

STATE OF MAINE SENATE 109TH LEGISLATURE FIRST REGULAR SESSION

(Filing No. S-396)

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

Amend the Bill by striking out everything after the title and inserting in its place the following:

'Be it enacted by the People of the State of Maine, as follows: 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 follow-ing meanings.

A. "CETA employee" means ↔ an employee enrolléd in a program under the Comprehensive Employment and Training Act of 1973, as amended (CETA). CETA employees shall be considered eligible for membership in the system from their date of enrollment, whether or not they become members. B. "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.

C. "Employer" means the State or participating local district with which the CETA employee is placed for training and employment. Senate Amendment "A" to S. P. 268, L.D. 809 -2-

2. Employer's contributions. Notwithstanding Sections 1062 and 1092, the State or a participating local district shall not be required to contribute to the system for paragraph A, CETA employees. If an employee elects, under subsection 4/ to purchase his CETA time for past creditable service, the employee's CETA prime sponsor shall then pay to the system an amount equal to the employer's contribution, plus regular interest, for the employee's CETA time, using only CETA funds.

3. Employee's contributions. Notwithstanding section 1095, a CETA employee shall not be required to contribute to the system. The employee may contribute during his period of CETA employment, or may defer contributions until his post-CETA employment status is known. If an employee who has not contributed during his CETA employment or who has withdrawn his contributions later elects, under subsection 4, to purchase his CETA time for past creditable service, he shall pay to the system an amount equal to his contributions, plus regular interest, as provided under section 1094, subsection 10.

4. Credit for CETA service. Credit for the period of CETA employment occurring after June 30, -- 1979, shall be granted to any person who, after June 30, -- 1979, was a CETA employee; and Senate Amendment "A " to S. P. 268, L.D. 809 -3-

A. Within 90 days of termination of CETA employment, be-<u>came a non-CETA employee of the employer, and within 90</u> <u>days of becoming such employee, signified in writing to the</u> <u>his</u> <u>State Retirement System/intention to purchase CETA time for</u> service credit;

B. Has not received a return of any contributions made pursuant to subsection 3 or has deposited his contributions within 18 months of obtaining non-CETA employment with the employer as provided by subsection 3. Deposit shall be made in accordance with section 1094, subsection 10. In the event any retirement allowance becomes effective before the completion of such deposit, he shall be entitled to credit for that portion of his CETA time which the amount of the deposit actually made bears to the total amount which would have been required to purchase his entire CETA time; and C. If the employer contribution required by subsection 2 has been paid.

5. Return of contributions. Any CETA employee who contributed during his CETA employment and who does not meet the paragraph A paragraph B requirements of subsections 4. and /shall be refunded his employee contributions, plus regular interest, upon written request to the state Retirement System. Senate Amendment "A " to S. P. 268, L.D. 809

Statement of Fact

This amendment provides for a retirement provision for Maine CETA employers and employees under the State Retirement System. They will not be required to make contributions unless the employee subsequently becomes eligible for benefits and elects to make deferred contributions to the system. In this case, the employee's CETA prime sponsor shall be required to make deferred employer's contributions.

Harry Cardell luck (Clark) NAME : Cumberland COUNTY:

Reproduced and distributed pursuant to Senate Rule 11-A.

June 14, 1979

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