

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 330

H. P. 249

House of Representatives, January 21, 1971

Referred to Committee on Veterans and Retirement. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mrs. Lincoln of Bethel.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Relating to Payment of Retirement Allowances under
State Retirement System.

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

Sec. 1. R. S., T. 5, § 1126, amended. The 3rd, 4th and 5th paragraphs of section 1126 of Title 5 of the Revised Statutes are amended to read as follows:

Option 2. A reduced retirement allowance payable during his life, with the provision that it shall continue after his death for the life of the beneficiary nominated by him by written designation duly acknowledged and filed with the board of trustees at the time of retirement should such beneficiary survive him; or **in the event said beneficiary predeceases the retiree the board of trustees shall upon the first day of the month following written notification thereof adjust the entire balance of retiree payments to provide for full retirement benefits; or**

Option 3. A reduced retirement allowance payable during his life, with the provision that it shall continue after his death at $\frac{1}{2}$ of the rate paid to him and be paid for the life of the beneficiary nominated by him by written designation duly acknowledged and filed with the board of trustees at the time of retirement should such beneficiary survive him; or **in the event said beneficiary predeceases the retiree the board of trustees shall upon the first day of the month following written notification thereof adjust the entire balance for full retirement benefits; or**

Option 4. A reduced retirement allowance payable during his life with some other benefit payable after his death, provided the total value of the allowance during his life and of the succeeding benefit shall be computed

to be of equivalent actuarial value to the allowance which he would receive without optional modifications, and provided the benefit shall be approved by the board of trustees; or in the event said beneficiary predeceases the retiree the board of trustees shall upon the first day of the month following written notification thereof, adjust the entire balance of retiree payments to provide for full retirement benefits; or

Sec. 2. R. S., T. 5, § 1126, amended. Section 1126 of Title 5 of the Revised Statutes is amended by adding at the end the following new paragraph:

Option 5. A full retirement allowance payable during his life with the provision that it shall continue after his death at 4/5 of the rate paid to him and be paid for the life of his spouse by written designation and filed with the board of trustees at the time of his retirement.

STATEMENT OF FACT

The intent of this Act is to make reasonable adjustments in the beneficiary contracts with the System when the circumstances of the original contract change.

The added Option 5 is to provide for improved benefits to the spouse as a beneficiary.