

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TENTH LEGISLATURE
4

5 **Legislative Document**

No. 1966

6
7 H. P. 1990 House of Representatives, February 11, 1982
Approved for introduction by the Legislative Council pursuant to
Joint Rule 26.

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

8 EDWIN H. PERT, Clerk

Presented by Representative Walker of Skowhegan.

Cosponsors: Representative Richard of Madison and Repre-
sentative Crowley of Stockton Springs.

9
10 STATE OF MAINE
11

12 IN THE YEAR OF OUR LORD
13 NINETEEN HUNDRED AND EIGHTY-TWO
14

15 AN ACT to Reduce Discrimination by
16 Allowing Employees of Local Districts
17 which Participate in the Social Security
18 System the Option of Withdrawal from the
19 Maine State Retirement System.
20

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

22 Sec. 1. 5 MRSA §1092, sub-§5-A is enacted to read:

23 5-A. Membership in districts which participate in the
24 Social Security System. Participating local districts in
25 which employees are covered under the United States Social
26 Security System shall allow optional withdrawal from the
27 Maine State Retirement System for their members.

28 From September 1, 1982, membership in the Maine State
29 Retirement System shall be optional for all those who are
30 employees of the district.

31 New employees may join either at the commencement of their
32 employment, or on the next 2 anniversaries of the commence-

1 ment of their employment, as long as they are still employ-
2 ees of the participating local district and the district
3 continues as a participating unit.

4 Employees who are participating members of the state system
5 who wish to withdraw from the system may withdraw their con-
6 tributions, as provided for in section 1096, at their own
7 discretion.

8 Employees who have previously withdrawn from the system may
9 choose to rejoin within 3 years of their withdrawal, pro-
10 vided that:

11 A. They repay to the system an amount equivalent to
12 the withdrawn contributions and, in addition, the
13 amount of interest which would be required of termi-
14 nated employees who had become reemployed and had
15 elected to rejoin the system and to repay their contri-
16 butions; and

17 B. The district is still a participating local dis-
18 trict allowing new membership in the Maine State
19 Retirement System. This right to rejoin shall be
20 limited to one occurrence.

21 An employee who withdraws from the system and rejoins within
22 the 3-year period shall not receive any retirement credit,
23 and shall not be required to make any contribution for any
24 year or part of a year during which he was withdrawn from
25 the system.

26 **Sec. 2. Effective date.** This Act takes effect Septem-
27 ber 1, 1982.

28 STATEMENT OF FACT

29 This bill requires local participating districts where
30 employees are also covered by Social Security to offer the
31 option of coverage under only one system. It also estab-
32 lishes provisions for the withdrawal of members and their
33 contributions, for rejoining and for the status of retire-
34 ment credit and contributions during the period of with-
35 drawal. The bill allows flexibility to employees to decide
36 whether to join the state system or the state and the fed-
37 eral systems.

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