

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 865

H. P. 635

House of Representatives, February 16, 1971

Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Simpson of Millinocket.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

AN ACT Appropriating Funds for the Payment of Life Insurance Premiums for All State Employees.

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

Sec. 1. R. S., T. 5, § 1151, sub-§ 4, amended. Subsection 4 of section 1151 of Title 5 of the Revised Statutes is amended to read as follows:

4. Employee automatically insured. All employees eligible under the terms of this section will be automatically insured for the maximum amounts applicable thereunder, commencing on the date they first become so eligible. ~~Any employee desiring not to be insured shall, on appropriate form, give written notice to his employing officer that he desires not to be insured. If such notice is received before the employee shall have become insured under such policy, he shall not be so insured; if it is received after he shall have become insured, his insurance under the policy will cease, effective with the end of the pay period during which the notice is received by the employing office. Any person who desires not to be insured may subsequently apply for insurance, but may be required to produce evidence of insurability at his own expense and in accordance with the requirements of the board of trustees.~~

Sec. 2. R. S., T. 5, § 1151, sub-§ 6, repealed. Subsection 6 of section 1151 of Title 5 of the Revised Statutes, is repealed.

Sec. 3. R. S., T. 5, § 1151, sub-§ 7, amended. The 2nd sentence of subsection 7 of section 1151 of Title 5 of the Revised Statutes is amended to read as follows:

For each period in which an employee is insured under a policy of insurance purchased by the board, there shall be contributed from such fund a sum

computed at a rate determined by the board to be sufficient to pay the ~~balance~~ **total cost of basic coverage** of the premiums of such policy or policies purchased in conformity with this section.

Sec. 4. R. S., T. 5, § 1151, sub-§ 7, amended. The 4th and 5th sentences of subsection 7 of section 1151 of Title 5 of the Revised Statutes are amended to read as follows:

There is appropriated from the Unappropriated Surplus of the General Fund the sum of ~~\$50,000~~ **\$608,900** to be a revolving fund for the use of the board in carrying out the purposes stipulated herein. Not later than 90 days after the close of each fiscal year there shall be transferred from Unappropriated Surplus an amount sufficient to restore the "Group Life Insurance Fund" to ~~\$50,000~~ **\$608,900**.

STATEMENT OF FACT

It is the intent of the Legislature to adjust the benefits of state employees to reflect competitive benefits now being paid by cities, towns and commerce and industry throughout the State of Maine. It is the further intent of the Legislature to extend similar coverage of this Act to all classified University of Maine employees. The appropriations for university employees to come from the university budget and the board of trustees are urged to amend their life insurance coverage of their classified employees accordingly.