

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 110

S. P. 66

In Senate, January 18, 1979

Referred to the Committee on Aging, Retirement and Veterans. Sent down for concurrence and ordered printed.

Presented by Senator Emerson of Penobscot.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Exclude Certain Academies from the Category of "Public School."

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

Sec. 1. 5 MRSA § 1001, sub-§ 18, as last amended by PL 1971, c. 622, § 9, is further amended to read:

18. Public school. "Public school" shall mean any public school conducted within the State under the authority and supervision of a duly elected board of education, superintending school committee or school directors, and any school which received any direct state aid in 1950, and municipal tuition funds amounting to at least the amount of such state aid, during the same year, except that Maine Wesleyan Seminary & College, commonly known as Kents Hill School, as of September 23, 1971, **Bridgton Academy, Gould Academy and North Yarmouth Academy as of September 1, 1979**, shall be excluded from such coverage as is extended by the Maine State Retirement System.

Sec. 2. Application and effective dates. That part of section 1 which applies to Bridgton Academy, Gould Academy and North Yarmouth Academy shall be applied to employees of these schools who are members of the Maine State Retirement System as "teachers" on September 1, 1979, under the following conditions.

1. Continue membership. Those persons who indicate a desire to continue membership in the Maine State Retirement System shall be permitted to do so.
2. Terminate membership. Those persons who desire to terminate membership in the Maine State Retirement System may be permitted to do so and receive a refund of the member's contributions and interest.
3. Vested interest. Those persons who have attained a vested interest in the Maine State Retirement System may elect to terminate membership in the Maine State Retirement System and freeze their vested interest.

For those persons who elect to continue membership in the Maine State Retirement System and those who have a vested right and elect to freeze their vested interest, the Maine State Retirement System shall annually charge the respective academy for the employer cost of Maine State Retirement System benefits, using the same actuarial costs that are determined for public school teachers in other school systems within the State.

STATEMENT OF FACT

In 1950, Bridgton Academy, Gould Academy and North Yarmouth Academy served as high schools for communities in their respective areas and received substantial municipal tuition funds, which resulted in their being classified in the category of public schools under the Maine State Retirement System and their teachers were included in the membership of the Maine State Retirement System. As such, the employer costs for retirement benefits are paid via state appropriations in the same manner as retirement costs for public school teachers within the public school systems of the State. Over the years, the 3 schools have become private schools and it is felt that the State General Fund should no longer be financing the employer retirement costs for teachers in these schools. However, in order to protect the retirement rights of teachers currently working in these schools it is proposed that those persons who are members of the system on September 1, 1979, be permitted the choice of remaining under the system, exiting from the Maine State Retirement System or persons with vested rights freezing these rights with no further participation. It is also proposed that those persons who elect to stay under the system should have their employer retirement costs funded by the school on a direct billing basis.

The above proposed process to protect benefit rights of teachers employed by these schools follows the same approach as used in the state teacher colleges when merged with the University of Maine.