

MAINE STATE LEGISLATURE

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1 (New Draft of H.P. 1272, L.D. 1789)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 2157

8 H.P. 1528

House of Representatives, March 10, 1986

9 Reported by Representative Hickey from the Committee on Aging,
10 Retirement and Veterans and printed under Joint Rule 2. Original bill
11 sponsored by Representative Hickey of Augusta. Cosponsored by Senator
Gauvreau of Androscoggin, Senator Clark of Cumberland and Representative
Crowley of Stockton Springs.

EDWIN H. PERT, Clerk

12
13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT to Grandfather Current Employees
19 Regarding the Purchase of Military
20 Service Time.
21

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

24 5 MRSA §1094, sub-§13, as amended by PL 1985, c.
25 365, §7, and as repealed and replaced by PL 1985, c.
26 502, is repealed and the following enacted in its
27 place:

28 13. Military service credit. Military service
29 shall be credited as follows:

30 A. Anything to the contrary notwithstanding,
31 military service shall be credited to all state
32 employees for full-time active duty as a member
33 of the Armed Forces of the United States who are
34 unable to otherwise qualify for military service
35 credits. A state employee shall be entitled to

1 this credit only if at point of retirement he
2 shall have at least 15 years of creditable ser-
3 vice in the State Retirement System. The member
4 shall contribute to the retirement system, for
5 each year of military service claimed, that per-
6 centage of contribution required of active mem-
7 bers during the period of time covered by the
8 military service applied to the earnable compen-
9 sation paid that member during the first year of
10 state employment subsequent to service in the
11 Armed Forces of the United States, together with
12 interest at 2% greater than regular interest from
13 January 1, 1976, or the date of attaining 15
14 years of creditable service, if later, to the
15 date of payment; 5% shall be the minimum rate of
16 contribution. In the event 2 or more percentages
17 of contribution were in effect during the period
18 of military service, the greatest percentage of
19 contribution shall govern. Credit for military
20 service under this subsection shall be limited to
21 4 years. Credit shall be available to those per-
22 sons who were separated under conditions other
23 than dishonorable from the Armed Forces of the
24 United States.

25 A local district may elect, with regard to spe-
26 cial retirement plans under section 1092, subsec-
27 tion 3, and section 1121, subsections 4, 8 and 9,
28 that military service credits under this subsec-
29 tion shall only apply to additional retirement
30 benefits under section 1092, subsection 3-A, and
31 shall not apply to age or service requirements of
32 retirement. Nothing in this paragraph may be
33 construed to affect in any way the rights of pub-
34 lic employees to collectively bargain for terms
35 and conditions of employment.

36 It is the intent that these provisions shall ap-
37 ply to all persons, active or retired, but that
38 for those already retired the effective date of
39 any adjustment shall be not earlier than that
40 date on which the time or credit is certified to
41 the Maine State Retirement System. This para-
42 graph shall not apply to any member who begins
43 membership on or after January 1, 1976; and

1 B. Any member not entitled to receive military
2 service credit pursuant to paragraph A or section
3 1091, subsection 6, who served on full-time ac-
4 tive duty as a member of the Armed Forces of the
5 United States at any time from August 5, 1964, to
6 May 7, 1975, and was separated under conditions
7 other than dishonorable, may be granted credit-
8 able service for that military service. Credit
9 for military service under this paragraph shall
10 be limited to 4 years. A member shall be enti-
11 tled to this credit only, if at point of retire-
12 ment, he shall have at least 15 years of member-
13 ship service and is unable to qualify for mili-
14 tary service credits or benefits from any other
15 retirement plan, according to the rules estab-
16 lished by the board of trustees. The member
17 shall contribute to the retirement system for the
18 period of military service at the rate prescribed
19 by section 1095 applied to his earnings during
20 the 12 months preceding the month in which he
21 pays or begins payment of the required contribu-
22 tions. Interest at a rate not to exceed regular
23 interest by more than 5 percentage points as set
24 by the board shall be paid on the unpaid balance
25 from the first day of the month in which the mem-
26 ber begins payment to the date payment is com-
27 pleted. A participating local district that has
28 adopted paragraph A as part of its plan may adopt
29 this paragraph as part of its plan and may elect,
30 with regard to special retirement plans under
31 section 1092, subsection 3, and section 1121,
32 subsections 4, 8 and 9, that military service
33 credit under this subsection shall apply only to
34 additional retirement benefits under section
35 1092, subsection 3-A, and shall not apply to ser-
36 vice requirements of retirement. Nothing in this
37 paragraph may be construed to affect in any way
38 the rights of public employees to bargain collec-
39 tively for terms and conditions of employment.
40 This paragraph shall not apply to any member who
41 begins membership after December 31, 1987.

1 STATEMENT OF FACT

2 This new draft repeals and replaces 2 conflicting
3 chapters enacted last session. It also eliminates
4 unconstitutional amendments in the subsection made
5 last session.

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