

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-1105)
107TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1860, L.D. 2027, Bill,
"AN ACT to Clarify the Retirement Statutes."

Amend said Bill in section 1 by striking out all of the last underlined sentence and inserting in place thereof the following:

'Such additional benefit shall be equal to the annual accrual of benefits under the formula applicable to the individual as determined by section 1121, subsection 2.'

Further amend said Bill in section 2 by striking out the last 2 sentences and inserting in place thereof the following:
~~'Accumulated-or-accrued-leave-shall-not-include-lapsed-leave,-or-other-leave-beyond-a-maximum-set-as-accumulated-or-accrued-by personnel-rules-or-regulations-or-by-contract. Accumulated or accrued leave credited for membership service shall not exceed a total of 90 days, except as provided by this section.'~~

Accumulated or accrued leave beyond 90 days may be credited for membership service, up to the maximum set as accumulated or accrued, without lapsing, by personnel rules or regulations, or by contract, if:

A. For state employees. The member, prior to the date any retirement allowance becomes effective for him, deposits in the Members' Contribution Fund, by a single payment, ^{such amount as} ~~will be~~ actuarial the equivalent, at the effective date of his retirement allowance, of the portion of his retirement allowance based on such additional creditable service beyond 90 days;

- B. For teachers. The member, or the school administrative unit employing the member, deposits in the Members' Contribution Fund, by a single payment, such amount as will be the actuarial equivalent, at the effective date of his retirement allowance, of the portion of his retirement allowance based on such additional creditable service beyond 90 days. The member and the school administrative unit may determine, by contract, the proportion to be deposited by each to secure this additional creditable service; and
- C. For local districts. The local district elects this benefit and pays into the system the entire actuarial equivalent of this provision.

Paragraph B shall not apply to teachers who retire immediately following completion of the contractual obligations of a contract valid and in effect on the effective date of this Act. Such retiring teachers may receive credit for membership service for accumulated or accrued leave under this section as in effect immediately prior to the effective date of this Act.'

Further amend said Bill by inserting after section 2 the following:

'Sec. 2-A. 5 MRSA §1095, sub-§§6 and 7, as repealed and replaced by PL 1975, c. 622, §38-B, are amended to read:

6. Fire fighters. Each fire fighter, including the chief of a fire department, shall be required to contribute at a rate of 8% of earnable compensation as long as he is employed as a fire fighter; except a participating local district may elect

to reduce such rate of contribution to ~~6.5%-of-earnable compensation~~ the contribution rate required to provide benefits under the formula applicable to the individual as determined by section 1121, subsection 2, for all fire fighters who continue employment after attaining eligibility for retirement, for the remainder of their employment as fire fighters.

7. Police officers. Each police officer, including the chief of a police department, shall be required to contribute at a rate of 8% of earnable compensation as long as he is employed as a police officer; except a participating local district may elect to reduce such rate of contribution to ~~6.5%-of-earnable compensation~~ the contribution rate required to provide benefits under the formula applicable to the individual as determined by section 1121, subsection 2, for all police officers who continue employment after attaining eligibility for retirement, for the remainder of their employment as police officers.

Further amend said Bill by striking out all of section 4.

Further amend said Bill in section 6 by striking out in the 3rd line of the 2nd paragraph (2nd line of L.D.) the figures "1977" and inserting in place thereof the figures '~~1977~~ 1976'

Further amend said Bill in section 6 by striking out in the 5th line of the 2nd paragraph (4th line of L.D.) the underlined figures "1977" and inserting in place thereof the underlined figures '1976'

Further amend said Bill in section 6 by striking out in the 7th line of the 2nd paragraph (last line of L.D.) the figures "1977" and inserting in place thereof the figures '~~1977~~ 1976'

Further amend said Bill by renumbering sections 5 to 8 to be sections 4 to 7.

Statement of Fact

The purposes of this amendment are as follows:

1. Clarify the provisions of section 1;
2. Provide for payment for accumulated or accrued leave beyond 90 days that will be used as creditable service, in the following manner:
 - A. For state employees, the employee to pay the cost of such additional service;
 - B. For teachers, the employee and school administrative unit, in proportions they determine by contract, to pay the cost (with a grandfather clause for teachers retiring immediately after completing a contract now in force); and
 - C. For local districts, the local district or its employee, as they determine, to pay the cost.
3. Clarify the provisions of Title 5, section 1095, subsections 6 and 7 to parallel the clarifications made in section 1 of the bill;
4. Strike out section 4 entirely; and
5. To move up the effective date of the sections relating to "average final compensation" and additional benefits for law enforcement officers, from July 1, 1977 to July 1, 1976.

Reported by the Majority of the Committee on Veterans and Retirement.

Reproduced and distributed under the direction of the Clerk of the House.
3/26/76 (Filing No. H-1105)