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

COMMITTEE AMENDMENT "A" to H.P. 1513, L.D. 2135, Bill, "An Act to Restore Retirement Benefits for Law Enforcement and Correctional Personnel"

Amend the bill by striking out the title and substituting the following:

'An Act to Establish a Uniform Special Retirement Plan for State Law Enforcement Personnel, Maine State Prison Personnel, Emergency Personnel, Other Employee Groups That, Prior to September 1, 1984, Had Special Retirement Plans and Certain Emergency Personnel and to Revise the Restoration to Service Requirements'

Further amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

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

Whereas, law enforcement and other related work requires a strong and vigorous work force in order to protect the health and safety of the public; and

Whereas, law enforcement officers and other similar personnel who have been too long on the job place themselves and the public at risk in the daily performance of their jobs; and

COMMITTEE AMENDMENT

2 **Whereas**, since 1984, when early retirement plans under the
4 Maine State Retirement System were eliminated for most state law
6 enforcement officers and other similar personnel, most of those
 employees have been covered by the regular retirement plan for
 state employees and teachers; and

8 **Whereas**, recent changes in the regular retirement plan
10 increasing the retirement age and penalty for early retirement
12 have had the effect of causing state law enforcement officers and
 other similar personnel to work until age 62, sometimes with as
 much as 40 years on the job; and

14 **Whereas**, other changes in retirement law have resulted in
16 inconsistent treatment of different categories of law
18 enforcement, corrections, emergency and other related groups of
 employees; and

20 **Whereas**, the current retirement plans for state law
22 enforcement officers and other similar personnel act as a
24 hindrance to recruiting and retaining qualified personnel for
 state law enforcement, corrections and other related emergency
 positions; and

26 **Whereas**, establishment of a modified regular retirement plan
28 for certain law enforcement, corrections, emergency and other
30 related personnel would provide uniform treatment of similar
 groups of employees and would provide a useful recruiting tool
 for the State; and

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

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

40 **Sec. 1. 5 MRSA §17707-A is enacted to read:**

42 **§17707-A. Members in 1998 Special Plan; contributions after**
 June 30, 1998

44 After June 30, 1998, members to whom one or more of sections
46 17708 to 17712-B apply and to whom section 17851-A, subsection 1
48 also applies must contribute to the retirement system or have
 pick-up contributions made as provided in section 17851-A,
 subsection 5.

2 **Sec. 2. 5 MRSA §17851, sub-§4, ¶B**, as enacted by PL 1985, c.
801, §§5 and 7, is amended to read:

4 B. ~~Became~~ Except as provided in section 17851-A, became a
6 state police officer after August 31, 1984, and completed 25
years of creditable service as a state police officer.

8 **Sec. 3. 5 MRSA §17851, sub-§5**, as enacted by PL 1985, c. 801,
10 §§5 and 7, is amended to read:

12 **5. Inland Fisheries and Wildlife officers.** --~~A-Except as~~
14 provided in section 17851-A, a law enforcement officer in the
Department of Inland Fisheries and Wildlife qualifies for a
service retirement benefit if he the officer:

16 A. Was employed in that capacity before September 1, 1984;
18 and

20 B. Retires after completing 20 years of creditable service
22 in that capacity, which may include creditable service under
section 17760, subsection 1, but may not include creditable
service under section 17760, subsection 2.

24 **Sec. 4. 5 MRSA §17851, sub-§5-A**, as amended by PL 1995, c.
26 624, §2, is further amended to read:

28 **5-A. Inland Fisheries and Wildlife officers after August**
30 **31, 1984; option.** --~~A-Except as provided in section 17851-A, a~~ law
32 enforcement officer in the Department of Inland Fisheries and
34 Wildlife who was first employed in that capacity after August 31,
36 1984 or who, if employed in that capacity before August 31, 1984,
38 ceased to be employed in that capacity on or before that date and
who subsequently became reemployed in that capacity after that
date qualifies for a service retirement benefit upon reaching 55
years of age after completing at least 25 years of creditable
service in that capacity if notice of election of the option and
payment of employee contributions and actuarial costs are made as
provided in section 17852, subsection 5-A.

