

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 1015

H. P. 720

House of Representatives, February 22, 1967

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

BERTHA W. JOHNSON, Clerk

Presented by Mr. Martin of Eagle Lake.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT Establishing Social Security Benefits for State Classified Service Employees.

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

Sec. 1. R. S., T. 5, § 1221, amended. The first sentence of section 1221 of Title 5 of the Revised Statutes is amended to read as follows:

In order to extend to **classified service employees of this State**, to employees of the political subdivisions of the State of Maine, and to the civilian employees of the Maine National Guard who are employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U. S. C., sec. 42), whether members of existing retirement or pension systems or not, the benefits of social security, provided under the Federal Social Security Act enacted by the Congress of the United States, it is declared to be the policy of the Legislature, subject to the limitations of this chapter, that such steps be taken as to provide such protection to such employees on as broad a basis as is permitted under the Social Security Act.

Sec. 2. R. S., T. 5, § 1223-A, additional. Title 5 of the Revised Statutes is amended by adding a new section 1223-A, to read as follows:

§ 1223-A. Classified service employees

The state agency, with the approval of the Governor, is authorized to enter on behalf of the State into an agreement with the Secretary of Health, Education and Welfare for the purpose of extending the benefits of the Federal Old Age and Survivors Insurance System (42 U. S. C. A. 401, et seq.), to classified service employees as defined in section 522. Such agreement may contain such provisions relating to coverage, benefits, contributions, effective date, modifica-

tion and termination of the agreement, administration and other appropriate provisions as the state agency and the Secretary of Health, Education and Welfare shall agree upon, but, except as may be otherwise required by or under the Social Security Act as to the services to be covered, such agreement shall provide in effect that:

1. **Benefits.** Benefits shall be provided for all classified service employees and their dependents and survivors, as though their services constituted employment within the meaning of Title II of the Social Security Act.

2. **Contributions.** The State shall pay to the Secretary of the Treasury, at such time or times as may be prescribed under the Social Security Act, contributions with respect to wages, as defined in section 1222, equal to the sum of the taxes which would be imposed by sections 1400 and 1410 of the Federal Insurance Contributions Act if the services covered by the agreement constituted employment within the meaning of that Act.

3. **Effective date.** Such agreement shall be effective with respect to services in employment covered by the agreement performed after a date specified therein, but in no event may it be effective with respect to any services performed prior to the effective date of this Act.

4. **Services covered.** All services performed as a classified service employee shall be covered by the agreement.

5. **Maine State Retirement System benefits.** The benefits provided in this section are in addition to, and not in substitution of, the Maine State Retirement System benefits provided for in chapter 101.

6. **Grandfather clause.** Any classified service employee in the classified service on the effective date of this Act may, not later than the 60th day following said date notify the board of trustees of the state agency, in writing, of his desire to abstain from the benefits of this Act, in which event he shall be so excluded. Any classified service employee joining the classified service subsequent to the effective date of this Act will automatically be included in its provisions.

Sec. 3. R. S., T. 5, § 1227, amended. Section 1227 of Title 5 of the Revised Statutes is amended to read as follows:

§ 1227. Cost of administration

Any cost of administering this chapter, other than that portion of same attributable to section 1223-A, may be prorated among the political subdivisions joining this plan. A revolving fund of \$10,000 is appropriated from the Unappropriated Surplus of the General Fund of the State from which costs of administration shall be paid and to which shall be credited the amounts billed to and received from the political subdivisions in the plan.

Sec. 4. Appropriation. There is appropriated from the General Fund the sum of \$2,200,000 for the fiscal year ending June 30, 1968 and the sum of \$2,200,000 for the fiscal year ending June 30, 1969 to carry out the purposes of this Act.