

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 84

H. P. 76

House of Representatives, January 11, 1979

Referred to the Committee on Aging, Retirement and Veterans. Sent up for concurrence.

EDWIN H. PERT, Clerk

Presented by Mr. Sherburne of Dexter.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Permit the Inhabitants of Garland to Withdraw from the Maine State Retirement System.

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

Sec. 1. Withdrawal from Maine State Retirement System authorized; procedure. The inhabitants of Garland, 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.

The 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 the withdrawal. Upon the 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 the certificate is received by the trustees.

Sec. 2. Certain withdrawals of contributions 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 the 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 applied by the system toward satisfaction of the retirement allowances and death benefits to the employees of the town who are receiving the allowances from the system as of that date and any employee whose right to receive the allowance or benefit has vested as of that date.

Sec. 3. Town to assume certain obligations. Following the effective date of withdrawal, the system shall annually certify to the town the amount necessary to satisfy the difference between the amount in the town's account with the system and the estimated retirement allowances and death benefits payable by the system to employees of the town and survivors of the employees during the applicable calendar year; and the town shall annually appropriate and pay to the system the amount so certified.

STATEMENT OF FACT

The purpose of this bill is to permit the Town of Garland to withdraw from further participation in the Maine State Retirement System in a manner which will insure that any vested pension rights of the town's employees are protected.