40 **Sec. 5. 5 MRSA §17851, sub-§6**, as enacted by PL 1985, c. 801,
42 §§5 and 7, is amended to read:

44 **6. Marine Resources officers.** --~~A-Except as provided in~~
46 section 17851-A, a law enforcement officer in the Department of
Marine Resources qualifies for a service retirement benefit if he
the officer:

48 A. Was employed in that capacity before September 1, 1984;
50 and

B. Retires after completing 20 years of creditable service in that capacity, which may include creditable service under section 17760, subsection 1, but may not include creditable service under section 17760, subsection 2.

Sec. 6. 5 MRSA §17851, sub-§6-A, as amended by PL 1995, c. 624, §3, is further amended to read:

6-A. Marine resources officers after August 31, 1984; option. --A--Except as provided in section 17851-A, a law enforcement officer in the Department of Marine Resources who was first employed in that capacity after August 31, 1984 or who, if employed in that capacity before August 31, 1984, ceased to be employed in that capacity on or before that date and who subsequently became reemployed in that capacity after that date qualifies for a service retirement benefit upon reaching 55 years of age after completing at least 25 years of creditable service in that capacity if notice of election of the option and payment of employee contributions and actuarial costs are made as provided in section 17852, subsection 6-A.

Sec. 7. 5 MRSA §17851, sub-§8, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

8. Forest rangers. --A--Except as provided in section 17851-A, a forest ranger in the Department of Conservation qualifies for a service retirement benefit if he the forest ranger:

A. Was employed in that capacity before September 1, 1984; and

B. Retires upon reaching 50 years of age or upon completion of 25 years of creditable service in that capacity, whichever is later.

Sec. 8. 5 MRSA §17851, sub-§8-A, as enacted by PL 1995 c. 624, §4, is amended to read:

8-A. Forest rangers after August 31, 1984; option. --A Except as provided in section 17851-A, a forest ranger in the Department of Conservation who was first employed in that capacity after August 31, 1984 or who, if employed in that capacity before August 31, 1984, ceased to be employed in that capacity on or before that date and who subsequently became reemployed in that capacity after that date qualifies for a service retirement benefit upon reaching 55 years of age after completing at least 25 years of creditable service in that capacity if notice of election of the option and payment of

employee contributions and actuarial costs are made as provided in section 17852, subsection 7-A.

Sec. 9. 5 MRSA §17851, sub-§§9 and 10, as enacted by PL 1985, c. 801, §§5 and 7, are amended to read:

9. Airplane pilots. --An Except as provided in section 17851-A, an airplane pilot employed by the State qualifies for a service retirement benefit if he that pilot:

A. Was employed in that capacity before September 1, 1984;

B. Completes at least 25 years of creditable service in that capacity; and

C. Retires upon or after reaching age 55.

10. Liquor inspectors. --~~A~~ Except as provided in section 17851-A, a liquor inspector, including the chief inspector, qualifies for a service retirement benefit if he that inspector:

A. Was employed in that capacity before September 1, 1984;

B. Completes at least 25 years of creditable service in that capacity; and

C. Retires upon or after reaching age 55.

Sec. 10. 5 MRSA §17851, sub-§11, as amended by PL 1991, c. 857, §2, is further amended to read:

11. Maine State Prison employees. The Except as provided in section 17851-A, the warden or deputy warden of the Maine State Prison, any officer or employee of the Maine State Prison employed as a guard or in the management of prisoners or any person employed as the supervising officer of those officers or employees or as an advocate at the Maine State Prison qualifies for a service retirement benefit if that person:

A. Was employed in one of those capacities before September 1, 1984 and:

(1) Completes 20 years of creditable service in one or more of those capacities; and

(2) Retires upon or after reaching the age of 50 years; or

B. Was employed in one of those capacities after August 31, 1984 and completed 25 years of creditable service in one or more of those capacities.

