

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

DATE: 3-10-98

(Filing No. H-359)

MINORITY
LABOR

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48
50

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "B" to H.P. 1304, L.D. 1847, Bill, "An Act to Modify the Retirement Laws for the 38th Training Troop of the Maine State Police"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 5 MRSA §17708, sub-§3, as enacted by PL 1985, c. 801, §§5 and 7, is repealed and the following enacted in its place:

3. After August 31, 1984. Except as provided in subsection 4, a state police officer who was first employed by that department after August 31, 1984 shall contribute to the retirement system as follows:

A. At a rate of 7.5% of earnable compensation until the state police officer has completed 25 years of creditable service, as required under section 17851, subsection 4, paragraph B; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of employment as a state police officer.

Sec. 2. 5 MRSA §17708, sub-§4 is enacted to read:

4. Between September 1, 1984 and September 15, 1984. A state police officer who was first employed by that department after August 31, 1984 and before September 16, 1984 and who elects the retirement option provided in section 17851, subsection 4, paragraph C shall contribute to the retirement system as follows:

2 A. At a rate of 7.5% of earnable compensation, plus
4 additional periodic or lump-sum payments required under
6 section 17852, subsection 4, paragraph D until the state
police officer has completed 20 years of creditable service;
and

8 B. After completing the service described in paragraph A,
10 at a rate of 6.5% of earnable compensation for the remainder
of employment as a state police officer.

12 **Sec. 3. 5 MRSA §17851, sub-§4,** as enacted by PL 1985, c. 801,
14 §§5 and 7, is amended to read:

16 **4. State police.** A state police officer qualifies for a
service retirement benefit if he that state police officer:

18 A. Became a state police officer after July 9, 1943, but
20 before September 1, 1984, and retires after completing 20
22 years of creditable service as a state police officer, which
may include creditable service under section 17760,
subsection 1, but may not include creditable service under
section 17760, subsection 2; e#

24 B. Became a state police officer after August 31, 1984, and
26 completed 25 years of creditable service as a state police
officer; or

28 C. Became a state police officer after August 31, 1984, but
30 before September 16, 1984, and completed 20 years of
32 creditable service as a state police officer if notice of
election of the option and payment of employee contributions
34 and actuarial costs as provided in section 17852, subsection
4, paragraph D are made.

36 **Sec. 4. 5 MRSA §17852, sub-§4, ¶D** is enacted to read:

38 D. The retirement benefit of a person who qualifies under
40 section 17851, subsection 4, paragraph C is computed in
accordance with subsection 1 if:

42 (1) The person elects the option provided in section
44 17851, subsection 4, paragraph C and pays to the
retirement system an increased employee payroll
46 contribution in an amount that equals the full
actuarial cost of electing that option; or

48 (2) The person elects the option provided in section
50 17851, subsection 4, paragraph C and pays to the
retirement system by single or periodic payment of a

2 lump sum or by a combination of single and periodic
3 payments of the amount that equals the full actuarial
4 cost of electing that option.

6 The surviving spouse of a state police officer receiving a
7 benefit under section 17851, subsection 4, paragraph C is
8 entitled to a retirement benefit as provided in paragraph A,
9 subparagraph 2.

11 A person who requests calculation of the full actuarial
12 cost, regardless of whether the person elects the option,
13 must pay to the retirement system by single lump sum payment
14 the reasonable administrative costs of determining the full
15 actuarial costs.

16 For the purposes of this paragraph, "full actuarial cost"
17 means that the person's payment or payments must fully
18 offset any unfunded liability that would or does result from
19 retirement under the option provided in section 17851,
20 subsection 4, paragraph C and must fully fund the cost of
21 the person's retirement prior to normal retirement age so
22 that an additional employer contribution is not required.

24 Election to retire under this paragraph and section 17851,
25 subsection 4, paragraph C is a one-time irrevocable option
26 that must be exercised before January 1, 1999.'

28 Further amend the bill by inserting at the end before the
29 summary the following:

32 **FISCAL NOTE**

34 The Maine State Retirement System will incur some minor
35 additional costs to develop a method of determining the expanded
36 retirement benefits. These costs can be absorbed within the
37 system's existing budgeted resources.'

40 **SUMMARY**

42 This is the minority report of the committee. It replaces
43 the original bill by providing an option for members of the 38th
44 Training Troop of the Maine State Police to receive full
45 retirement benefits upon completion of 20 years of creditable
46 service with no age requirements if members exercising the option
47 pay the full actuarial cost of that additional benefit.