

MAINE STATE LEGISLATURE

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LABOR

Reported by: Senator BEGLEY of Lincoln for the Committee.

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

COMMITTEE AMENDMENT "A" to S.P. 723, L.D. 1825, Bill, "An Act Regarding Survivor Benefits in the Event of Divorce and Remarriage"

Amend the bill by inserting after the title and before the enacting clause the following:

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

Whereas, current law permits the recipient of a reduced retirement benefit who has named a spouse as beneficiary and who is divorced to change the beneficiary to someone else only if the divorce occurs after retirement; and

Whereas, that law may be contrary to the wishes of recipients of reduced retirement benefits who are divorced before retirement but do not remarry and try to change their beneficiary until after retirement; and

Whereas, it is immediately necessary to amend the law so that such changes may be made in the named beneficiary; and

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, '

Further amend the bill in section 2 in the indented paragraph in the 3rd line (page 1, line 13 in L.D.) by striking out the following: "beneficiary" and inserting in its place the following: 'retirement beneficiary'

R. of S.

COMMITTEE AMENDMENT "A" to S.P. 723, L.D. 1825

2 Further amend the bill by inserting after section 2 the following:

4 'Sec. 3. 5 MRSA §17805-A, sub-§1, ¶¶A and B, as enacted by PL 1991, c. 320, §1, are amended to read:

6 A. The ~~original~~ spouse or former spouse who was originally named as retirement beneficiary must have been the sole beneficiary of the reduced retirement benefit under section 17804, subsection 3, 4 or 5; and

8 B. The recipient and the ~~original~~ spouse or former spouse who was originally named retirement beneficiary must agree to the change of beneficiary. Prior to this agreement, the executive director shall ensure that the ~~original~~ spouse or former spouse who was originally named as retirement beneficiary has been counseled by an employee of the retirement system regarding the financial effect of giving up rights as a beneficiary and has signed a statement that the information has been received and understood.'

12 Further amend the bill in section 4 in the indented paragraph in the 3rd line (page 1, line 26 in L.D.) by striking out the following: "beneficiary" and inserting in its place the following: 'retirement beneficiary'

14 Further amend the bill by inserting after section 4 the following:

16 'Sec. 5. 5 MRSA §18405-A, sub-§1, ¶A, as enacted by PL 1991, c. 320, §2, is amended to read:

18 A. The ~~original~~ spouse or former spouse who was originally named as retirement beneficiary must have been the sole beneficiary of the reduced retirement benefit under section 18404, subsection 3, 4 or 5; and

20 **Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved.'

22 Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

24 **STATEMENT OF FACT**

26 The amendment makes the following additions to the bill.

COMMITTEE AMENDMENT

R. & S.

COMMITTEE AMENDMENT "A" to S.P. 723, L.D. 1825

2 1. It makes changes to clarify that the bill deals only
with retirement beneficiaries, not other types of beneficiaries.

4 2. It takes account of the possibility that a member may
6 have more than one former spouse.

8 3. It adds an emergency preamble and an emergency clause to
the bill.