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Date: (Filing No. S-)

LABOR AND HOUSING

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**STATE OF MAINE
SENATE
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 89, L.D. 185, “An Act to Reduce the Benefit Penalty Imposed on Career Educators Who Retire After 35 Years of Service”

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

'An Act to Reduce the Benefit Penalty Imposed on Teachers Who Retire After 35 Years of Service'

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

'Sec. 1. 5 MRSA §17852, sub-§3-C is enacted to read:

3-C. Teacher with creditable service of 35 years or more. Notwithstanding subsections 3-A and 3-B, the amount of the service retirement benefit for a member who has creditable service of 35 years or more and whose last position prior to retirement was as a teacher is computed in accordance with subsection 1, except that the benefit is reduced by 5% for each year that the member's age precedes that member's normal retirement age of 62 or 65.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

**EDUCATION, DEPARTMENT OF
Teacher Retirement 0170**

Initiative: Provides one-time funds to pay the unfunded actuarial liability created by allowing all teachers with at least 35 years of service to retire with an early retirement reduction of 5% per year regardless of the normal retirement age of the plan in which they participate.

GENERAL FUND	2023-24	2024-25
All Other	\$12,234,707	\$0
GENERAL FUND TOTAL	<u>\$12,234,707</u>	<u>\$0</u>

COMMITTEE AMENDMENT

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

SUMMARY

This amendment is the majority report of the committee and replaces the bill and changes the title. The amendment provides that members who retire from a teaching position and have 35 or more years of creditable service in the State Employee and Teacher Retirement Program have their benefit reduced by 5% for each year that the member's age precedes that member's normal retirement age.

FISCAL NOTE REQUIRED

(See attached)