MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 659

H.P. 488

House of Representatives, January 30, 1997

An Act to Authorize Members of the Maine State Retirement System to Combine Years of Service Under Different Plans.

Reference to the Committee on Labor suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative DRISCOLL of Calais.

Cosponsored by Representatives: AHEARNE of Madawaska, BAGLEY of Machias, BUNKER of Kossuth Township, GOODWIN of Pembroke, LEMAIRE of Lewiston, SAMSON of Jay, Senators: CASSIDY of Washington, O'GARA of Cumberland.

_	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 5 MRSA §17656, sub-§1, ¶¶A and B, as enacted by PL
4	1985, c. 801, $\S\S$ 5 and 7, are amended to read:
6	A. Any member of the retirement system whose service is terminated as a state employee, teacher or participating
8	local district employee and who becomes employed as a state
10	employee, teacher or participating local district employee with a new employer shall, if he the member has not
12	previously withdrawn his <u>the member's</u> accumulated contributions:
14	(1) Have his <u>that</u> membership transferred to his <u>the</u> member's account with the new employer; and
16	(2) Be entitled to all benefits which that:
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20	(a) Are based on creditable service and earnable compensation with the previous employer and the provisions of this Part in effect with respect to
22	the previous employer at the date of termination of service by the member; and
24	-
26	(b) Do not require additional contributions by the new employer.
28	B. The new employer may elect to include the creditable service and earnable compensation of the member with the
30	previous employer with the creditable service and earnable compensation with the new employer. If that election is
32	made, the new employer shall make, from time to time, whatever contributions are necessary to provide the benefits
34	under the retirement system for the member as have accrued to the member by reason of his the member's previous
36	employment and as may accrue to the member by reason of his the member's new employment.
38	Sec. 2. 5 MRSA §17656, sub-§2 is enacted to read:
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42	2. Teachers previously employed as teacher aides. A teacher member who was previously employed in a public school as a teacher aide may transfer service from the participating local
44	district plan as follows.
46	A. A teacher member who was employed in a public school as a teacher aide at any time prior to July 1, 1989 and who was
48	a teacher aide at any time prior to duly 1, 1909 and who was a member of a participating local district for all or part of that period of employment as a teacher aide may elect to
50	have the creditable service and earnable compensation as a

member's creditable service and earnable compensation as a

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	<u>teacher member. This election must be made before any</u>
2	retirement benefit becomes effective for the member.
4	B. If the member is required by paragraph C to make
	additional contributions, the creditable service and
6	earnable compensation may not be transferred until after the
	required additional contributions have been made and the
8	accumulated contributions transferred to that member's
	account.
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	C. If a member's contribution rate as a participating local
12	district member was less than the contribution rate for
	teacher members, the member must make any additional
14	contributions that are needed to increase the accumulated
	contributions to an amount equal to the amount that would
16	have been contributed had the member contributed the same
	rate that teacher members contributed during the period when
18	the member was a participating local district member.
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	SUMMARY
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This bill allows teachers who were employed as teacher aides prior to July 1, 1989 to have creditable service earned as a member of the participating local district transferred to the member account established under the Maine State Retirement System for service as a teacher. If the member's contribution rate as a teacher aide was lower than it would have been for the same period as a teacher, the member must make additional contributions as necessary to equalize the rate.