

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 1182

S.P. 387

In Senate, April 5, 1993

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**An Act Allowing Participating Local Districts to Determine Eligibility in the Maine State Retirement System.**

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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 AMERO of Cumberland.  
Cosponsored by Senator: WEBSTER of Franklin, Representatives: DEXTER of Kingfield,  
SULLIVAN of Bangor.

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

4 **Sec. 1. 5 MRSA §18203, sub-§4 is enacted to read:**

6 4. Withdrawal of certain classes of employees from  
8 participation. A local district may amend its participation  
10 contract to withdraw certain classes of employees from  
12 participation as long as:

14 A. The local district provides social security coverage for  
16 the withdrawn classes;

18 B. Any employees covered by a collective bargaining  
20 agreement have agreed by majority vote through collective  
22 bargaining that their class of employees will be withdrawn  
24 from future participation; and

26 C. Employees in a class of employees being withdrawn may or  
28 may not participate in accordance with section 18254.

30 **Sec. 2. 5 MRSA §18251, sub-§1, as amended by PL 1991, c. 619,**  
32 **§12 and affected by §18, is further amended to read:**

34 **1. Compulsory membership.** Membership is compulsory for all  
36 employees entering the service of a participating local district  
38 after the date of establishment for the participating local  
district, except as otherwise provided by subsection 2; section  
18201, subsection 3; section 18203, subsection 4; section 18252;  
or section 18256.

### 32 STATEMENT OF FACT

34 This bill allows municipalities to withdraw certain classes  
36 of employees from participation in the Maine State Retirement  
38 System as long as the employees are covered by social security.  
This would allow municipalities to offer their employees a wider  
range of pension system options at a lower cost than the Maine  
State Retirement System alone can offer.