

MAINE STATE LEGISLATURE

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L.D. 809

STATE OF MAINE
SENATE
109TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. S-201)

COMMITTEE AMENDMENT "A" to S.P. 268, L.D. 809, Bill, "AN ACT to Establish Special Retirement Provisions for CETA Employees."

Amend the bill in the emergency preamble by striking out in the 2nd paragraph, last line, the following: "Law" and inserting in its place the following: 'System'

Further amend the bill by striking out everything after the enacting clause and inserting in its place the following:

'5 MRSA §1092-A is enacted to read:

§1092-A. CETA employees

1. Definitions. As used in this section, unless the context indicates otherwise, the following terms shall have the following meanings.

A. "CETA employee" means an employee enrolled in a program under the Comprehensive Employment and Training Act of 1973, as amended (CETA).

B. "Employer" means the state or local participating district with which the CETA employee is placed for training or employment.

C. "Prime sponsor" means the CETA prime sponsor, a unit of government responsible for planning and operating all CETA programs within the geographic jurisdiction encompassed by that unit of government.

2. Employer's contribution. Each employer shall contribute to the system for its CETA employees and shall be reimbursed for the contributions by the employee's prime sponsor. If an employee later elects, under subsection 4, to receive a return of his contributions made for the period of CETA employment, the employer contributions made on behalf of the employee, plus regular interest, shall be returned to the employer upon request to the retirement system. In such cases, whether or not the employer requests return of contributions, the employer shall reimburse CETA in the amount of the contributions, plus regular interest.

3. Employee's contribution. The CETA employee shall contribute to the system during the period of his CETA employment. Upon termination of CETA employment, the CETA employee may elect, subject to subsection 4, to include his CETA time as service credit or to receive a return of his contributions for this time.

4. Credit for CETA service. Credit for the period of CETA employment occurring on or after July 1, 1979, shall be granted to any person who, on or after July 1, 1979, was a CETA employee and who:

A. Within 90 days of termination of CETA employment, became a non-CETA employee of the employer; and

B. has not received a return of his contributions for this time or has redeposited his contributions within one month of obtaining non-CETA employment with the employer as provided by subsection 3. Redeposit shall be in accordance with section 1094, subsection 10. In the

event any retirement allowance becomes effective before the completion of the redeposit, he shall be entitled to credit for that portion of his CETA time which the amount of the redeposit actually made bears to the total amount which would have been required to repurchase his entire CETA time.

5. Return of contributions.

A. CETA prime sponsors shall be reimbursed by the employer for all employer contributions, plus regular interest, made on behalf of CETA employees who do not meet the requirements of subsection 4, paragraphs A and B.

B. When any employer requests return of contributions made on behalf of CETA employees who do not meet the requirements of subsection 4, paragraphs A and B, the CETA employee shall automatically be refunded his employee contributions plus regular interest.

C. Any CETA employee who does not meet the requirements of subsection 4, paragraphs A and B shall be refunded his employee contributions, plus regular interest, upon written request to the ^{Maine} State Retirement System.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect July 1, 1979.'

Statement of Fact

This / amendment provides a special retirement provision for CETA
Maine employers and employees under the State Retirement System.
Costs of employer contributions made on behalf of CETA employees shall be reimbursed to the employer by the CETA employee's prime sponsor. If the CETA employee is not hired as a non-CETA employee of the employer within 90 days of termination of CETA employment, the employee shall be refunded his contributions, plus regular interest, and the employer may be refunded his contributions, plus regular interest and shall reimburse to CETA the employer contribution costs.

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

Reproduced and distributed pursuant to Senate Rule 11-A.

May 17, 1979

(Filing No. S-201)