience losses

Additional costs to MainePERS to prepare a required report can be absorbed within existing budgeted resources