

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

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Legislative Document

No. 1333

S.P. 424

Received by the Secretary, April 20, 1993

**An Act to Change Beneficiary Provisions for Survivor Benefits in the  
Maine State Retirement System.**

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Referred to the Committee on Aging, Retirement and Veterans and 1200 ordered printed  
pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator PARADIS of Aroostook.

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

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4       **Sec. 1. 5 MRSA §17054, sub-§3**, as amended by PL 1991, c. 746,  
§7 and affected by §10, is further amended to read:

6       **3. Recovery of overpayments by the retirement system.** Any  
8 amounts due the retirement system as the result of overpayment of  
10 benefits or an excess refund of contributions may be recovered  
12 from an individual's contributions or any benefits payable under  
14 this Part to the individual or the beneficiary of the  
16 individual. If the overpayment or excess refund of contributions  
18 resulted from an unintentional mistake by an employee of the  
20 retirement system, the retiree or the recipient of the benefit,  
no interest may be collected by the retirement system on the  
amount to be recovered. The executive director may also take  
action to recover those amounts due from any amounts payable to  
the individual by any other state agency or by an action in a  
court of competent jurisdiction. Whenever the executive director  
makes a decision to recover any amounts under this subsection,  
that decision is subject to appeal under section 17451; and

22       **Sec. 2. 5 MRSA §17054, sub-§4**, as enacted by PL 1991, c. 746,  
24 §8 and affected by §10, is amended to read:

26       **4. Qualified domestic relations order.** The rights of a  
28 member or retiree under this Part are subject to the rights of or  
assignment to an alternate payee under a qualified domestic  
relations order in accordance with section 17059; and

30       **Sec. 3. 5 MRSA §17054, sub-§5** is enacted to read:

32       **5. Transfer of rights by original beneficiary.** An original  
34 beneficiary named by the member may elect to name another person  
as beneficiary in place of the original beneficiary, removing all  
36 rights of surviving benefits of the first beneficiary and  
transferring these rights to another person. The surviving  
38 benefits calculated based on the original beneficiary do not  
change and are payable to the new beneficiary until the benefits  
40 would have expired under the original beneficiary's rights. This  
subsection applies only to survivor benefits and to no other part  
of the system.

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48                                   **STATEMENT OF FACT**

50       This bill allows for the transfer of rights of a surviving  
beneficiary to another person, only once and only by the original  
beneficiary. Currently, the law does not allow the assignment of  
benefits by the beneficiary, other than an election not to

2 receive benefits, in which case the benefits would be divided  
among the remaining beneficiaries or others as dictated by the  
4 law. This bill does not apply to life insurance or any other  
type of benefits allowed under the Maine State Retirement System.