

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1135

S. P. 337

In Senate, March 4, 1969

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

JERROLD B. SPEERS, Secretary

Presented by Senator Hanson of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT Altering Formula for Retirement Under State Retirement System.

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

Sec. 1. R. S., T. 5, § 1033, sub-§ 3, additional. Section 1033 of Title 5 of the Revised Statutes is amended by adding a new subsection 3, to read as follows:

3. Local district to certify. Any participating local district which is included under the retirement system shall be subject to all the provisions of this chapter unless it files with the board of trustees on or before July 1, 1971 a duly certified copy of the vote of the county commissioners or of the city council or such corresponding body or a record of the vote of the town voters certified by the clerk of the town meeting, setting forth in such action those provisions of this chapter which are not to be accepted by the district in question, except any local participating district may elect to retain any or all of those provisions of the retirement law said district accepted at the time of the original agreement and including any changes subsequently accepted or selected by the district. Any participating local district shall be entitled to a revaluation in order to determine the cost of any provisions which may be adopted and the expense of such revaluation shall be assessed to and paid by the participating local district.

Sec. 2. R. S., T. 5, § 1033, sub-§ 4, additional. Section 1033 of Title 5 of the Revised Statutes is amended by adding a new subsection 4 to read as follows:

4. Notice to local districts of changes. The executive secretary of the retirement system shall cause to be mailed by registered mail a written notice to each participating local district, setting forth the changes as provided by this chapter.

Sec. 3. R. S., T. 5, § 1121, sub-§ 2, ¶ A, sub-¶ (1), amended. Subparagraph (1) of paragraph A of subsection 2 of section 1121 of Title 5 of the Revised Statutes is amended to read as follows:

(1) ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years of his membership service, and

Sec. 4. R. S., T. 5, § 1121, sub-§ 2, ¶ A, sub-¶ (3), additional. Paragraph A of subsection 2 of section 1121 of Title 5 of the Revised Statutes is amended by adding a new subparagraph (3) to read as follows:

(3) Each person receiving a retirement allowance shall become entitled to a recomputation of benefits based upon the change in formula provided by this chapter and such amount, exclusive of retirement allowance adjustments as granted under section 1128 shall be paid. Such adjustments as may have been granted under section 1128 shall not be changed, improved or impaired.

Sec. 5. 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 grater: An amount equal to 90% of ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years of his creditable service, 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~~ 1/60 of his average final compensation multiplied by the number of 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.

Each person receiving a retirement allowance shall become entitled to a recomputation of benefits based upon the change in formula provided by this chapter and such amount, exclusive of retirement allowance adjustments as granted under section 1128 shall be paid. Such adjustments as may have been granted under section 1128 shall not be changed, improved or impaired.