

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1040

H. P. 849

House of Representatives, March 15, 1977

Referred to the Committee on Veterans and Retirement. Sent up for concurrence and 1,800 copies ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Birt of East Millinocket.

Cosponsor: Mr. Elias of Madison.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Grant Retirement Benefits to all Members of the Maine State Retirement System who have Acquired 25 Years of Creditable Service and Attained Age 55.

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

Sec. 1. 5 MRSA § 1121, sub-§ 3-A is enacted to read:

3-A. Creditable service of 25 years and age 55. Commencing July 1, 1977, any member who has completed 25 or more years of creditable service may retire on or after the attainment of age 55 and receive a service retirement upon written application to the board of trustees setting forth at what time he desires to be retired. The total amount of the service retirement allowance of a member retired in accordance with this subsection shall be equal to $\frac{1}{2}$ of his average final compensation.

Sec. 2. Appropriation. There is appropriated from the General Fund to the State Retirement System for the fiscal year ending June 30, 1978 the sum of \$3,559,000 and for the fiscal year ending June 30, 1979, the sum of \$3,559,000 to carry out the purposes of this Act. The breakdown shall be as follows:

	1977-78	1978-79
STATE RETIREMENT SYSTEM		
All Other	\$3,559,000	\$3,559,000

STATEMENT OF FACT

The purpose of this bill is to grant full retirement benefits to all members of the Maine State Retirement System after 25 years of creditable service and attainment of age 55. It is intended to encourage earlier retirement of state

employees and teachers on the safe assumption that all such employees with 25 years service are in the top brackets of their pay scales and retirement exercised under this Act will substantially reduce payroll costs as positions are vacated permanently or lower pay scale employees are installed as replacements.