MAINE STATE LEGISLATURE

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STATE OF MAINE

ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON

AGING, RETIREMENT AND VETERANS

BILL SUMMARY



MAY 1986

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ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

JOINT STANDING COMMITTEE BILL SUMMARIES MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

Ought to Pass OTP Ought to Pass in New Draft OTP-ND Ought to Pass in New Draft, New Title OTP-ND-NT Ought to Pass as Amended OTP-AM Ought Not to Pass ONTP Leave to Withdraw LVWD Indefinitely Postponed INDEF PP

During the committee's deliberations on the bill, it became apparent that there was a larger problem with the status of the Preschool Coordination Projects and that they lacked a "legal employer" for the purposes of making contributions to the federal Social Security System. The new draft creates a Preschool Handicapped Coordination Services Council to act as the employer of the project personnel. It provided that all employees will contribute to the federal Social Security System. The newly established council is an independent state agency and therefore is eligible to become a participating district within the Maine State Retirement System. This participating district option will allow those employees who are members of the Maine State Retirement System to continue their membership through the new participating district if they choose. The new draft also makes the bill an emergency so that the new retirement provisions can go into effect at the start of the fiscal year on July 1.

The Senate Amendment B (S-518) adds an appropriation section which transfers money from the Department of Educational and Cultural Services teacher retirement account to the preschool project account to pay for the employer's share of Social Security and Maine State Retirement for the new council's employees. Senate Amendment A (S-516) would only have provided funds for the employer's share of Maine State Retirement.

LD 2366 AN ACT RELATING TO RETIREMENT BENEFITS FOR CONFIDENTIAL STATE EMPLOYEES

PL 1985 c. 795

Sponsor: MARTIN J.
Committee Report: New Draft of LD 2197. OTP

SUMMARY: The new draft of the bill provides an adjustment to the calculation of the pensions of confidential employees to compensate for the loss in benefits resulting from State payment of the confidential employees' retirement contributions. The bill provides for the adjustment to start as of July 1983. The factor is reduced each year thereafter and will become zero when the savings benefit of the State payment of employees' retirement contributions compensates for the reduction in retirement benefits.