

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2462

S.P. 958

In Senate, March 30, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Aging, Retirement and Veterans suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator McCORMICK of Kennebec
Cosponsored by Representative JALBERT of Lisbon.

STATE OF MAINE

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

An Act Concerning the Maine State Retirement System.

(AFTER DEADLINE)



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

2
4 **Sec. 1. 5 MRSA §17154, sub-§9** is enacted to read:

6 **9. Improper application of statutes.** Notwithstanding the
8 other provisions of this section, additional actuarial and
10 administrative costs resulting from omissions or
12 misrepresentations by an employer as to a member's earnings,
14 service or service credits or from improper application of
16 retirement system statutes or rules regarding earnings, service
18 or service credits must be charged to and paid by the employer
20 that omitted information, provided misinformation or improperly
 applied the statutes or rules, unless the omission,
 misrepresentation or improper application results from erroneous
 information provided by the retirement system. The employer is
 liable for amounts not recovered from the retiree and for costs
 incurred by the retirement system in resolving problems caused by
 the employer's actions. For purposes of this subsection,
 "employer" means any department of State Government, school
 administrative unit or participating local district.

22 **Sec. 2. 5 MRSA §17851, sub-§11**, as amended by PL 1987, c. 670,
24 is further amended to read:

26 **11. Maine State Prison employees.** The warden or deputy
28 warden of the Maine State Prison, any officer or employee of the
30 Maine State Prison employed as a guard or in the management of
 prisoners or any person employed as the supervising officer of
 those officers or employees or as an advocate at the Maine State
 Prison qualifies for a service retirement benefit if he that
 person:

32 A. Was employed in one of those capacities before September
34 1, 1984, and:

36 (1) Completes 20 years of creditable service in one or
38 more of those capacities; and

40 (2) Retires upon or after reaching the age of 50
 years; or

42 B. Was employed in one of those capacities after August 31,
44 1984, and completed 25 years of creditable service in one or
 more of those capacities.

46 Notwithstanding any other provision in this section, no person in
48 the employ of the Bangor Pre-Release Center on the effective date
 of this subsection who would have qualified for a service
 retirement benefit if the Bangor Pre-Release Center had remained

2 the administrative responsibility of the Maine State Prison may
be denied such a benefit by virtue of the transfer of that
responsibility to the Charleston Correctional Facility.

4 FISCAL NOTE

6
8 Section 1 of this bill, relating to improper application of
statutes by employers, will reduce the actuarial and
administrative costs of the Maine State Retirement System.
10 However, the additional local costs of requiring the payment of
additional actuarial and administrative costs will require full
12 funding by the State as a state mandate pursuant to the Maine
Revised Statutes, Title 30-A, section 5684. The General Fund
14 appropriations required to fund these costs can not be estimated
at this time.

16
18 Section 2 of this bill technically adds an additional
position to the special retirement plan for certain employees of
the Maine State Prison. The Department of Corrections has
20 budgeted for contributions to the Maine State Retirement System
as if this position were still eligible under the special plan.
22 Therefore, no additional funding is required in the current
biennium. However, both the Department of Corrections and the
24 Maine State Retirement System will not realize some minor, future
savings.

26 STATEMENT OF FACT

28
30 This bill permits the Maine State Retirement System to
collect from the employer any additional actuarial and
32 administrative costs that result from an employer's improper
application of retirement statutes and rules, provision of
34 misinformation or omission of information.

36 The bill also ensures that the position of advocate at the
Maine State Prison continues to be under the special retirement
38 plan that covers employees of the Maine State Prison.