

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-128)  
110TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 487, L.D. 539, Bill, "AN ACT to Permit Knox County to Withdraw from the Maine State Retirement System."

Amend the Bill by inserting before the enacting clause the following:

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the employees of Knox County are currently participating in the Maine State Retirement System in addition to participating in the Social Security System; and

Whereas, the benefit plans of these 2 systems are, to a certain extent, duplicative; and

Whereas, it is needlessly expensive for the employees and the employers to continue to fund both retirement plans; and

Whereas, this burdensome expense and duplicative benefit coverage should be reduced as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Further amend the Bill by striking out all of sections 2 and 3 and inserting in their place the following:

'Sec. 2. Certain withdrawals of contributions authorized.

Any employee of the agency who has made contributions to the system may withdraw the <sup>contributions</sup> / in the manner provided by the Revised Statutes, Title 5, section 1096, as amended; provided that an application for the withdrawal shall be made not later than one year after the effective date of withdrawal by the agency from the system.

Sec. 3. Effect of withdrawal.

1. Any employee of the agency who withdraws his contribution or any person who begins employment after the effective date of withdrawal of the agency from the system may not be a participant in the <sup>Maine State</sup> / Retirement System as an employee of Knox County.

2. Knox County shall continue to be a local participating district for those former employees who are receiving retirement allowances or who are eligible for retirement benefits and all employees as of the effective date of withdrawal who have not withdrawn their contributions from the system. For the purposes of this subsection, those employees remaining in the system and Knox County are subject to the Revised Statutes, Title 5, chapter 101.'

Further amend the Bill by inserting at the end before the statement of fact the following:

'Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.'

Statement of Fact

This amendment allows Knox County to withdraw from the retirement system prospectively. Any employee who was a member of the retirement system prior to the effective date of this bill will be allowed to remain in the current retirement system. All new employees after that date will be ineligible for membership in that retirement system. This bill ~~←~~retains the special provision which allows current members of the system one year to withdraw their contributions if they so desire. It does not affect the withdrawal provisions in the current law for those employees remaining in the system.

This amendment also add s an emergency provision.

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

3/26/81

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