

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1121

H.P. 830 House of Representatives, April 7, 1987
Reference to the Committee on State and Local Government
suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative NORTON of Winthrop.

Cosponsored by Senator BUSTIN of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

**AN ACT Concerning the Sale of Deferred
Compensation.**

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2
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4 Be it enacted by the People of the State of Maine as
5 follows:

6 5 MRSA §881, as amended by PL 1983, c. 791, §1,
7 is further amended to read:

8 §881. Deferred compensation plan

9 The State or any county, city, town or other po-
10 litical subdivision may, by contract, agree with any
11 employee to defer, in accordance with the United
12 States Internal Revenue Code, Section 457, a portion
13 of that employee's compensation and subsequently,
14 contract for, purchase or otherwise procure for the
15 purpose of funding a deferred compensation program

1 instrument for the employee a fixed or variable life
2 insurance or annuity contract from an any insurance
3 company licensed to contract business in this State,
4 or shares of an any investment company registered un-
5 der the Investment Company Act of 1940. The employee
6 may choose the type of deferred compensation program
7 preferred, but the State, county, municipality or po-
8 litical subdivision shall not be restricted or bound
9 to that choice. The State must consider any bid for
10 a contract submitted by any insurance company or in-
11 vestment company which is qualified under this sec-
12 tion.

13 STATEMENT OF FACT

14 This bill requires the State to consider bids for
15 a deferred compensation contract from any qualified
16 insurance or investment company.

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