



131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 70

H.P. 45

House of Representatives, January 4, 2023

**An Act to Eliminate the Cap on Retirement Benefits for State
Employees and Teachers to Which a Cost-of-living Adjustment Is
Made**

Reference to the Committee on Labor and Housing suggested and ordered printed.

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

ROBERT B. HUNT
Clerk

Presented by Representative DODGE of Belfast.
Cosponsored by Representatives: CRAFTS of Newcastle, FAULKINGHAM of Winter Harbor,
HEPLER of Woolwich, MILLETT of Cape Elizabeth, PLUECKER of Warren, SALISBURY
of Westbrook, WHITE of Waterville, Senator: RAFFERTY of York.

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 2021, c. 635, Pt. NN, §1,
3 is further amended to read:

4 A. Except as provided in paragraphs A-1, A-2 and A-3, whenever there is a percentage
5 increase in the Consumer Price Index from July 1st to June 30th, the board shall
6 automatically make an equal percentage increase in retirement benefits, beginning in
7 September, up to a maximum annual increase of 3%. ~~Effective July 1, 2011, the~~
8 ~~increase applies to that portion of the retirement benefit up to \$20,000, which amount~~
9 ~~must be indexed in subsequent years by the same percentage adjustments granted under~~
10 ~~this section. Effective July 1, 2022, the increase applies to that portion of the retirement~~
11 ~~benefit up to \$24,186.25, which amount must be indexed in subsequent years by the~~
12 ~~same percentage adjustments granted under this section.~~

13 **SUMMARY**

14 This bill provides that cost-of-living increases for retired state employees and teachers
15 and their beneficiaries apply to a retiree's entire retirement benefit instead of only to the
16 first \$24,186.25 of the retirement benefit.