

### **What did the new State budget do regarding COLA?**

The State's supplemental budget, which was enacted yesterday (April 20, 2022), includes a retroactive cost-of-living adjustment (COLA) for retirees who receive monthly payments through State-sponsored plans, which include state employees, teachers, judges, and legislators. (See Public Law Chapter 635, Part NN)

The budget also increased the base amount eligible for COLA in 2022. The new base will be \$24,186.25, and that number will be used to calculate any cost-of-living adjustments that occur in September 2022.

### **What are the specifics of what was in the budget to address current benefits?**

- Eligible retirees who received a COLA in September 2021 are entitled to an additional 1% increase.
- The additional increase is 1% of retirement benefits, up to a maximum of the COLA base (\$22,947.11) from 2021. If an eligible retiree's annual benefit is less than the COLA base, their entire benefit will be increased by 1%.
- Since the additional 1% COLA is retroactive to September 2021, the increase will also result in a one-time retroactive payment that will be calculated based on benefits received since September 2021.

### **What is MainePERS doing to issue the increased COLA payments?**

We are working on recalculating benefits. We expect revised benefits that include the additional 1% COLA and the retroactive payments to be part of our retiree payroll in May. We will update our website if there are any changes to this.

### **Who isn't affected by the COLA changes?**

The new State budget provisions regarding COLA do not affect Participating Local District (PLD) retirees.