

MAINE STATE LEGISLATURE

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L.D. 1950

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

HOUSE AMENDMENT "K" to COMMITTEE AMENDMENT "A" to H.P. 1397, L.D. 1950, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and Changes to Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1998 and June 30, 1999"

Amend the amendment by inserting after Part DDD the following:

PART EEE

Sec. EEE-1. 5 MRSA §1513, sub-§1-K is enacted to read:

1-K. Transfer from Maine Rainy Day Fund. Notwithstanding subsection 2 and section 1585, an amount not to exceed \$2,835,204 must be transferred by the State Controller from the available balance in the Maine Rainy Day Fund to the unappropriated surplus of the General Fund no later than June 30, 1999.

Sec. EEE-2. 5 MRSA §17708, sub-§2, as amended by PL 1987, c. 739, §§20 and 48, is further amended to read:

2. Before September 16, 1984. A state police officer who was first employed by that department after July 9, 1943, but before September 16, 1984, shall contribute to the retirement system or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the state police officer has completed 20 years of creditable service, as required under section 17851, subsection 4, paragraph A; 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. EEE-3. 5 MRSA §17708, sub-§3, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

3. After September 15, 1984. A state police officer who was first employed by that department after ~~August-31~~ September 15, 1984, shall contribute to the retirement system as follows:

A. At a rate of 7.5% of earnable compensation until he 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 his employment as a state police officer.

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

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

A. Became a state police officer after July 9, 1943, but before September 1 16, 1984, and retires after completing 20 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; or

B. Became a state police officer after ~~August-31~~ September 15, 1984, and completed 25 years of creditable service as a state police officer.

Sec. EEE-5. Calculation of retirement benefits of Maine State Police Sergeant David McPherson. Notwithstanding any other provision of law, the service retirement benefit of Maine State Police Sergeant David McPherson, based on membership service performed under either the retirement plan for forest rangers with qualification requirements as provided under the Maine Revised Statutes, Title 5, section 17851, subsection 8 or the retirement plan for state police officers with qualification requirements as provided in Title 5, section 17851, subsection 4, paragraph B, must be calculated as if all service were performed under the forest ranger retirement plan.

Sec. **EEE-6. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Part.

1998-99

MAINE STATE RETIREMENT SYSTEM

Retirement Allowance Fund

All Other \$2,820,000

Provides funds for the full actuarial value of the increase to the unfunded liability resulting from an increase in the number of state police officers that will be eligible for a special retirement plan. The appropriated amount includes funds for the Highway Fund share of these costs.

Retirement Allowance Fund

All Other \$15,204

Provides funds for the full actuarial value of the increase to the unfunded liability resulting from allowing one law enforcement officer to retire under the provisions of a special retirement plan with more favorable retirement provisions. Also included are the costs related to the increase in the normal cost component of the employer contribution rate.

**MAINE STATE RETIREMENT SYSTEM
TOTAL**

\$2,835,204

Sec. **EEE-7. Allocation.** The following funds are allocated from the Highway Fund to carry out the purposes of this Part.

1998-99

MAINE STATE RETIREMENT SYSTEM

Retirement Allowance Fund

All Other \$22,806

Provides funds for the full actuarial value of the increase to the unfunded liability

resulting from allowing one law enforcement officer to retire under the provisions of a special retirement plan with more favorable retirement provisions. Also included are the costs related to the increase in the normal cost component of the employer contribution rate.'

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

FISCAL NOTE

This amendment will have no net effect on General Fund appropriations and revenue and a balanced budget is maintained for fiscal year 1997-98 and fiscal year 1998-99.

This amendment will increase the Highway Fund cost of the bill by \$22,806 in fiscal year 1998-99.

SUMMARY

Under current law, state employees, including state police officers, hired after August 31, 1984 are eligible for retirement benefits upon the completion of 25 years of creditable service and attainment of 55 years of age. State employees hired before September 1, 1984 are eligible for retirement benefits upon the completion of 20 years of creditable service, with no age restrictions.

This amendment changes the cutoff date for eligibility of retirement benefits after 20 years of creditable service for state police officers to September 16, 1984. The purpose of this amendment is to give members of the Maine State Police 38th Training Troop the same benefits that were available when applications were being accepted for that class. Members of the 38th Training Troop were well through the application process but were not officially hired until September 3, 1984, 2 days after the law imposing the new 25 years of service and 55 years of age requirement took effect.

This amendment also provides that the Maine State Retirement System retirement benefit of Maine State Police Chief David McPherson must be calculated under the requirements of the so-called "25/50 special retirement plan" that Sergeant McPherson was covered by when he began law enforcement service as a forest ranger.

HOUSE AMENDMENT "K" to COMMITTEE AMENDMENT "A" to H.P. 1397,
L.D. 1950

This amendment transfers the funding necessary for this
amendment from the Maine Rainy Day Fund.

SPONSORED BY: David N. Ott
(Representative OTT)

TOWN: York

HOUSE AMENDMENT