

# MAINE STATE LEGISLATURE

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L.D. 1968

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DATE: *March 24, 1998*

(Filing No. S-595)

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STATE OF MAINE  
SENATE  
118TH LEGISLATURE  
SECOND REGULAR SESSION

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SENATE AMENDMENT "A" to S.P. 726, L.D. 1968, Bill, "An Act to Implement a Reorganization of the Maine Sardine Council by the Maine Sardine Industry"

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Amend the bill by inserting after section 2 the following:

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Sec. 3. 32 MRSA §4167, sub-§5, as amended by PL 1993, c. 585, §6, is further amended to read:

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5. **Executive director; staff.** The council may select and employ and fix the salary of an executive director-advertising and merchandising manager to administer the advertising, merchandising, research and development program. The executive director, with the consent of the council, may engage sufficient clerical personnel and other employees for the efficient performance of the executive director's duties. After July 1, 1994, employees of the council may not be considered state employees for any purpose, including the state civil service provisions of Title 5, Part 2 and Title 5, chapter 372, except as provided in paragraphs A and C. For the purposes of the Maine Tort Claims Act, the council is a "governmental entity" and its employees are "employees" as those terms are defined in Title 14, section 8102.

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A. A person employed by the council on or after July 1, 1994 is a state employee for purposes of rights and benefits under the Maine State Retirement System under Title 5, Part 20 and for the purposes of retirement health insurance pursuant to the state employee health insurance program under Title 5, chapter 13, subchapter II.

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2 B. Paragraph A does not apply to a person who was employed  
3 by the council between July 1, 1994 and December 1, 1997 and  
4 who retired as a state employee before July 1, 1994.

5 C. A person employed by the council on or after March 1,  
6 1998 is a state employee for purposes of rights and benefits  
7 under the state employees health insurance program under  
8 Title 5, chapter 13, subchapter II.'

10 Further amend the bill by inserting after section 9 the  
11 following:

12 'Sec. 10. PL 1993, c. 585, §11, sub-§3, 4th and 5th sentences are  
13 repealed.

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15 **Sec. 11. Transfer of retirement liabilities.** The following assets,  
16 liabilities and accounts as of March 1, 1998 must be transferred  
17 to the state regular retirement plan for state employees:

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19 1. The retirement liabilities related to employees of the  
20 Maine Sardine Council who are state employees pursuant to the  
21 Maine Revised Statutes, Title 32, section 4167, subsection 5,  
22 paragraph A;

23 2. The assets of the consolidated retirement plan for  
24 participating local districts derived from or related to the  
25 Maine Sardine Council as a participating local district; and

26  
27 3. All Maine Sardine Council employee contribution accounts  
28 in the consolidated retirement plan for participating local  
29 districts derived from or related to the Maine Sardine Council as  
30 a participating local district.  
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33 **Sec. 12. Contributions to the state retirement plan.** A person  
34 employed by the Maine Sardine Council on or after March 1, 1998  
35 is covered under the state regular retirement plan for state  
36 employees. The Maine Sardine Council shall make employer  
37 retirement contributions at the state regular retirement plan  
38 employer contribution rate. Council employees shall make  
39 employee contributions at the state regular retirement plan  
40 employee contribution rate.  
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43 **Sec. 13. Retirement health insurance.** Any costs associated with  
44 coverage of employees of the Maine Sardine Council under the  
45 state employee health insurance program under the Maine Revised  
46 Statutes, Title 5, chapter 13, subchapter II for the purposes of  
47 retirement health insurance for the period from July 1, 1994 to  
48 March 1, 1998 must be paid by the council pursuant to an

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SENATE AMENDMENT "A" to S.P. 726, L.D. 1968

agreement between the council and the Department of Administrative and Financial Services.

Sec. 14. Retroactivity. That section of this Act that enacts the Maine Revised Statutes, Title 32, section 4167, subsection 5, paragraph A is retroactive to July 1, 1994. Those sections of this Act that require the transfer of retirement liabilities by March 1, 1998; that require contributions to the Maine State Retirement System by the Maine Sardine Council by March 1, 1998; and that require costs associated with coverage of employees and the council to be paid by the council are retroactive to March 1, 1998.'

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

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

FISCAL NOTE

The amendment will transfer the assets and liabilities of the participating local district retirement plan of the employees of the Maine Sardine Council to the Maine State Retirement System, and will result in a minor experience gain to the system. The shift will not result in an experience loss to the consolidated retirement plan for participating local districts.

The amendment will make additional individuals eligible for the State's retiree health insurance program. No appreciable increase in the employer contribution rate for retiree health insurance is anticipated.'

SUMMARY

This amendment makes employees of the Maine Sardine Council state employees for the purposes of retirement benefits. It transfers all of the council's assets, liabilities and accounts from its consolidated retirement participating local districts plan under the state retirement system to the state regular plan under the state retirement system. It also requires that any costs associated with coverage of employees of the Maine Sardine Council under the state employee health insurance program for the purposes of retirement health insurance for the period from July 1, 1994 to March 1, 1998 be paid by the Maine Sardine Council pursuant to an agreement between the council and the Department of Administrative and Financial Services.

SENATE AMENDMENT

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SENATE AMENDMENT "A" to S.P. 726, L.D. 1968

This amendment also adds a fiscal note to the bill.

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SPONSORED BY:

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(Senator GOLDTHWAIT)

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COUNTY: Hancock

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