



115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 751

H.P. 523

House of Representatives, February 21, 1991

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

EDWIN H. PERT, Clerk

Presented by Representative GREENLAW of Standish.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-ONE

An Act Concerning Retirement Benefits for Individuals Who Transfer Employment.

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

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Sec. 1. 5 MRSA \$17656, sub-\$1, \PB , as enacted by PL 1985, c. 801, \$5 and 7, is amended to read:

B. The Notwithstanding section 18202, the new employer may elect-to shall include the creditable service and earnable compensation of the member with the previous employer with the creditable service and earnable compensation with the new employer. If-that-election-is-made,-the The new employer shall make, from time to time, whatever contributions are necessary to provide the benefits under the retirement system for the member as have accrued to the member by reason of his the member's previous employment and as may accrue to the member by reason of his the member's new employment.

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Sec. 2. 5 MRSA §18253, sub-§1, ¶B, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

B. The Notwithstanding section 18202, the new employer may elect-to shall include the creditable service and earnable compensation of the member with the previous employer with the creditable service and earnable compensation with the new employer. If-that-election-is-made,--the The new employer shall make, from time to time, whatever contributions are necessary to provide the benefits under the retirement system for the member as have accrued to the member by reason of his the member's previous employment and as may accrue to the member by reason of his the member's new employment.

STATEMENT OF FACT

36 Currently, members of the Maine State Retirement System may transfer between state employment and teaching without affecting 38 their retirement benefits. However, in transfers between state employment and a local district, teaching and a local district or 40 2 local districts, it is up to the new employer as to whether a member's service under a previous employer may be combined with 42 the service under the new employer for benefit calculation purposes.

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This bill requires that a new employer include an 46 employee's service with a previous employer for the purpose of calculating benefits.