Notwithstanding any other provision in this section, no person in the employ of the Bangor Pre-Release Center on the effective date of this subsection who would have qualified for a service retirement benefit if the Bangor Pre-Release Center had remained the administrative responsibility of the Maine State Prison may be denied such a benefit by virtue of the transfer of that responsibility to the Charleston Correctional Facility.

Sec. 11. 5 MRSA §17851-A is enacted to read:

§17851-A. 1998 Special Plan established

1. Establishment and applicability. Effective July 1, 1998, there is established a special retirement plan to be known as the 1998 Special Plan. The 1998 Special Plan applies to members in the following capacities:

A. Law enforcement officers in the employment of the Department of Marine Resources on July 1, 1998, or hired thereafter;

B. Law enforcement officers in the employment of the Department of Inland Fisheries and Wildlife on July 1, 1998, or hired thereafter;

C. Forest rangers in the employment of the Department of Conservation on July 1, 1998, or hired thereafter;

D. State police officers to whom section 17851, subsection 4, paragraph B applies, except that those who elected the retirement choice under section 17852, subsection 4, paragraph C-2 are included only for purposes of subsection 2, paragraph A;

E. Maine State Prison employees to whom section 17851, subsection 11, paragraph B applies;

F. Airplane pilots in the employment of the State on July 1, 1998, or hired thereafter;

G. Liquor inspectors, including the Chief Inspector, in the employment of the Department of Public Safety, Bureau of Liquor Enforcement on July 1, 1998, or hired thereafter; and

H. Firefighters in the employment of the Department of Defense, Veterans and Emergency Management at Bangor

2 International Airport on July 1, 1998, or hired thereafter,
3 provided the Federal Government pays annually to the
4 retirement system the full employer cost of the
5 participation of these employees.

6 **2. Qualification for benefits.** A member employed in any
7 one or a combination of the capacities specified in subsection 1
8 after June 30, 1998, qualifies for a service retirement benefit
9 if that member either:

10 A. Is at least 55 years of age and has completed at least
11 10 years of creditable service under the 1998 Special Plan
12 in any one or a combination of the capacities; or

13 B. Has completed at least 25 years of creditable service in
14 any one or a combination of the capacities specified in
15 subsection 1, whether or not the creditable service included
16 in determining that the 25-year requirement has been met was
17 earned under the 1998 Special Plan or prior to its
18 establishment.

19 **3. Purchase of service credit to be used for qualification**
20 **for benefits.** This subsection governs the use of purchased
21 service credit in order to qualify for benefits.

22 A. For the purpose of meeting the qualification requirement
23 of subsection 2, paragraph A:

24 (1) Service credit purchased by repayment of an
25 earlier refund of accumulated contributions following
26 termination of service is included only to the extent
27 that time to which the refund relates was served after
28 June 30, 1998, in any one or a combination of the
29 capacities specified in subsection 1; and

30 (2) Service credit purchased other than as provided
31 under subparagraph (1), including but not limited to
32 service credit for military service, is not included.

33 D. For the purpose of meeting the qualification requirement
34 of subsection 2, paragraph B:

35 (1) Service credit purchased by repayment of an
36 earlier refund of accumulated contributions following
37 termination of service is included if the time to which
38 the refund relates was served in any one or a
39 combination of the capacities specified in subsection
40 1, regardless of whether the time was served before or
41 after the establishment of the 1998 Special Plan; and

2 (2) Service credit purchased other than as provided
3 under subparagraph (1) is not included, except that
4 service credit purchased for military service is
5 included.

