

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
114TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 394, L.D. 525, Bill, "An Act to Facilitate Conversion of the Maine State Retirement System Records to an Automated System"

Amend the bill by inserting after section 4 the following:

Sec. 5. 5 MRSA §17753, as enacted by PL 1985, c. 801, §§5 and 7, is repealed and the following enacted in its place:

§17753. Service credit for back contributions

Upon complete payment of the back contributions under section 17704, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under section 17704, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

Sec. 6. 5 MRSA §17754, sub-§1, ¶G is enacted to read:

G. Upon complete payment of the back contributions under paragraph B or F, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under paragraph B or F, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

Sec. 7. 5 MRSA §17757, as enacted by PL 1985, c. 801, §§5 and 7, is repealed and the following enacted in its place:

§17757. Former members

Upon complete payment of the back contributions under section 17703, the member shall be granted service credit for the

1 period of time for which the contributions have been made. Upon
2 making partial payment of the back contributions under section
3 17703, the member shall be granted service credit on a pro rata
4 basis in accordance with rules adopted by the board.

5
6 **Sec. 8. 5 MRSA §17760, sub-§2, ¶F,** as enacted by PL 1985, c.
7 801, §§5 and 7, is repealed and the following enacted in its
8 place:

9
10 F. Upon complete payment of the back contributions under
11 section 17713, the member shall be granted service credit
12 for the period of time for which the contributions have been
13 made. Upon making partial payment of the back contributions
14 under section 17713, the member shall be granted service
15 credit on a pro rata basis in accordance with rules adopted
16 by the board.'

17
18 Further amend the bill by inserting after section 6 the
19 following:

20 'Sec. 7. 5 MRSA §18353, as enacted by PL 1985, c. 801, §§5
21 and 7, is repealed and the following enacted in its place:

22
23 **§18353. Service credit for back contributions**

24
25 Upon complete payment of the back contributions under
26 section 18305, the member shall be granted service credit for the
27 period of time for which the contributions have been made. Upon
28 making partial payment of the back contributions under section
29 18305, the member shall be granted service credit on a pro rata
30 basis in accordance with rules adopted by the board.

31
32 **Sec. 8. 5 MRSA §18354, sub-§1, ¶D** is enacted to read:

33
34 D. Upon complete payment of the back contributions under
35 paragraph B, the member shall be granted service credit for
36 the period of time for which the contributions have been
37 made. Upon making partial payment of the back contributions
38 under paragraph B, the member shall be granted service
39 credit on a pro rata basis in accordance with rules adopted
40 by the board.

41
42 **Sec. 9. 5 MRSA §18357,** as enacted by PL 1985, c. 801, §§5 and
43 7, is repealed and the following enacted in its place:

44
45
46 **§18357. Former members**

47
48 Upon complete payment of the back contributions under
49 section 18304, the member shall be granted service credit for the
50 period of time for which the contributions have been made. Upon
51 making partial payment of the back contributions under section

1 18304, the member shall be granted service credit on a pro rata
3 basis in accordance with rules adopted by the board.

5 **Sec. 10. 5 MRSA §18360, sub-§2, ¶G,** as enacted by PL 1985, c.
7 801, §§5 and 7, is repealed and the following enacted in its
9 place:

11 G. Upon complete payment of the back contributions under
13 section 18311, the member shall be granted service credit
15 for the period of time for which the contributions have been
17 made. Upon making partial payment of the back contributions
19 under section 18311, the member shall be granted service
21 credit on a pro rata basis in accordance with rules adopted
23 by the board.'

25 Further amend the bill by renumbering the sections to read
27 consecutively.

29 Further amend the bill by adding at the end before the
31 statement of fact the following:

33 **FISCAL NOTE**

35 This bill will result in some minor administrative savings
37 to the Maine State Retirement System. These savings will not
39 reduce contribution rates.'

41 **STATEMENT OF FACT**

43 In a previous session, the Legislature approved and funded
45 the automation of the Maine State Retirement System. The bill
being amended makes some changes in the system to facilitate
the conversion to automation. Among the more substantive changes
are a system to be used to collect delinquent contributions from
school administrative districts and allowing no new participants
into the program which allows members to contribute additional
amounts to their retirement accounts.

This amendment adds to the bill a provision which extends
the law concerning partial payment of back contributions from
dealing only with those payments which are interrupted by
retirement to all partial payments and allows the board to
determine by rule how to pro rate the credit given rather than
adhering to a specific section of the law dealing with interest.