

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-348)
109TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1252, L.D. 1522, Bill,
"AN ACT to Protect the Retirement Benefits of Employees and
Former Employees of the Greater Portland Public Development
Commission."

Amend the Bill by striking out all of the title and
inserting in its place the following:

'AN ACT to Protect the Retirement Benefits of Employees
of the Greater Portland Public Development Commission and to
Provide for the Disposition of its Assets upon Liquidation.'

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

'P&SL 1945, c. 123, §7 is enacted to read:

Sec. 7. Disposition of Assets in Event of Termination
of Operations. At such time as the Greater Portland Public
Development Commission shall commence the final liquidation
of its assets with a view toward terminating its operations,
the Commission shall request the Executive Director of the
Maine State Retirement System to determine the liability
of the Commission to fund completely the payment of the
accrued retirement benefits of the Commission's current and
retired employees, as of the date the Commission indicates that
the Commission's current employees will have their employment
terminated.

The Executive Director of the Maine State Retirement System shall determine the Commission's liability as of that date and shall forward his determination of that amount to the Commission. The Commission shall, as soon as practicable, forward that amount to the Executive Director of the Maine State Retirement System, which shall accept that amount as complete and final funding for all accrued retirement benefits for which the Commission is liable as of that date. Any funds of the Commission remaining after this payment to Maine State Retirement System and the payment of the Commission's other liabilities and obligations shall be paid to the Treasurer of State to be added to the General Fund of the State.

Statement of Fact

The Greater Portland Public Development Commission was established by Private and Special Law 1945, Chapter 123, to take over the ship-building facilities in South Portland which stopped operating after World War II. The Commission has leased land and buildings to various industries and has sold over half of the property which it acquired using the proceeds to pay the Federal Government for the property. The Commission joined the Maine State Retirement System in 1962 under an arrangement whereby it would make payments into the System for a period of 30 years to cover its unfunded liability for prior employment. As of June 30, 1978 the Commission had an unfunded liability with the System of \$380,693. The Commission currently employs 7 full-time employees, of whom 5 are eligible for retirement and it has six retired employees.

At some point it is anticipated that the ~~Commission~~ will cease operating and will be liquidated. This bill will ensure that the ~~Commission's~~ employees who are eligible for retirement benefits will receive those benefits under the Maine State Retirement System and that the remaining funds from the ~~Commission's~~ liquidation will be paid into the General Fund of the State.

Reported by the Committee on Aging, Retirement and Veterans
Reproduced and distributed under the direction of the
Clerk of the House.

/7/79 (Filing No. H-348)