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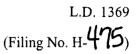
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Date: 6/12/13	Minoritz
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STATE AND LOCAL GOVERNMENT

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

126TH LEGISLATURE

FIRST REGULAR SESSION

9 COMMITTEE AMENDMENT "A" to H.P. 977, L.D. 1369, Bill, "An Act To 10 Change the Way Legislators Are Paid"

11 Amend the bill in section 1 in the first paragraph in the 2nd and 3rd lines (page 1, 12 lines 5 and 6 in L.D.) by striking out the following: "\$20,000" in the first year and 13 \$7,725 \$20,000" and inserting the following: '\$18,000 in the first year and 14 \$7,725 \$18,000'

15 Amend the bill by inserting after section 12 the following:

16 'Sec. 13. Executive Director of Legislative Council required to review the 17 status of Legislators being considered self-employed and independent contractors by February 15, 2014. The Executive Director of the Legislative 18 19 Council shall determine the implications of considering Legislators self-employed and 20 independent contractors and the effect of such a consideration on workers' compensation, 21 unemployment insurance, retirement, Social Security and Medicare benefits, disability 22 and withholding obligations. The executive director may consult with the Department of 23 Labor, the Department of Administrative and Financial Services, Maine Revenue 24 Services, the United States Social Security Administration, the federal Internal Revenue 25 Service, the United States Department of Health and Human Services, Centers for 26 Medicare and Medicaid Services and other entities as needed. The executive director 27 shall report the executive director's findings and recommendations to the Joint Standing 28 Committee on State and Local Government no later than February 15, 2014. The Joint 29 Standing Committee on State and Local Government may report out a bill to the Second 30 Regular Session of the 126th Legislature related to the findings and recommendations in 31 the report.

32 Sec. 14. Appropriations and allocations. The following appropriations and allocations are made.

- 34 LEGISLATURE
- 35 Legislature 0081

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COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "4" to H.P. 977, L.D. 1369



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Initiative: Adjusts funding to reflect the change in the employment status and salaries of Legislators.

3 4	GENERAL FUND Personal Services	2013-14 \$0	2014-15 (\$5,184,266)
5	All Other	\$0	\$3,447,000
0 7 0	GENERAL FUND TOTAL	\$0	(\$1,737,266)

9 Amend the bill by relettering or renumbering any nonconsecutive Part letter or 10 section number to read consecutively.

SUMMARY

This amendment is the minority report of the committee and provides that Legislators 12 are paid \$18,000 in both the first regular session and the second regular session instead of 13 14 \$20,000 in each session as provided in the bill. The amendment requires the Executive Director of the Legislative Council to determine the implications of considering 15 Legislators self-employed and independent contractors and to report findings and 16 17 recommendations on the effect of such a consideration on workers' compensation, unemployment insurance, retirement, Social Security and Medicare benefits, disability 18 19 and withholding obligations to the Joint Standing Committee on State and Local 20 Government by February 15, 2014. The Joint Standing Committee on State and Local 21 Government may report out a bill in the Second Regular Session of the 126th Legislature 22 related to the findings and recommendations in the report.

23 This amendment adds an appropriations and allocations section to the bill.

- 24 FISCAL NOTE REQUIRED
- 25

(See attached)

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COMMITTEE AMENDMENT



126th MAINE LEGISLATURE

LD 1369

LR 941(02)

An Act To Change the Way Legislators Are Paid

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-475) Committee: State and Local Government Fiscal Note Required: Yes

Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings) General Fund	\$0	(\$1,737,266)	(\$949,324)	(\$2,093,870)
Appropriations/Allocations General Fund	\$0	(\$1,737,266)	(\$949,324)	(\$2,093,870)

Fiscal Detail and Notes

The change of the employment status and the payment of salaries will result in net savings to the Legislature beginning in fiscal year 2014-15. Estimated net savings for the 127th Legislature are projected to be \$1,737,266 in fiscal year 2014-15 for the first regular session and \$949,324 in fiscal year 2015-16 for the second regular session. A General Fund deappropriation of \$1,737,266 is included in the bill to recognize the savings in fiscal year 2014-15.

The Maine Public Employees Retirement System will incur additional costs to close the Legislative Retirement Plan. Whether the surplus funds currently in the Legislative Retirement Plan will be sufficient to cover these costs can not be determined at this time.

The Maine Public Employees Retirement System will incur some minor additional costs to develop legislation to close the Legislative Retirement Program. These costs can be absorbed within the existing budgeted resources of the system.

The net impact on the State Employee and Teacher Retirement Program and the amount, if any, to be refunded from the Legislative Retirement Program can not be determined at this time.