



# 131st MAINE LEGISLATURE

LD 1424

LR 1114(02)

## An Act to Remove the Age Requirement for Correctional Staff Retirement Under the 1998 Special Plan

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

### Fiscal Note

Table with 5 columns: Category, FY 2023-24, FY 2024-25, Projections FY 2025-26, Projections FY 2026-27. Rows include Net Cost (Savings) for General Fund and Appropriations/Allocations for General Fund, Federal Expenditures Fund, Other Special Revenue Funds, Financial and Personnel Services Fund, and Prison Industries Fund.

### Fiscal Detail and Notes

This bill includes General Fund appropriations totaling \$15,423,210 and other funds allocations totaling \$1,046 in fiscal year 2024-25 for the cost of allowing the service retirement benefit of certain Department of Corrections and Department of Administrative and Financial Services employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of service, regardless of age, effective October 1, 2024.

Of this amount, \$15,304,317 is appropriated on a one-time basis in fiscal year 2024-25 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 provisions 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.

Additionally, \$118,893 is appropriated on an ongoing basis beginning in fiscal year 2024-25 to various programs within the Department of Corrections for the increase in the employer contributions for the normal cost component on a prospective basis. Ongoing Federal Expenditures Fund allocations of \$211; Other Special Revenue Funds allocations of \$223, Financial and Personnel Services Fund allocations of \$72 and Prison Industries Fund allocations of \$540 for fiscal year 2024-25 are also included in the bill for this same purpose.