

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
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5 Legislative Document

No. 455

6  
7 H.P. 372

House of Representatives, February 1, 1983

8 Received by the Clerk of the House on February 1, 1983. Referred to the  
9 Committee on Aging, Retirement and Veterans, and ordered printed pursuant  
10 to Joint Rule 14.

EDWIN H. PERT, Clerk

Presented by Representative Hickey of Augusta.

Cosponsors: Representative Kilcoyne of Gardiner, Representative Paradis  
of Old Town and Representative Crowley of Stockton Springs.

11  
12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT to Clarify the Law Relating to  
18 Employees of Local Districts Who may Withdraw  
19 from the Maine State Retirement  
20 System.  
21

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

24 5 MRSA §1092, sub-§5-A, as enacted by PL 1981, c.  
25 590, §§1 and 2, is repealed and the following enacted  
26 in its place:

27 5-A. Membership in districts which participates  
28 in the Social Security System. Persons who are or  
29 would be covered by the United States Social Security  
30 System as a result of their employment by a parti-  
31 cipating local district of the Maine State Retirement  
32 System shall, as of September 1, 1982, have the  
33 option not to join or to withdraw from the system  
34 under the following conditions:

1 New employees may join either at the commencement of  
2 their employment, or on the next 2 anniversaries of  
3 the commencement of their employment, as long as they  
4 are still employees of the participating local dis-  
5 trict and the district continues as a participating  
6 unit. The new employees electing not to join the  
7 system at the commencement of his employment shall  
8 not receive any retirement credit for the period  
9 during which he elected not to be a member of the  
10 system.

11 Employees who are participating members of the state  
12 system who wish to withdraw from the system may with-  
13 draw their contributions, as provided for in section  
14 1096, at their own discretion.

15 Employees who have previously withdrawn from the sys-  
16 tem may choose to rejoin within 3 years of their  
17 withdrawal, provided that:

18 A. They repay to the system an amount equivalent  
19 to the withdrawn contributions and, in addition,  
20 the amount of interest which would be required of  
21 terminated employees who had become reemployed  
22 and had elected to rejoin the system and to repay  
23 their contributions; and

24 B. The district is still a participating local  
25 district allowing new membership in the Maine  
26 State Retirement System. This right to rejoin  
27 shall be limited to one occurrence.

28 An employee who withdraws from the system and rejoins  
29 within the 3-year period shall not receive any  
30 retirement credit for any year or part of a year  
31 during which he was withdrawn from the system.

32 STATEMENT OF FACT

33 The purpose of this bill is to make clear that  
34 this section applies to only those employees of  
35 participating local districts who are covered by both  
36 the Social Security and the Maine State Retirement  
37 System. This bill would also make clear that employ-  
38 ees who do not elect to join at the commencement of  
39 their employment are not entitled to pay contribu-

1 tions and receive credit for the time between com-  
2 mencement of employment and the date of election to  
3 join the system. This is consistent with a similar  
4 restriction on employees who withdraw and subse-  
5 quently rejoin the system.

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