



118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 1383

S.P. 437

In Senate, March 5, 1997

An Act to Provide Part-time State and Participating Local District Employees with the Option of Joining the Maine State Retirement System.

Reference to the Committee on Labor suggested and ordered printed.

Brien

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator FERGUSON of Oxford. Cosponsored by Representative McELROY of Unity.

2 Sec. 1. 5 MRSA §17651, as enacted by PL 1985, c. 801, §§5 and 4 7, is amended to read: §17651. Mandatory membership б 8 All employees whose normal workweek is more than 20 hours per week shall become members of the retirement system as a condition of their employment. 10 Sec. 2. 5 MRSA §17652, sub-§3 is enacted to read: 12 3. Part-time employees. Membership in the retirement 14 system is optional for employees whose normal workweek is 20 or less hours per week. A person who elects, under this subsection, 16 not to join the retirement system at the beginning of employment may at any time apply for and be admitted to membership under the 18 following conditions. 20

A. A person who joins the retirement system under this
 subsection may not pay contributions or have pick-up
 contributions made on or receive any service credit for the
 period during which that person elected not to be a member
 of the system.

B. Membership service credit for a person joining the retirement system under this subsection begins as of the effective date of the first contribution or pick-up contribution to the system.

26

34

44

32 This subsection applies to any person who begins membership after December 31, 1997.

Sec. 3. 5 MRSA §18251, sub-§1, as amended by PL 1991, c. 619, 36 §12 and affected by §18, is further amended to read:

 Compulsory membership. Membership is compulsory for all employees entering the service of a participating local district after the date of establishment for the participating local district whose normal workweek is more than 20 hours per week, except as otherwise provided by subsection 2; section 18201, subsection 3; section 18252; or section 18256.

- Sec. 4. 5 MRSA §18251, sub-§1, as enacted by PL 1985, c. 801, 46 §§5 and 7, is amended to read:
- Compulsory membership. Membership is compulsory for all employees entering the service of a participating local district
 after the date of establishment for the participating local

Page 1-LR0197(1)

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

district whose normal workweek is more than 20 hours per week, but not for employees exempted under subsection 2; under section 18201, subsection 3; or under section 18252.

Sec. 5. 5 MRSA §18251, sub-§2, ¶C-1 is enacted to read:

C-1. Membership is optional for an employee of a participating local district whose normal workweek is 20 hours or less.

Sec. 6. 5 MRSA §18251, sub-§2, $\P D$, as amended by PL 1987, c. 739, §§28 and 48, is further amended to read:

- 14 D. A person who elects not to join the retirement system under paragraph B $\Theta \mathbf{F}_{\perp}$ C or C-1 at the beginning of 16 employment may at any time apply for and be admitted to membership.
- (1) A person who joins the retirement system under
 20 this subsection may not pay contributions or have pick-up contributions made on or receive any service
 22 credit for the period during which the person elected not to be a member of the retirement system.
 24
 - (2) Membership service credit for persons joining the retirement system under this subsection shall--begin <u>begins</u> as of the effective date of first contributions or pick-up contributions to the retirement system.
- 30 (3)---This-paragraph-applies-te--any-member-who--begins membership-after-December-31,-1985.

For employees who elect not to join the retirement system under paragraphs B and C, this paragraph applies to any member who begins membership after December 31, 1985 and for employees who elect not to join the retirement system under paragraph C-1, this paragraph applies to any member who begins membership after December 31, 1997.

40

2

4

6

8

10

12

18

26

28

32

34

36

38

SUMMARY

42

44

This bill makes membership in the Maine State Retirement System optional for state employees and participating local district employees who normally work 20 or fewer hours a week.