6 4. Computation of benefits. The amount of the service
7 retirement benefit for members qualified under subsection 2 must
8 be computed as follows:

10 A. If all of the member's creditable service in any one or
11 a combination of the capacities specified in subsection 1
12 was earned after June 30, 1998 or if service credit was
13 purchased by repayment of an earlier refund of accumulated
14 contributions for service after June 30, 1998 in any one or
15 a combination of the capacities specified in subsection 1,
16 or if service credit was purchased by other than the
17 repayment of an earlier refund and eligibility to make the
18 purchase of the service credit, including but not limited to
19 service credit for military service, was achieved after June
20 30, 1998, the benefit must be computed as provided in
21 section 17852, subsection 1. If the member had 10 years of
22 creditable service on July 1, 1993, the benefit must be
23 reduced as provided in section 17852, subsection 3,
24 paragraphs A and B, and if the member had less than 10 years
25 of creditable service on July 1, 1993, the benefit must be
26 reduced by 6% for each year that the member's age precedes
27 age 55.

28 B. Except as provided in paragraphs C and D, if some part
29 of the member's creditable service in any one or a
30 combination of the capacities specified in subsection 1 was
31 earned before July 1, 1998 and some part of the member's
32 creditable service in any one or a combination of the
33 capacities specified in subsection 1 was earned after June
34 30, 1998, then the member's service retirement benefit must
35 be computed in segments and the amount of the member's
36 service retirement benefit is the sum of the segments. The
37 segments must be computed as follows:

40 (1) The segment or, if the member served in more than
41 one of the capacities specified in subsection 1 and the
42 benefits related to the capacities are not
43 interchangeable under section 17856, segments that
44 reflect creditable service earned before July 1, 1998
45 or purchased by repayment of an earlier refund of
46 accumulated contributions for service before July 1,
47 1998, in a capacity or capacities specified in
48 subsection 1, or purchased by other than the repayment
49 of a refund and eligibility to make the purchase of the
50 service credit, including, but not limited to, service

2 credit for military service, was achieved before July
3 1, 1998, must be computed under section 17852,
4 subsection 1. If the member had 10 years of creditable
5 service on July 1, 1993, the amount of the segment or
6 segments must be reduced as provided in section 17852,
7 subsection 3, paragraphs A and B and, if the member had
8 less than 10 years of creditable service on July 1,
9 1993, the amount of the segment or segments must be
10 reduced as provided in section 17852, subsection 3-A;
11 and

12 (2) The segment that reflects creditable service
13 earned after June 30, 1998, or purchased by repayment
14 of an earlier refund of accumulated contributions for
15 service after June 30, 1998, in any one or a
16 combination of the capacities specified in subsection
17 1, or purchased by other than the repayment of a refund
18 and eligibility to make the purchase of the service
19 credit, including, but not limited to, service credit
20 for military service, was achieved after June 30, 1998,
21 must be computed under section 17852, subsection 1. If
22 the member had 10 years of creditable service on July
23 1, 1993, the segment amount must be reduced in the
24 manner provided in section 17852, subsection 3,
25 paragraphs A and B for each year that the member's age
26 precedes age 55 and, if the member had less than 10
27 years of creditable service on July 1, 1993, the
28 segment amount must be reduced by 6% for each year that
29 the member's age precedes age 55.

30 C. The service retirement benefit of a member who is a
31 state police officer to whom subsection 1, paragraph D
32 applies and who qualifies for service retirement benefits
33 under subsection 2, paragraph B must be computed under
34 section 17852, subsection 1 on the basis of all of the
35 member's creditable service in the capacity specified in
36 subsection 1, paragraph D regardless whether the creditable
37 service was earned before, on or after July 1, 1998, except
38 that if the member had 10 years of service on July 1, 1993,
39 the benefit must be reduced as provided in section 17852,
40 subsection 4, paragraph C, subparagraphs (1) and (2) and, if
41 the member had less than 10 years of creditable service on
42 July 1, 1993, the benefit must be reduced as provided in
43 section 17852, subsection 4, paragraph C-1.

