

# MAINE STATE LEGISLATURE

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R. of S.

L.D. 2311

(Filing No. S-581)

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STATE OF MAINE  
SENATE  
114TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 908, L.D. 2311, Bill, "An Act to Clarify the Definition of Earnable Compensation in the Maine State Retirement System Laws"

Amend the bill in subsection 13 by striking out all of paragraph C and inserting in its place the following:

'C. Notwithstanding the other provisions of this subsection, for the purpose of determining average final compensation, there may be excluded from earnable compensation that portion of any salary or wage increase received during the 3-year period used in the calculation of average final compensation that exceeds the prior year's earnable compensation by more than 15%. The portion of an increase in salary or wages that exceeds 15% may be included in earnable compensation when the executive director specifically determines that the increase was not granted to enhance the member's retirement benefit.

The executive director's decision may be appealed in accordance with section 17451.

The following items may not be considered in calculating salary or wage increases for the purposes of this paragraph:

- (1) Collectively bargained salary or wage increases pursuant to Title 26, chapter 9-A, 9-B or 12;
- (2) Salary or wage increases when similar increases are given at the same time to the majority of persons holding a similar position;
- (3) Job promotion;

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- 2                    (4) Reclassification of position; or
- 4                    (5) Reallocation of position.'

6           Further amend the bill by inserting at the end before the  
statement of fact the following:

8   **FISCAL NOTE**

10           This bill may prevent future additional contributions to  
12 teachers' retirement resulting from unusual salary increases with  
the intent of providing increased retirement benefits for the  
14 recipients.'

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18   **STATEMENT OF FACT**

20           The original bill prohibited the use of salary increases of  
over 10% in the determination of an employee's average final  
22 compensation for retirement purposes. This amendment raises the  
allowed increase to over 15% and creates a number of types of  
24 increases that are not to be used in calculating the percentage  
of increase.

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Reported by Senator Titcomb for the Committee on Aging,  
Retirement and Veterans. Reproduced and Distributed  
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