

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SECOND LEGISLATURE

Legislative Document

No. 97

H. P. 88

House of Representatives, January 13, 1965.

Referred to Committee on Retirements and Pensions. Sent up for concurrence and ordered printed.

JEROME G. PLANTE, Clerk

Presented by Mr. Anderson of Orono.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-FIVE

AN ACT Increasing Retirement Benefits Under State Retirement System.

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

Sec. 1. R. S., T. 5, § 1121, sub-§ 2, ¶ A, repealed and replaced. Paragraph A of subsection 2 of section 1121 of Title 5 of the Revised Statutes is repealed and the following enacted in place thereof:

'A. The total amount of the service retirement allowance of a member retired in accordance with subsection 1 shall be equal to the sum of subparagraphs (1), (2) and (3), subject to paragraphs B and C and subsection 4:

(1) For service rendered between July 1, 1947 and July 1, 1965, 1/70 of his average final compensation multiplied by the number of years of his membership service, and

(2) For service rendered after July 1, 1965, 1/60 of his average final compensation multiplied by the number of years of his membership service, and

(3) If he has a prior service certificate in full force and effect, 1/50 of his average final compensation multiplied by the number of years, not to exceed 25, of his prior service or, if the member was formerly subject to the Revised Statutes of 1944, chapter 37, sections 212 to 241, 1/70 of his average final compensation multiplied by the number of years of his prior service.'

Sec. 2. R. S., T. 5, § 1121, sub-§ 5, amended. Subsection 5 of section 1121 of Title 5 of the Revised Statutes is amended to read as follows:

5. Teachers. Any teacher who began to teach in the public schools of Maine prior to July 1, 1947 and has attained 60 years of age shall, upon proper application and verification of at least 15 years of such teaching service, be granted a minimum monthly benefit of \$25. If, by virtue of length of teaching service in Maine and using the formula of $1/70$ of average final compensation for service rendered before July 1, 1965 and $1/60$ of average final compensation for service rendered after July 1, 1965, times the years so taught and verified, a greater monthly benefit is developed, then the greater amount shall be paid. Proper adjustments in benefits already being paid under this section shall be made, in those cases affected, on the first monthly pension payroll subsequent to March 3, 1962.'

Sec. 3. R. S., T. 5, § 1122, sub-§ 1, ¶ B, amended. Paragraph B of subsection 1 of section 1122 of Title 5 of the Revised Statutes is amended to read as follows:

B. Upon retirement in accordance with paragraph A a member shall receive a retirement allowance determined as follows, or, if eligible, a service retirement allowance determined in accordance with section 1121, if greater:

An amount equal to 90% of $1/70$ of his average final compensation multiplied by the number of years of his creditable service prior to July 1, 1965 added to $1/60$ of his average final compensation multiplied by the number of his years of creditable service subsequent to that date, if such retirement allowance exceeds 25% of his average final compensation; otherwise an amount equal to 25% of his average final compensation, provided such allowance shall not exceed 90% of $1/70$ of his average final compensation multiplied by the number of years of his creditable service prior to July 1, 1965 added to $1/60$ of his average final compensation multiplied by the number of his years which would be creditable to him were his creditable service to include the period from the time of retirement to the attainment of age 60. At the death of the member after retirement the excess, if any, of his accumulated contributions at the time of his retirement over the portion of the total retirement allowance payments, actually made to him during his lifetime, which is the actuarial equivalent of such accumulated contributions, shall be paid in a lump sum to such person, if any, as he has nominated by written designation duly acknowledged and filed with the board of trustees, otherwise his estate.'