44 D. The service retirement benefit of a member who is a
45 Maine State Prison employee to whom subsection 1, paragraph
46 E applies and who qualifies for service retirement benefits
47 under subsection 2, paragraph B must be computed under
48 section 17852, subsection 1 on the basis of all of the
49 member's creditable service in the capacity specified in
50 subsection 1, paragraph E regardless whether the creditable

2 member's creditable service in the capacity specified in
3 subsection 1, paragraph E regardless whether the creditable
4 service was earned before, on or after July 1, 1998, except
5 that, if the member had 10 years of service on July 1, 1993,
6 the benefit must be reduced as provided in section 17852,
7 subsection 10, paragraph C, subparagraphs (1) and (2) and,
8 if the member had less than 10 years of creditable service
9 on July 1, 1993, the benefit must be reduced as provided in
10 section 17852, subsection 10, paragraph C-1.

11 **5. Contributions.** Notwithstanding any other provision of
12 subchapter III, after June 30, 1998 a member in the capacities
13 specified in subsection 1 must contribute to the retirement
14 system or have pick-up contributions made at the rate of 8.65% of
15 earnable compensation until the member has completed 25 years of
16 creditable service as provided in this section and at the rate of
17 7.65% thereafter.

18 **6. Consequences of participation in retirement plan under**
19 **section 17851, subsection 5-A, 6-A or 8-A.** Notwithstanding any
20 other provision of law, a member in the capacities specified in
21 subsection 1 who, prior to July 1, 1998 elected the retirement
22 option provided in section 17851, subsection 5-A, 6-A or 8-A is
23 treated as follows under the 1998 Special Plan.

24 **A.** A member who made the election at the time of first
25 employment in a position covered under section 17851,
26 subsection 5-A, 6-A and 8-A is considered to be a member
27 under the 1998 Special Plan as of the date of hire.
28 Beginning July 1, 1998, a member covered by this paragraph
29 shall contribute to the retirement system or have pick-up
30 contributions made at a rate of 8.65% of earnable
31 compensation until completion of 25 years of creditable
32 service and shall contribute at a rate of 7.65% thereafter.

33 **B.** A member who was serving in a position covered under
34 section 17851, subsection 5-A, 6-A or 8-A at the time of the
35 election and who elected to participate in the retirement
36 option prospectively from the time of election is considered
37 to be a member under the 1998 Special Plan as of the
38 effective date of the election. Beginning July 1, 1998, a
39 member covered by this paragraph shall contribute to the
40 retirement system or have pick-up contributions made at a
41 rate of 8.65% of earnable compensation until completion of
42 25 years of creditable service and shall contribute at a
43 rate of 7.65% thereafter.

44 **C.** A member who was serving in a position covered under
45 section 17851, subsection 5-A, 6-A or 8-A at the time of the
46 election and who elected to participate in the retirement
47 option prospectively from the time of election is considered
48 to be a member under the 1998 Special Plan as of the
49 effective date of the election. Beginning July 1, 1998, a
50 member covered by this paragraph shall contribute to the
51 retirement system or have pick-up contributions made at a
52 rate of 8.65% of earnable compensation until completion of
53 25 years of creditable service and shall contribute at a
54 rate of 7.65% thereafter.

2 option prospectively from the time of election and also
3 elected to purchase credit for service earned while serving
4 in the same capacity before exercising the election is
5 considered to be a member under the 1998 Special Plan as of
6 the beginning date of the service for which credit is
7 purchased, provided that all of the payments required under
8 section 17852, subsection 5-A, 6-A or 7-A are made before
9 retirement. If all the required payments are not made
10 before retirement, that member is considered to be a member
11 under the 1998 Special Plan as of the effective date of the
12 election. Beginning July 1, 1998, a member covered by this
13 paragraph shall contribute to the retirement system or have
14 pick-up contributions made at a rate of 8.65% of earnable
15 compensation until completion of 25 years of creditable
16 service and shall contribute at a rate of 7.65% thereafter.

