



130th MAINE LEGISLATURE

LD 99

LR 4(03)

An Act To Require the State To Divest Itself of Assets Invested in the Fossil Fuel Industry

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Labor and Housing

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$300,000	\$300,000	\$300,000	\$300,000
Appropriations/Allocations				
General Fund	\$300,000	\$300,000	\$300,000	\$300,000

Fiscal Detail and Notes

This bill includes ongoing General Fund appropriations of \$300,000 per year beginning in fiscal year 2021-22 to a newly created Investment Review program account within the Maine Public Employees Retirement System (MainePERS) for the administrative costs to identify, on an ongoing basis, the extent to which the assets of any state pension or annuity fund are invested in the stocks, securities or other obligations of any corporation or company, or any subsidiary, affiliate or parent of any fossil fuel company and to collect the data required to meet the annual reporting requirement.

According to MainePERS, both the Maine Constitution and IRS plan qualification requirements restrict the use of plan assets to the exclusive purpose of providing retirement and certain related benefits. Because the costs to fulfill the requirements of this legislation are not associated with providing retirement benefits it is not appropriate to pay them out of the retirement trust fund.

Additional costs to the Office of the Treasurer of State to implement the requirements of this legislation can be absorbed within existing budgeted resources.