

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 83

H. P. 62

House of Representatives, January 12, 1977

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

EDWIN H. PERT, Clerk

Presented by Mr. Perkins of Blue Hill.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Permit the Inhabitants of Cranberry Isles to Withdraw from the
Maine State Retirement System.**

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

Sec. 1. Withdrawal authorized; procedure. The inhabitants of Cranberry Isles, a municipality hereinafter called "the town," presently a participating local district in the Maine State Retirement System, hereinafter called "the system," is authorized to withdraw from further participation in the system upon the terms and conditions hereinafter set forth.

Such withdrawal shall be accomplished by a majority vote of the town at any duly warned, called and held annual or special meetings thereof, the warrant for which contained an article providing for a vote on such withdrawal. Upon such vote, the town clerk shall certify the same to the trustees of the system, and the withdrawal shall become effective on the last day of the calendar month in which such certificate is received by the trustees.

Sec. 2. Town to assume certain pension obligations. Following the effective date of withdrawal, the town shall assume, be liable for and pay the retirement allowances received by these employees of the town who are receiving such allowances from the system as of such date; and shall also assume, be liable for and pay any retirement allowances or death benefits which may thereafter accrue to any employee of the town, or any survivor of such employee, whose right to receive such allowance or benefit has vested as of such date.

Sec. 3. Certain withdrawals authorized; disposition of remaining funds. Any employee of the town who has made contributions to the system may

withdraw the same in the manner provided by the Revised Statutes, Title 5, section 1096, as amended; provided that any application for such withdrawal shall be made not later than one year after the effective date of withdrawal by the town from the system.

Following the withdrawal of contributions by all town employees who have the right to do so, or one year from the effective date of withdrawal by the town from the system, whichever first occurs, then any remaining funds established by the system for the town shall be distributed in accordance with the Revised Statutes, Title 5, section 1092, subsection 14, as amended.

STATEMENT OF FACT

The Town of Cranberry Isles voted last year at town meeting to withdraw from the Maine State Retirement System, providing all employees with vested benefits were protected. There is no provision in the general law for voluntary withdrawal from the system by participating local districts and this special legislation is necessary to accomplish the result desired by the town.