

L.D. 944

(Filing No. S-168)

## STATE OF MAINE SENATE 112TH LEGISLATURE FIRST REGULAR SESSION

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7 SENATE AMENDMENT "B" to H.P. 661, L.D. 944, 8 Bill, "AN ACT to Provide that Cost-of-Living Plans 9 for Retired Persons under the Maine State Retirement 10 System shall Apply to All Participating Local Dis-11 tricts that do not Provide Social Security Benefits 12 for Employees."

Amend the Bill by striking out everything after
the enacting clause and inserting in its place the
following:

16 'Sec. 1. 5 MRSA §1128, sub-§2, as enacted by PL 17 1977, c. 573, §3, is repealed and the following enacted in its place:

2. Participating local districts. Notwithstanding section 1033, subsection 3, and section 1092, subsection 12, except as provided in this subsection, this section is applicable to all retired employees or their beneficiaries of all participating districts that do not provide coverage by the United States Social Security System for their employees.

26	A. Those participting local districts which have
27	withdrawn pursuant to section 1034 by June 30,
28	1987, shall not be required by this section to
29	provide cost-of-living adjustments for their re-
30	tired employees or their beneficiaries. This sec-
31	tion also does not apply to retired employees or
32	their beneficiaries of participating local dis-
33	tricts that do not provide coverage by the United
34	States Social Security System for their employees
35	and which, on or after September 19, 1985, engage
36	in collective bargaining or have in force a col-
37	lective bargaining agreement pursuant to Title
38	26, chapter 9-A, with some or all of the partici-
39	pating district's members. When such a participa-

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 ting local district subsequently agrees through the collective bargaining process to provide the cost-of-living adjustment set forth in this section, that adjustment shall be made applicable to all the district's retired employees or their beneficiaries receiving retirement allowances.
 B. Other participating local districts may pro-

b. other participating found districts may pro vide for adjustments in retirement allowances be ing paid to their retired employees or beneficia ries by application to the board of trustees sup plying the necessary information. Upon acceptance
 of such a plan, the district shall supply a cer tified copy of its action and a statement of
 agreement of payment and costs.

15 Sec. 2. Effective date. This Act shall take effect June 30, 1987.'

## STATEMENT OF FACT

18 There are 250 counties, cities, towns, quasi-mu-19 nicipal corporations and other entities that meet the definition of participating local districts in the Maine Revised Statutes, Title 5, section 1001, sub-20 21 section 11-A, that have elected to have their employ-22 ees participate in the Maine State Retirement System. 23 24 Two hundred and twelve of these participating local 25 districts also provide for the participation of their 26 employees in the United States Social Security Sys-27 tem. Twenty-three participating local districts have 28 neither social security and its cost-of-living ad-29 justment nor other cost-of-living adjustments for their retirees. This amendment mandates that these 23 30 31 participating local districts, which do not provide 32 social security coverage for their employees and 33 which do not offer Maine State Retirement System 34 cost-of-living adjustments, provide a Maine State Re-35 tirement System cost-of-living adjustment to retired 36 employees or beneficiaries who receive retirement

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benefits under the Maine State Retirement System. The 1 2 amendment exempts from this mandate participating lo-3 cal districts which withdraw from the system by June 4 30, 1987. It also exempts from the mandate participa-5 ting local districts which, on or after September 19, 6 1985, engage in collective bargaining agreements or 7 have in force a collective bargaining agreement with 8 some or all of the districts' members. Where an ex-9 empted participating local district subsequently 10 agrees through the collective bargaining process to 11 provide a cost-of-living adjustment pursuant to this 12 section, the adjustment will apply to all retired employees or their beneficiaries. The term "retired em-13 ployees or their beneficiaries" is used to make it clear that regardless of when an employee retires, 14 15 16 that employee shall be treated the same as other re-17 tired employees for the purpose of receiving or not 18 receiving the cost-of-living adjustment.

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22 COUNTY: Androscoggin

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