

MAINE STATE LEGISLATURE

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R. of S.

L.D. 1269

DATE: June 23, 1995

(Filing No. S- 327)

LABOR

Reported by: Senator BEGLEY of Lincoln for the Committee.

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
117TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 473, L.D. 1269, Bill, "An Act Relating to the Retirement Benefits for the Maine Warden Service"

Amend the bill by striking out the title and substituting the following:

'An Act to Provide Retirement Benefit Options for Game Wardens and Marine Patrol Officers'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

PART A

Sec. A-1. 5 MRSA §17709, as amended by PL 1987, c. 739, §§21 and 48, is repealed and the following enacted in its place:

§17709. Inland Fisheries and Wildlife officers

1. Before September 1, 1984. A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity before September 1, 1984 shall contribute to the retirement system or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the officer has completed 20 years of creditable service, as required under section 17851, subsection 5, paragraph A; and

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B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of the officer's employment in that capacity.

2. After August 31, 1984; option. A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity after August 31, 1984 and who elects the retirement option provided in section 17851, subsection 5-A shall contribute to the retirement system or have pick-up contributions made by the employer as provided in section 17852, subsection 5-A.

Sec. A-2. 5 MRSA §17851, sub-§5-A is enacted to read:

5-A. Inland Fisheries and Wildlife officers after August 31, 1984; option. A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity after August 31, 1984 qualifies for a service retirement benefit upon reaching 55 years of age after completing at least 25 years of creditable service in that capacity if notice of election of the option and payment of employee contributions and actuarial costs are made as provided in section 17852, subsection 5-A.

Sec. A-3. 5 MRSA §17852, sub-§5-A is enacted to read:

5-A. Inland Fisheries and Wildlife officers after August 31, 1984; option. The retirement benefit of a person who qualifies under section 17851, subsection 5-A and who retires upon or after reaching 55 years of age is computed in accordance with subsection 1 if:

A. The person was first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife on or after November 1, 1995, elects the option provided in section 17851, subsection 5-A and pays to the retirement system an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

B. The person was first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife before November 1, 1995, elects the option provided in section 17851, subsection 5-A and pays to the retirement system single or periodic payment of a lump sum or by a combination of single and periodic payments of the amount that equals the full actuarial cost of electing that option for service before that date. A person who requests calculation of the full actuarial cost, regardless of whether the person elects the option, must pay to the

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retirement system by single lump sum payment the reasonable administrative costs of determining the full actuarial costs. Payment of the full actuarial cost related to service on or after November 1, 1995 is made as part of the employee payroll contribution.

For the purposes of this subsection, "full actuarial cost" means that the person's payment or payments must fully offset any unfunded liability that would or does result from retirement under the option provided in section 17851, subsection 5-A and must fully fund the cost of the person's retirement prior to normal retirement age so that an additional employer contribution is not required.

A person who makes the election provided in section 17851, subsection 5-A at any time after the date on which the person is first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife must include interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points, applied as of the date on which the person was first employed in that capacity to the contributions the person would have paid or had picked up by the employer had the person elected that option at the date of first employment.

This subsection is effective November 1, 1995. Election to retire under this subsection is a one-time irrevocable election. A person who was first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife on or after November 1, 1995 must make the election no later than 90 days after the date of first employment. A person who was first employed in that capacity before November 1, 1995 must make the election no later than November 1, 1996.

PART B

Sec. B-1. 5 MRS §17710, sub-§1, as amended by PL 1987, c. 739, §§22 and 48, is repealed and the following enacted in its place:

1. Before September 1, 1984. A law enforcement officer in the Department of Marine Resources who was first employed in that capacity before September 1, 1984 shall contribute to the retirement system or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the officer has completed 20 years of creditable service, as required under section 17851, subsection 6; and

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Ads

2 B. After completing the service described in paragraph A,
3 at a rate of 6.5% of earnable compensation for the remainder
4 of the officer's employment in that capacity.

