

MAINE STATE LEGISLATURE

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L.D. 195

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LABOR

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 147, L.D. 195, Bill, "An Act to Protect the Rights of Maine State Retirement System Employees"

Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the employment status and rights of employees of the Maine State Retirement System who were transferred to the Maine State Retirement System as a public instrumentality under the provisions of Public Law 1993, chapter 410, Part L, section 47, are due to change as of the end of the transfer period on June 30, 1995; and

Whereas, an extension of certain rights beyond the transfer period meets the needs and interests of these employees; and

Whereas, the obligation of the Maine State Retirement System to fund for the actuarial liabilities associated with these employees as state employees and as employees of the system as a public instrumentality needs to be addressed; and

Whereas, the clarification set out in this legislation must be effective upon the expiration of the transfer period of June 30, 1995; and

COMMITTEE AMENDMENT

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 5 MRSA §18253, sub-§1, ¶D, as enacted by PL 1993, c. 410, Pt. L, §43, is amended to read:

D. For the purposes of this subsection, an employee of the Maine State Retirement System who is a member on January 1, 1994 is considered to be reemployed with a new employer. If an employee returns to state service ~~within 2 years of January 1, 1994~~ during the period that begins on July 1, 1995 and ends 180 days after the date upon which the initial collective bargaining agreement between the Maine State Retirement System and the collective bargaining agent that represents the employees of the system becomes effective, all funds transferred to the account of the Maine State Retirement System as the new employer on behalf of the employee from the State's account must be returned to the State's account. For the purpose of service, breaks in service and benefit accruals, the employee must be treated as if the employee had remained in state service throughout the period in question. For purposes of this paragraph, "becomes effective" means that the collective bargaining agreement has been signed and ratified by both parties and approved by the Legislature as provided by section 17103, subsection 14.

Sec. 2. PL 1993, c. 410, Pt. L, §47, sub-§5-A is enacted to read:

5-A. Transferred employees' rights with respect to return to state service after transfer period ends. Beginning July 1, 1995 and continuing until 180 days after the date upon which the initial collective bargaining agreement between the Maine State Retirement System and the collective bargaining agent that represents the employees of the system becomes effective, those employees of the system on the effective date of this subsection who were employed at the system on July 1, 1993 and were transferred under the provisions of subsection 5 are entitled to apply and be considered for positions in state service as if they were state employees and they retain all applicable seniority rights and privileges and all other rights and privileges with respect to seeking and returning to employment in state service. For purposes of this subsection, "becomes effective" means that the collective bargaining agreement has been signed and ratified

2 by both parties and approved by the Legislature as provided by
3 the Maine Revised Statutes, Title 5, section 17103, subsection
4 14. Upon reemployment with the State, these employees must be
5 treated as if they had remained in state service from June 30,
6 1993 to the date of reemployment. The period from June 30, 1993
7 to the date of reemployment does not constitute a break in
8 service and counts as state service for purposes of seniority.
9 Membership in the Maine State Retirement System for employees who
10 return to state service in accordance with this section is
11 governed by Title 5, section 18253, subsection 1, paragraph D.

12 **Emergency clause.** In view of the emergency cited in the
13 preamble, this Act takes effect July 1, 1995.'

14
15 Further amend the bill by inserting at the end before the
16 statement of fact the following:

17
18 **FISCAL NOTE**

19
20 The bill will result in savings in budgeted employer benefit
21 expenses to the Maine State Retirement System, estimated to be
22 \$175,000 in fiscal year 1995-96. The State's contribution rate
23 will not be appreciably affected by these savings.'

24
25
26 **STATEMENT OF FACT**

27 This amendment replaces the bill. It clarifies the status
28 and rights with respect to return to state service of employees
29 of the Maine State Retirement System who were employed at the
30 system on July 1, 1993 and who became "transferred employees" of
31 the system under the legislation that established the system as a
32 public instrumentality and participating local district. The
33 amendment extends the time those employers have to decide whether
34 to be treated as employees of the system as an independent agency
35 or to return to state service. Those employees may exercise that
36 option beginning July 1, 1995 and extending until 180 days after
37 the first collective bargaining agreement is approved by the
38 Legislature.