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H.P. 510

House of Representatives, February 28, 2017

An Act To Restore Full Cost-of-living Increases for All Maine State Retirees

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ESPLING of New Gloucester. (BY REQUEST)

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §17806, sub-§1, ¶A**, as amended by PL 2015, c. 334, §1, is
3 further amended to read:

4 A. Except as provided in ~~paragraphs paragraph~~ paragraph A-1 and A-2, whenever there is a
5 percentage increase in the Consumer Price Index from July 1st to June 30th, the
6 board shall automatically make an equal percentage increase in retirement benefits,
7 beginning in September, up to a maximum annual increase of 3%. ~~Effective July 1,~~
8 ~~2011, the increase applies to that portion of the retirement benefit up to \$20,000,~~
9 ~~which amount must be indexed in subsequent years by the same percentage~~
10 ~~adjustments granted under this paragraph and paragraph A-2.~~

11 **Sec. 2. 5 MRSA §17806, sub-§1, ¶A-2**, as corrected by RR 2015, c. 2, §4, is
12 repealed.

13 **SUMMARY**

14 This bill removes the limitation, put in place in 2011, to the cost-of-living increase
15 for persons receiving state retirement benefits that applies the increase only to the first
16 \$20,000 of retirement benefits. This bill returns application of the cost-of-living increase
17 to the full benefit.