

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 232

H.P. 180

House of Representatives, February 1, 1993

An Act to Increase the Earnings Cap of a Disability Retirement Benefit.

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

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative NORTON of Winthrop.
Cosponsored by Representatives: MITCHELL of Vassalboro, O'GARA of Westbrook, OLIVER of Portland, Senator: BRANNIGAN of Cumberland.

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

4 Sec. 1. 5 MRSA §18506, sub-§1, as enacted by PL 1985, c. 801,
§§5 and 7, is amended to read:

6 1. **Compensation in excess of \$20,000.** If, in any year, the
8 compensation received from engaging in any gainful occupation by
a beneficiary of a disability retirement benefit exceeds \$10,000
10 \$20,000, as adjusted annually as of September 1, 1994 by the
Consumer Price Index:

12 A. The excess shall ~~be~~ is deducted from the disability or
14 service retirement benefits during the next calendar year,
the deductions to be prorated on a monthly basis in an
16 equitable manner prescribed by the board over the year or
part of the year for which the benefits are received; and

18 B. The beneficiary shall reimburse the retirement system
20 for any excess payments not deducted under paragraph A.

22 **STATEMENT OF FACT**

24 The current statutory earnings cap of \$10,000 in the
26 disability retirement laws no longer reflects an appropriate
level of compensation to be earned before that cap is met. This
28 bill increases the cap to \$20,000 and provides for future annual
indexing according to the Consumer Price Index.
30