

# MAINE STATE LEGISLATURE

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# 118th MAINE LEGISLATURE

## FIRST SPECIAL SESSION-1997

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Legislative Document

No. 1839

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H.P. 1294

House of Representatives, April 24, 1997

**An Act to Promote Temporary Service by Retired Public Employees.**

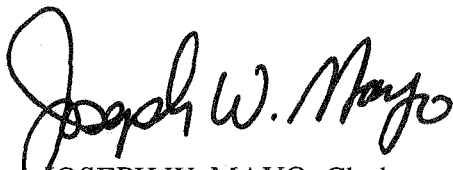
(AFTER DEADLINE)

(EMERGENCY)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Received by the Clerk of the House on April 22, 1997. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

  
JOSEPH W. MAYO, Clerk

Presented by Representative CHIZMAR of Lisbon.

Cosponsored by Representatives: JOY of Crystal, McELROY of Unity, TRUE of Fryeburg,  
Senator: NUTTING of Androscoggin.

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

4  
6           **Whereas,** under the Maine Revised Statutes, Title 5, section  
17855, retired members of the Maine State Retirement System who  
have returned to service will suffer a reduction in their  
8 retirement benefits if their income exceeds the amount  
established by that section; and

10           **Whereas,** the benefit reduction imposed by the Maine Revised  
12 Statutes, Title 5, section 17855 when a member returns to service  
presents a significant obstacle to the availability of retired  
14 members who otherwise would be willing to fill temporary or  
interim positions; and

16           **Whereas,** school units in this State are facing an increasing  
18 need to fill administrative positions on a temporary basis due to  
a high rate of turnover; and

20           **Whereas,** it is in the public interest for school boards to  
22 be able to employ experienced, retired administrators and  
teachers on a temporary basis while conducting searches for new  
24 candidates; and

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

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

34           **Sec. 1. 5 MRSA §17855, sub-§4** is enacted to read:

36           4. Deferral of earnable compensation. If a recipient who  
has been restored to service enters into a written agreement with  
38 the recipient's employer that provides that any part of the  
compensation for services must be deferred to a subsequent year  
40 or years, this deferred compensation must be treated for purposes  
of this section as having been received by the recipient in the  
42 year in which it is actually paid to and received by the  
recipient. Any funds deferred under this subsection must be paid  
44 during the 2 fiscal years immediately following the last fiscal  
year in which the compensation was actually earned.

46           Notwithstanding any other provision of law, a school board of any  
48 school administrative unit that enters into an agreement to defer  
compensation pursuant to this subsection may establish a deferred  
50 compensation account and may have the sole authority to approve

2 payments from that account to the employee who is subject to such  
3 an agreement.

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

8 **SUMMARY**

10 This bill provides that if a recipient of a service  
11 retirement benefit under the Maine State Retirement System is  
12 restored to service and enters into a written agreement with the  
13 recipient's employer that provides that any part of the  
14 compensation for services must be deferred to a subsequent year,  
15 this deferred compensation must be treated as having been  
16 received by the recipient in the year in which it is actually  
paid to and received by the recipient.