

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

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Legislative Document

No. 1472

H. P. 1253

House of Representatives, April 7, 1977

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

EDWIN H. PERT, Clerk

Presented by Mr. Stubbs of Hallowell.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SEVEN

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**AN ACT Pertaining to Retirement Benefits for County, City and Town  
Employees.**

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

**Sec. 1. 5 MRSA § 1092, sub-§ 3, 1st sentence, as last amended by PL 1975, c. 622, § 22, is further amended to read:**

Any participating local district, by filing with the board of trustees a duly certified copy of its action, may provide a retirement benefit for policemen, fire fighters, sheriffs and full-time deputy sheriffs or any other participating local district employees, in lieu of the retirement benefits otherwise provided in this chapter for these employees, of  $\frac{1}{2}$  ~~salary average final compensation,~~ **salary average final compensation,** after having completed 20 to 25 years of service **which benefit shall be based on the annual rate of salary being paid such individuals at point of retirement or the gross amount, not including any premium or overtime pay, earned in the immediately preceding 12 months, whichever is greater.**

**Sec. 2. 5 MRSA § 1094, sub-§ 13, as last amended by PL 1975, c. 622, §§ 35 and 36, is further amended by adding at the end the following new paragraph to read:**

**Notwithstanding the provisions of section 1092, subsection 12, this subsection shall apply to all participating local districts whether or not the local participating districts elects this subsection.**

**Sec. 3. 5 MRSA § 1121, sub-§ 4, ¶ C, as repealed and replaced by PL 1975, c. 622, § 49-A, is amended to read:**

C. The total amount of the service retirement allowance of a member retired in accordance with paragraph A shall be equal to  $\frac{1}{2}$  of ~~this average final compensation~~ **his current annual salary**, and an additional 2% of his ~~average final compensation~~ **current annual salary** for each year of membership service not included in the age and service conditions for retirement under paragraph A; or, if the retirement occurs at or after the attainment of age 60, equal to the amount of his total service retirement allowance as determined in accordance with subsection 2, if greater.

Sec. 4. **5 MRSA § 1121, sub-§ 8, 2nd sentence**, as last amended by PL 1975, c. 622, § 52, is further amended to read:

The service retirement allowance shall be equal to  $66\frac{2}{3}\%$  of his ~~average final compensation~~ **current annual salary** or the district may accept a retirement provision whereby any member who is a fire fighter, including the chief of a fire department, who has 20 to 25 years of service as a fire fighter shall be permitted to retire, regardless of age, upon completion of the number of years selected by said district.

#### STATEMENT OF FACT

The purpose of this bill is to allow retirement benefits for certain county, city and town employees to be based on an employee's highest rate of pay not including overtime during the 12 months preceding retirement. This eliminates retirees from being penalized in their retirement income due to inflation. This bill also mandates that participating local districts permit employees to receive credit for military service time, if the employee so chooses.