

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 442

6  
7 H.P. 325 House of Representatives, February 6, 1985

8 Referred to the Committee on Aging, Retirement and Veterans. Sent up  
9 for concurrence and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Hickey of Augusta.

11 Cosponsored by Representative Perry of Mexico, Representative Lacroix  
of Oakland and Representative Dellert of Gardiner.

12 STATE OF MAINE  
13

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

17 AN ACT to Clarify Restoration to Service  
18 Provisions for Recipients of  
19 Disability Allowances and Recipients  
20 of Retirement Allowances.  
21

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

24 5 MRSA §1123, as amended by PL 1979, c. 663, §§16  
25 and 17, is repealed and the following enacted in its  
26 place:

27 §1123. Restoration to service

28 1. Definition. As used in this section "resto-  
29 ration to service" means that the retired state em-  
30 ployee or teacher has accepted employment in either a  
31 state or teaching position, or that the retired par-  
32 ticipating local district employee has accepted em-  
33 ployment with the participating district from which  
34 he had retired. For the purposes of this section,

1 election to the Legislature is not considered accept-  
2 ance of employment in a state position.

3 2. Disability retirement allowance recipi-  
4 ents. If any recipient of a disability retirement  
5 allowance is restored to service, and if the total of  
6 his monthly retirement allowance for any year and his  
7 total earnable compensation for that year exceeds his  
8 average final compensation at retirement, subject to  
9 the percentage adjustments that have been received  
10 under section 1128, the excess shall be deducted from  
11 the disability retirement allowance payments during  
12 the next calendar year. Those deductions shall be  
13 prorated on a monthly basis over the year or part of  
14 the year for which benefits are received in an equi-  
15 table manner prescribed by the board of trustees.  
16 The disability retirement allowance recipient shall  
17 be responsible for reimbursing the Maine State Re-  
18 irement System for any excess payments not so de-  
19 ducted. If the retirement allowance payments are  
20 thereby eliminated, the recipient shall again become  
21 a member of the retirement system and he shall con-  
22 tribute thereafter at the current rate. When that  
23 member subsequently again retires, he shall receive  
24 such benefits as may be computed on his entire cred-  
25 itable service and in accordance with the then exist-  
26 ing law.

27 3. Service retirement allowance recipient. If  
28 any recipient of a service retirement allowance is  
29 restored to service, and if the total of his monthly  
30 retirement allowance for any year and his total earn-  
31 able compensation for that year exceeds his average  
32 final compensation at retirement, subject to those  
33 percentage adjustments that have been received under  
34 section 1128, the excess shall be deducted from the  
35 service retirement allowance payments during the next  
36 calendar year. Those deductions shall be prorated on  
37 a monthly basis over the year or part of the year for  
38 which benefits are received in an equitable manner  
39 prescribed by the board of trustees. The service re-  
40 irement allowance recipient shall be responsible for  
41 reimbursing the Maine State Retirement System for any  
42 excess payments not so deducted. If the retirement  
43 allowance payments are eliminated, he shall again be-  
44 come a member of the retirement system and he shall  
45 contribute thereafter at the current rate and when

1 that member subsequently again retires, he shall re-  
2 ceive such benefits as may be computed on his entire  
3 creditable service and in accordance with the then  
4 existing law.

5

STATEMENT OF FACT

6 This bill clarifies the provisions of the Maine  
7 Revised Statutes, Title 5, section 1123, "restoration  
8 to service", by separating it into 3 subsections.  
9 The bill defines the term "restoration to service"  
10 which is not in the present law. The bill also deals  
11 with earnings limits on persons restored to service  
12 who are on disability or service retirement. This  
13 bill retains the exemption for state employee and  
14 teacher retirees who become members of the Legisla-  
15 ture, but removes the exemption for those retirees  
16 who become employees of the Legislature.

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