

SECOND REGULAR SESSION
ONE HUNDRED AND TENTH LEGISLATURE
Legislative Document No. 1704
H. P. 1719 Reference to the Committee on Aging, Retirement and Veterans suggested and 1,600 ordered printed. Approved for introduction by the Legislative Council pursuant to Joint Rule 26.
EDWIN H. PERT, Clerk Presented by Representative Kelleher of Bangor
STATE OF MAINE
IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-TWO
AN ACT to Revise the Maine State Retirement Law to Provide Local Participating Districts the Option of Paying Employees' Mandatory Contri- butions to the Maine State Retirement System.
Be it enacted by the People of the State of Maine as follows:
Sec. 1. 5 MRSA §1062, sub-§2, ¶G, as enacted by PL 1981, c. 453, §1, is amended to read:
<u>G.</u> Notwithstanding any other provision in this chap- ter, the State or a local participating district may agree- to- provide through a collective bargaining con- tract payment for pay a member's mandatory contribution to the Maine State Retirement System, as set by section 1095, in lieu of deducting the contribution from a member's compensation. Payments made pursuant to a collective bargaining contract this paragraph shall be

1 accumulated in the Maine State Retirement Allowance 2 Fund. Payments shall be made in the same manner and on 3 the same basis as contributions deducted from the 4 member's compensation pursuant to paragraph A. Contri-5 6 butions made by the State or a local participating dis-trict on behalf of a member under this paragraph shall 7 not be refunded in the event of withdrawal from member-8 ship or termination of service or in the event of 9 death.

10 Sec. 2. 5 MRSA §1095, sub-§9, as enacted by PL 1981, 11 c. 453, §2, is amended to read:

12 Payments by the State or a local participating dis-9. trict in lieu of member's mandatory contributions. When the 13 14 State or a local participating district pays for the member's mandatory contribution pursuant- to- a- collective 15 bargaining- contract, as authorized by section 1062, subsec-16 tion 2, paragraph G, the percentage rate paid by the State 17 18 or a local participating district shall be that rate determined by the actuary and approved by the board which pro-19 20 vides the same net revenues to the Maine State Retirement 21 System as the applicable mandatory rate paid by the member.

22 Sec. 3. 5 MRSA §1096, last ¶, last sentence, as 23 enacted by PL 1981, c. 453, §3, is amended to read:

This section shall not apply to member contributions which
have been paid by the State or a local participating district.

27

Statement of Fact

Public Law 1981, chapter 453, provided for the State to
pay for its employees' mandatory contributions to the Maine
State Retirement System. This bill provides a similar
option to local participating districts for their employees.

2-L.D. 1704