

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 698

S.P. 270

In Senate, March 8, 1989

Reference to the Committee on Aging, Retirement and Veterans suggested and ordered printed.

A handwritten signature in cursive script, reading 'Joy J. O'Brien'.

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator TITCOMB of Cumberland.
Cosponsored by Representative HICKEY of Augusta.

STATE OF MAINE

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

An Act to Clarify Certain Provisions in the Maine State Retirement System Laws.



1 **Be it enacted by the People of the State of Maine as follows:**

3 **Sec. 1. 5 MRSA §17851, sub-§1, as amended by PL 1987, c. 256,**
5 **§12, is further amended to read:**

7 **1. Member in service.** A member who is in service when he
9 reaches reaching 60 years of age, or is in service after reaching
11 60 years of age, qualifies for a service retirement benefit if
13 the member:

15 A. Retires upon or after reaching 60 years of age; and

17 B. Has been in service for a minimum of one year
19 immediately before retirement or has at least 10 years of
21 creditable service, which may include creditable service as
23 a member of the Maine Legislative Retirement System under
25 Title 3, section 701, subsection 8, before becoming a member
27 of the Maine State Retirement System; ~~and.~~

29 **Sec. 2. 5 MRSA §17851, sub-§2, as amended by PL 1987, c. 256,**
31 **§13, is further amended to read:**

33 **2. Member not in service.** A member who is not in service
35 when he ~~reaches~~ reaching 60 years of age qualifies for a service
37 retirement benefit if the member:

39 A. Retires upon or after reaching 60 years of age; and

41 B. Has at least 10 years of creditable service or 5 full
43 terms as a Legislator, which may include creditable service
45 as a member of the Maine Legislative Retirement System under
47 Title 3, section 701, subsection 8, before becoming a member
49 of the Maine State Retirement System; ~~and.~~

51 **Sec. 3. 5 MRSA §17906, sub-§2, ¶E, as enacted by PL 1985, c.**
53 **801, §§5 and 7, is amended to read:**

55 E. Any dispute about amounts paid or payable under worker's
57 compensation, or about the amount of the lump-sum settlement
59 and its ~~proration~~ attributions shall be determined on
61 petition, by a single member of the Workers' Compensation
63 Commission, in accordance with Title 39. These
65 determinations may be appealed under Title 39, section 103-B.

67 **Sec. 4. 5 MRSA §18451, sub-§1, as amended by PL 1987, c. 256,**
69 **§36, is further amended to read:**

71 **1. Member in service.** A member who is in service when he
73 reaches reaching 60 years of age, or is in service after reaching
75 60 years of age, qualifies for a service retirement benefit if
77 the member:

1 A. Retires upon or after reaching 60 years of age; and

3 B. Has been in service for a minimum of one year
5 immediately before retirement or has at least 10 years of
7 creditable service, which may include creditable service as
a member of the Maine Legislative Retirement System before
becoming a member of the Maine State Retirement System; and.

9 **Sec. 5. 5 MRSA §18451, sub-§2**, as amended by PL 1987, c. 256,
11 §37, is further amended to read:

13 2. **Member not in service.** A member who is not in service
when he ~~reaches~~ reaching 60 years of age qualifies for a service
15 retirement benefit if the member:

17 A. Retires upon or after reaching 60 years of age; and

19 B. Has at least 10 years of creditable service or 5 full
terms as a Legislator, which may include creditable service
21 as a member of the Maine Legislative Retirement System
before becoming a member of the Maine State Retirement
23 System; and.

25 **Sec. 6. 5 MRSA §18454**, as enacted by PL 1985, c. 801, §§5 and
7, is repealed and the following enacted in its place:

27 **§18454. Spouse option; no reduction**

29 A participating local district may, by filing with the board
31 a duly certified copy of its action, provide for all of its
employees, in lieu of the benefit provided by section 18404,
33 subsection 1, a benefit in accordance with the following terms
and conditions.

35 1. Limitation on beneficiary. Beneficiaries eligible to
37 receive the benefit under this section are limited to a surviving
spouse or a dependent child or children.

39 2. Payment to retiree. A retirement benefit based upon
41 section 18404, subsection 1, shall be paid to the retiree during
the retiree's lifetime. Upon the death of the retiree, 1/2 of
43 the amount being paid to the retiree shall be paid to the
beneficiary the retiree has nominated by written designation duly
45 acknowledged and filed with the executive director at the time of
retirement, if the beneficiary survives the retiree.

47 3. Surviving spouse. If the designated beneficiary is a
49 surviving spouse, the benefit shall continue during the lifetime
of the beneficiary.

51 4. Dependent child or children. If the designated
beneficiary is a dependent child or dependent children, the

1 benefit shall be paid to the dependent child, or if 2 or more
2 dependent children are designated beneficiaries, the benefit
3 shall be divided equally among them. When a dependent child
4 ceases to meet the definition of dependent child, the benefit
5 shall be divided among the remaining dependent children or paid
6 to the remaining dependent child. Payment of the benefit shall
7 continue until the remaining dependent child dies or ceases to
8 meet the definition of "dependent child" under section 17001,
9 subsection 12.

11 Sec. 7. 5 MRSA §18506, sub-§2, ¶E, as enacted by PL 1985, c.
12 801, §§5 and 7, is amended to read:

13 E. Any dispute about amounts paid or payable under workers'
14 compensation or about the amount of the lump-sum settlement
15 and its ~~proration~~ attributions shall be determined, on
16 petition, by a single member of the Workers' Compensation
17 Commission, in accordance with Title 39. These
18 determinations may be appealed under Title 39, section 103-B.
19

21 22 STATEMENT OF FACT

23
24 This bill removes several ambiguities that exist in the
25 present wording of the retirement laws.

26
27 Sections 1, 2, 4 and 5 make a technical amendment to 2
28 sections with relation to when a member is eligible to retire.
29 The present wording does not take into consideration the
30 situation where a person begins or returns to employment after
31 reaching age 60.

32
33 Sections 3 and 7 restore the wording in the amended
34 paragraphs to the wording used before the Maine State Retirement
35 System laws were recodified. The wording being restored appears
36 to be more accurate and less likely to be misconstrued.
37

38
39 The present wording in the section being amended by section
40 6 of the bill refers to this provision as being "... in lieu of
41 any other retirement benefit ..."; this provision is not a type
42 of benefit, but is an optional method of payment. The wording in
43 this bill makes it clear that if a participating local district
44 adopts this provision, it must be for all of its employees. This
45 bill includes language consistent with wording in section 18404
with relation to the designation of beneficiaries.