

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
105TH LEGISLATURE

HOUSE AMENDMENT " B " to H. P. 625, L. D. 835, Bill, "AN ACT
Relating to Service Retirement of Teachers under State Retirement
System."

Amend said Bill by striking out everything after the
enacting clause and inserting in place thereof the following:

'Sec. 1. R. S., T. 5, § 1095, amended. Section 1095 of
Title 5 of the Revised Statutes, as amended, is further amended
by inserting after the first paragraph the following new
paragraph:

Each member shall, after January 1, 1972 make a contribution
of earnable compensation to the retirement system as determined
by the actuary to meet the costs provided by the prior service
provisions for teachers in section 1121, subsection 2, paragraph
A, subparagraph (2). The rate of contribution shall be set by
the board of trustees and shall be reviewed annually by the
actuary and the rate of contribution shall be adjusted by the
board of trustees if such adjustment is recommended by the
actuary, but for the purposes of section 1121, subsection 2,
paragraph A, subparagraph (2) the contribution rate shall not
exceed 5.7% of the member's earnable compensation.

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

(2) 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

(Filing No. A-388)

to the Revised Statutes of 1944, chapter 37, sections 212 to 241, ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years of his prior service. Adjustments in benefits already being paid under this section shall be made by the board of trustees by applying a uniform 16 2/3% of benefits currently being paid for prior service under this subsection, said adjustment will be effective on the first monthly payroll of January, 1972.'

Statement of Fact

During the 104th Legislature basic adjustments in this subsection were made allowing service retirement to be computed at 1/60 times the number of years of membership service. It was learned following the close of the regular session that for teachers this adjustment applied only to service membership following June 30, 1947 and all service credit prior to that time remained at 1/70. This amendment seeks to bring service credit into line with the state employees and to provide for contributions.

Filed by Mr. Millett of Dixmont.

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