

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 123

7 H.P. 98

House of Representatives, January 22, 1985

8 Reference to the Committee on Aging, Retirement and Veterans
9 suggested and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Hickey of Augusta.

11
12 STATE OF MAINE
13

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

17 AN ACT to Clarify Provisions Relating to
18 Contributions by Participating Local
19 Districts and to Provide for
20 Collection of Delinquent
21 Contributions.
22

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

25 5 MRSA §1092, sub-§7 is amended to read:

26 7. Contributions. The actuary of the retirement
27 system shall compute the rates of contribution pay-
28 able by employees, who become members under this sec-
29 tion, in the same manner as if they were state em-
30 ployees; and. The actuary shall compute the contri-
31 butions which would be payable annually by the par-
32 ticipating local district on account of such members
33 as though they were state employees, except that
34 each. Each participating local district employing
35 members participating in the retirement system shall
36 also make a special accrued liability contribution on

1 account of the participation of its employees in the
2 retirement system, which shall be determined by an
3 actuarial valuation of the accrued liability on ac-
4 count of such of its employees as elected to become
5 members in the same manner as the accrued liability
6 rate was originally determined for state employees.
7 Such special accrued liability contribution, subject
8 to such adjustment as may be necessary on account of
9 any additional prior service credits awarded to em-
10 ployees of such participating local district, shall
11 be payable ~~in lieu of~~ the same way as the accrued li-
12 ability contribution payable on account of state em-
13 ployees who are members of the retirement system. The
14 expense of making ~~such~~ the initial valuation determi-
15 nation of these contributions shall be assessed
16 against and paid by the participating local district
17 on whose account it is made. The contributions so
18 computed, together with a pro rata share of the cost
19 of the administration of the retirement system, based
20 upon the payroll of the employees, and the cost of
21 each annual valuation shall be certified by the board
22 of trustees to the chief fiscal officer of the par-
23 ticipating local district, and the amounts so certi-
24 fied shall be a charge against paid by the participat-
25 ing local district. The chief fiscal officer of each
26 such participating local district shall pay to the
27 Treasurer of State Maine State Retirement System the
28 amount certified by the board of trustees as payable
29 under this section, and the Treasurer of State shall
30 credit such amounts shall be credited to the appro-
31 prate funds and accounts of the retirement system.
32 Separate accounts shall be kept of the amounts so
33 credited. Upon the retirement of any member of a par-
34 ticipating local district the required reserves shall
35 be transferred, as soon as accumulated, to the appro-
36 prate fund of the retirement system and become the
37 property of the State Retirement System. Delinquent
38 payments due under this subsection may be recovered
39 by action in a court of competent jurisdiction
40 against the participating local district liable
41 therefor or may, at the request of the Maine State
42 Retirement System, be deducted from any other money
43 payable to that participating local district by any
44 department or agency of the State.

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STATEMENT OF FACT

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The purpose of this bill is to provide the Maine State Retirement System with a means of collecting delinquent employer and employee contributions from participating local districts. There are also several changes in the wording of this subsection which are intended to clarify the language or update the law to current practices.

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