



STATE OF MAINE
OFFICE OF THE GOVERNOR
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Paul R. LePage
GOVERNOR

29 April 2014

The 126th Legislature of the State of Maine
State House
Augusta, ME

Dear Honorable Members of the 126th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing LD 1154, "An Act to Establish the Maine Length of Service Award Program."

LD 1154 would establish a new statewide pension-type program for certain municipal public safety volunteers. Volunteer firefighters and emergency medical technicians are critically important to all of Maine's municipalities and citizens. These brave men and women fulfill their civic responsibility in an especially meaningful manner. Their public service is laudable and should be encouraged.

Unfortunately, this bill, while well-intentioned, is fundamentally flawed. It removes local control, disrupts employer/employee relationships and expands state government at a time when the taxpayers of Maine can least afford it. A new state-run pension program for individuals who are not state employees is a bad idea.

In this instance, employers (municipalities) would be free to negotiate any compensation package to which the parties could reach agreement. The state would be bifurcated from those negotiations, acting as only a third party with no direct involvement in compensation or supervision of employees. This paradigm of using a state-managed retirement benefit to relieve the burden of recruitment and retention issues for local public safety volunteers of some localities is fundamentally unfair. This model has also been proven to be actuarially unsound.

Our state is already carrying an enormous burden for pension costs from the days when school employee pensions were shifted from the local level. We continue to struggle to fund those past obligations, which are significantly greater than the present value of assets in the current retirement plan. Opening ourselves to the possibility of pension obligations for liabilities controlled at the local level is unwise. Prudence and common-sense dictate I not put at risk millions of dollars of hard-working Mainer's money by letting the state stroll down a paved-with-good-intentions road once again.

For these reasons, I return LD 1154 unsigned and vetoed. I strongly urge the Legislature to sustain it.

Sincerely,

Paul R. LePage
Governor



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