

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 812, L.D. 1100, Bill, "An Act to Amend the Laws Relating to Vesting in the Maine State Retirement System"

Amend the amendment by striking out all of section 1.

Further amend the amendment by striking out all of section 10 and inserting in its place the following:

'Sec. 10. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1998-99

ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF

Salary Plan

Personal Services \$48,857

Provides funds to be held in reserve in the event that costs associated with the increase in the normal cost component of the employer contribution rate from reducing the service requirement for benefit eligibility for state employees and judges for retirement costs exceed the amounts available for state departments and

HOUSE AMENDMENT

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 812, L.D.
1100

2	agencies. Because the normal cost component	
4	of the employer contribution rate for state	
6	employees is actuarially established based	
8	on projected salaries as a rate that must be	
10	applied to actual salaries, the funds	
	resulting from the application of the	
	actuarially established rate constitute	
	appropriated funds. The funds here	
	specified constitute estimates and not	
	appropriated funds.	
12	DEPARTMENT OF ADMINISTRATIVE AND	
14	FINANCIAL SERVICES	
16	TOTAL	<u>\$48,857</u>
18	EDUCATION, DEPARTMENT OF	
20	Teacher Retirement	
22	All Other	\$687,210
24	Provides funds for the unfunded liability	
26	costs and the increase in the normal cost	
28	component of the employer contribution rate	
	that results from reducing the service	
	requirement for benefit eligibility for	
	teachers from 10 to 5 years.	
30	DEPARTMENT OF EDUCATION	
32	TOTAL	<u>\$687,210</u>
34	MAINE STATE RETIREMENT SYSTEM, BOARD	
36	OF TRUSTEES OF THE	
38	Retirement Allowance Fund	
40	Personal Services	\$120,059
42	Provides funds for the unfunded liability	
44	costs related to reducing the service	
46	requirement for benefit eligibility for	
48	state employees and judges from 10 years to	
	5 years.	
50	BOARD OF TRUSTEES OF THE MAINE STATE	
	RETIREMENT SYSTEM	
	TOTAL	<u>\$120,059</u>
	TOTAL APPROPRIATIONS	<u>\$856,126'</u>

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 812, L.D. 1100

2 Further amend the amendment by relettering or renumbering
4 any nonconsecutive Part letter or section number to read
consecutively.

6 **FISCAL NOTE**

8 **1998-99**

10 **APPROPRIATIONS/ALLOCATIONS**

12 General Fund (\$53,000)

14 The amendment reduces the General Fund cost of the bill by
16 \$53,000 by excluding Legislators from the group of individuals
eligible for the 5-year service requirement for benefit
18 eligibility.

20 **SUMMARY**

22 This amendment reinstates 10 years as the number of years of
24 creditable service needed by Legislators who are not in service
at the time of retirement to be eligible to receive service
26 retirement benefits at the applicable normal retirement age.

28
30 SPONSORED BY: *John MacDougall*
(Representative MacDOUGALL)

32 TOWN: North Berwick
34

HOUSE AMENDMENT