17 Employee contributions and actuarial and administrative costs
18 paid to the retirement system by a member covered by this
19 subsection may not be returned to that member, except that these
20 employee contributions may be refunded to a member who terminates
21 service and requests a refund under section 17705.

22 **Sec. 12. 5 MRSA §17852, sub-§5-A,** as amended by PL 1995, c.
23 624, §5, is further amended by amending the first paragraph to
24 read:

25 **5-A. Inland Fisheries and Wildlife officers after August**
26 **31, 1984; option.** The Except as provided in section 17851-A, the
27 retirement benefit of a person who qualifies under section 17851,
28 subsection 5-A and who retires upon or after reaching 55 years of
29 age is computed in accordance with subsection 1 if:

30 **Sec. 13. 5 MRSA §17852, sub-§5-B,** as enacted by PL 1995, c.
31 624, §6, is amended by amending the first paragraph to read:

32 **5-B. Inland Fisheries and Wildlife officers exercising**
33 **option; retirement before 55 years of age.** For Except as
34 provided in section 17851-A, for a person exercising the option
35 provided in section 17851, subsection 5-A, who makes the payments
36 required in subsection 5-A, and who retires before reaching 55
37 years of age, the retirement benefit is determined as follows.

38 **Sec. 14. 5 MRSA §17852, sub-§6-A,** as amended by PL 1995, c.
39 624, §7 is further amended by amending the first paragraph to
40 read:

41 **6-A. Marine resources officers after August 31, 1984;**
42 **option.** The Except as provided in section 17851-A, the
43 retirement benefit of a person qualifying under section 17851,
44

subsection 6-A who retires upon or after reaching 55 years of age is computed in accordance with subsection 1 if:

Sec. 15. 5 MRSA §17852, sub-§6-B, as enacted by PL 1995, c. 624, §8, is amended by amending the first paragraph to read:

6-B. Marine resources officers exercising option; retirement before 55 years of age. ~~For~~ Except as provided in section 17851-A, for a person exercising the option provided in section 17851, subsection 6-A, who makes the payments required in subsection 6-A and who retires before reaching 55 years of age, the retirement benefit is determined as follows.

Sec. 16. 5 MRSA §17852, sub-§7-A, as enacted by PL 1995, c. 624, §9, is amended by amending the first paragraph to read:

7-A. Forest rangers after August 31, 1984; option. ~~The~~ Except as provided in section 17851-A, the retirement benefit of a person qualifying under section 17851, subsection 8-A who retires upon or after reaching 55 years of age is computed in accordance with subsection 1 if:

Sec. 17. 5 MRSA §17852, sub-§7-B, as enacted by PL 1995, c. 624, §10, is amended by amending the first paragraph to read:

7-B. Forest rangers exercising option; retirement before 55 years of age. ~~For~~ Except as provided in section 17851-A, for a person exercising the option provided in section 17851, subsection 8-A, who makes the payments required in subsection 7-A and who retires before reaching 55 years of age, the retirement benefit is determined as follows.

Sec. 18. 5 MRSA §17855, first ¶, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

If any recipient of a service retirement benefit is restored to service and if the total of the recipient's monthly retirement benefit for any year and the recipient's total earnable compensation for that year exceed ~~his~~ the recipient's average final compensation at retirement, increased or decreased by the same percentage adjustments as have been received under section 17806, the excess shall must be deducted from the service retirement benefit payments during the next calendar year, except that beginning January 1, 1999 and thereafter 1/2 the excess must be deducted from the service retirement benefit payments during the next calendar year.