6 **Sec. B-2. 5 MRSA §17710, sub-§1-A is enacted to read:**

8 1-A. After August 31, 1984; option. A law enforcement
9 officer in the Department of Marine Resources who was first
10 employed in that capacity after August 31, 1984 and who elects
11 the retirement option provided in section 17851, subsection 6-A
12 shall contribute to the retirement system or have pick-up
13 contributions made by the employer as provided in section 17852,
14 subsection 6-A.

16 **Sec. B-3. 5 MRSA §17851, sub-§6-A is enacted to read:**

18 6-A. Marine resources officers after August 31, 1984;
19 option. A law enforcement officer in the Department of Marine
20 Resources who was first employed in that capacity after August
21 31, 1984 qualifies for a service retirement benefit upon reaching
22 55 years of age after completing at least 25 years of creditable
23 service in that capacity if notice of election of the option and
24 payment of employee contributions and actuarial costs are made as
25 provided in section 17852, subsection 6-A.

26 **Sec. B-4. 5 MRSA §17852, sub-§6-A is enacted to read:**

28 6-A. Marine resources officers after August 31, 1984;
29 option. The retirement benefit of a person qualifying under
30 section 17851, subsection 6-A who retires upon or after reaching
31 55 years of age is computed in accordance with subsection 1 if:

32 A. The person was first employed as a law enforcement
33 officer in the Department of Marine Resources on or after
34 November 1, 1995, elects the option provided in section
35 17851, subsection 6-A and pays to the retirement system an
36 increased employee payroll contribution in an amount that
37 equals the full actuarial cost of electing that option; or

38 B. The person was first employed in that capacity before
39 November 1, 1995, elects the option provided in section
40 17851, subsection 6-A and pays to the retirement system by
41 single or periodic payment of a lump sum or by a combination
42 of single and periodic payments the amount that equals the
43 full actuarial cost of electing that option for service
44 before that date. A person who requests calculation of the
45 full actuarial cost, regardless of whether the person elects
46 the option, must pay to the retirement system by single lump
47 sum payment the reasonable administrative costs of
48 determining the full actuarial costs. Payment of the full
49 actuarial cost shall be made by the person electing the option.
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actuarial cost related to service on or after November 1, 1995 is made as part of the employee payroll contribution.

For the purpose of this subsection, "full actuarial cost" means that the person's payment or payments must fully offset any unfunded liability that would or does result from retirement under the option provided in section 17851, subsection 6-A and must fully fund the cost of the person's retirement prior to normal retirement age so that an additional employer contribution is not required.

A person who makes the election provided in section 17851, subsection 6-A at any time after the date on which the person is first employed as a law enforcement officer in the Department of Marine Resources must include interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points, applied as of the date on which the person was first employed in that capacity to the contributions the person would have paid or had picked up by the employer had the person elected that option at the date of first employment.

This subsection is effective November 1, 1995. Election to retire under this subsection is a one-time irrevocable election. A person who was first employed as a law enforcement officer in the Department of Marine Resources on or after November 1, 1995 must make the election no later than 90 days after the date of first employment. A person who was first employed in that capacity before November 1, 1995 must make the election no later than November 1, 1996.

PART C

Sec. C-1. Maine State Retirement System methodology. The Maine State Retirement System shall develop a methodology for calculating the full actuarial cost, reasonable administrative cost, and interest, if applicable, to be applied when a person elects to retire under the Maine Revised Statutes, Title 5, section 17581, subsections 5-A or 6-A. The retirement system shall also establish the procedure for election under those sections.'

STATEMENT OF FACT

This amendment replaces the bill and provides a retirement option for Game Wardens and Marine Patrol Officers hired after August 31, 1984. Anyone hired in either of those capacities after that date may participate in either the regular retirement plan for state employees or a special retirement plan that permits retirement with full benefits at age 55 with at least 25

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2 years of service in those positions. Each employee who elects
the special plan must pay to the Maine State Retirement System
4 the full actuarial and administrative costs of retiring under
that plan, including interest on back payments due for current
6 employees. The option takes effect November 1, 1995. Current
employees may elect the plan within one year and future employees
within 90 days of being hired.
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