MAINE STATE LEGISLATURE

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	FIRST REGULAR SESSION	
	ONE HUNDRED AND TWELFTH LEGISLATURE	
Legisl	lative Document	No. 653
	eferred to the Committee on Aging, Retirement and Veterans. Someourrence and ordered printed.	Sent up
Presen	EDWIN H. PER ated by Representative Stevenson of Unity.	tt, Clerk
	STATE OF MAINE	
	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FIVE	
	AN ACT to Provide for the Inclusion of State Paid Employee Retirement Contributions as Part of the Earnable Compensation of Confidential Employees.	.
Be it	t enacted by the People of the State of Mair ows:	ne as
	Sec. 1. PL 1981, c. 453, §12, sub-§4, is and dding at the end a new sentence to read:	nended
to pa	amount that a member would otherwise be recay as an employee's contribution shall be contributed the employee's earnable compensation	onsid-
	Sec. 2. PL 1981, c. 453, §13, is amended by at the end a new sentence to read:	y add-
	ion 12, subsection 4, shall be applicable to	o em-

Sec. 3. Application. All employee and employer contributions paid by the State on or after July 1, 1986, and all retirement allowances paid on and after July 1, 1986, shall be based upon this Act.

STATEMENT OF FACT

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The purpose of this bill is to restore to certain confidential state employees the benefits they lost with the enactment of Public Law 1981, chapter 453. Chapter 453 provided that, in lieu of a salary increase in 1981, the State would pay the mandatory retirement contribution for confidential employees. This created an inequitable situation with regard to retirement benefits, as these employees now have lower gross salaries than those employees who salary increases. Retirement benefits are based on an employee's gross salary. The 2 sentences that this bill adds to chapter 453 brings these employees, mainly career state employees are midmanagement positions, up to par in regard to tirement benefits when compared with the benefits provided similarly situated employees who are not classified as confidential. Section 3 of this bill provides that persons retired before July 1, 1986, as well as those who retire subsequently, shall be entitled to the increase in their retirement allowances.

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