

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
106TH LEGISLATURE
FIRST SPECIAL SESSION

D. Q. E. R.

SENATE AMENDMENT "E" to S. P. 953, L. D. 2606, Bill, "AN ACT to Correct Errors and Inconsistencies in the Public Laws."

Amend said Bill by inserting after section 16 the following:

'Sec. 16-A. R. S. T. 5, §888, repealed and replaced. Section 888 of Title 5 of the Revised Statutes, as enacted by chapter 491 of the public laws of 1973, is repealed and the following enacted in place thereof:

§888. Application

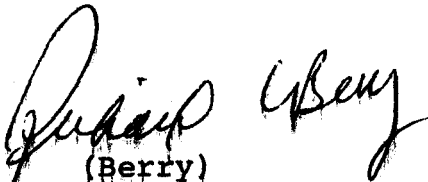
Any compensation or portion of compensation reduced by an employee in conjunction with a deferred compensation program shall remain as a general, unpledged asset of the State, county, city, town or other political subdivision until such time as the deferred compensation program covering such employee calls for distribution. Any compensation or portion of compensation reduced shall be considered in calculating any employee benefits and it shall be subject to any withholding imposed on such employee. Any compensation or portion of compensation reduced shall not be subject to any income taxation until distribution is actually made to the employee.'

Statement of Fact

Section 888 of Title 5 of the Revised Statutes as now written is unclear as to employee benefits. It is the opinion of the advisory council on deferred compensation plans that election of a deferred compensation plan by an employee would affect both retirement benefits and group life insurance benefits. This language, developed by the office of the Maine Attorney General, should correct the problem.

(Filing No. S-432)

D. DE P


(Berry)
NAME:

COUNTY: Cumberland