Sec. 19. 5 MRSA §17857, as amended by PL 1993, c. 410, Pt. L, §42, is further amended to read:

§17857. Transfer from special plan

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1. **Special plan defined.** As used in this section, unless the context otherwise indicates, "special plan" means any of the retirement programs in section 17851, subsection 4, 5, 6, 7, 8, 9, 10 or 11 and section 17851-A.

2. **Additional creditable service.** Additional creditable service is earned by a former participant in a special plan as follows.

A. A member who has completed the service requirements for retirement under a special plan, including a member who completes the requirements of section 17851-A, subsection 2, paragraph A, may transfer to a position not under a special plan and earn service credit for additional service retirement benefits.

(1) The part of the member's service retirement benefit based upon membership service before being transferred ~~shall~~ must be computed according to the formula for computing benefits under the special plan that the member was under previously.

(2) The part of the member's benefit based upon membership service after being transferred ~~shall~~ must be computed in accordance with section 17852, subsection 1.

B. A person who retires under a special plan and is later restored to service under section 17855 in a position not under a special plan may earn service credit for additional service retirement benefits.

(1) Upon subsequent retirement, the part of the member's service retirement benefit based upon membership service before the member's initial retirement ~~shall~~ must be computed according to the formula for computing benefits under the special plan that the member was under previously.

(2) The part of the member's benefit based upon membership service after being restored to service ~~shall~~ must be computed in accordance with section 17852, subsection 1.

C. A member who has not completed the service requirements for retirement under a special plan may transfer to a position not under a special plan and ~~shall~~ receive service

retirement benefits as follows. This paragraph does not apply to section 17851-A, subsection 2, paragraph A.

(1) If the benefit is greater, the part of the member's service retirement benefit based upon membership service before being transferred shall must be computed according to the formula for computing benefits under the special plan that the member was under previously.

(2) The part of the member's benefit based upon membership service after being transferred shall must be computed in accordance with section 17852, subsection 1.

D. A member who has not completed the service requirements for retirement under a special plan, including a member who completes the requirements of section 17851-A, subsection 2, paragraph A, on becoming disabled as defined in section 17901, or, after September 30, 1989, section 17921, and on becoming reemployed in a position not under a special plan shall on retirement receive receives retirement benefits as follows.

(1) The part of the member's service retirement based on membership service before becoming disabled shall must be computed according to the formula for computing benefits under the member's previous special plan.

(2) The part of the member's service retirement based on membership service after becoming reemployed in a position not under a special plan shall must be computed according to the formula for computing benefits under the member's previous special plan.

(3) If the member is found to be no longer disabled, as defined in section 17901, or, after September 30, 1989, section 17921, the member may:

(a) Return to a position under the member's previous special plan; or

(b) Remain in the position which that is not under a special plan and have the part of the member's service retirement benefit based on post-disability service computed in accordance with section 17852, subsection 1.

(4) The executive director may require that a member subject to this paragraph undergo medical examinations

2 or tests once each year to determine the member's
3 disability in accordance with section 17903 or, after
4 September 30, 1989, section 17926.

6 (a) If the member refuses to submit to the
7 examination or tests under this subparagraph, the
8 member's retirement benefit shall must be based on
9 section 17852, subsection 1, until the member
10 withdraws the refusal.

12 (b) If the member's refusal under division (a)
13 continues for one year, all the member's rights to
14 any further benefits under this paragraph shall
15 cease.

16 **3. Reduction of benefits; 10 years of creditable service on**
17 **July 1, 1993.** Upon retirement before reaching age 60, the
18 service retirement benefit of a member who transferred or who was
19 restored to service subject to subsection 2 shall must be reduced
20 as follows.

22 A. If the member transferred under the provisions of
23 subsection 2, paragraph A:

24 (1) If applicable, the portion of the retirement
25 benefit based upon creditable service earned before
26 being transferred shall must be reduced in accordance
27 with section 17852, subsection 4, paragraph C or
28 section 17852, subsection 10, paragraph C or, if the
29 member was covered under section 17851-A, the portion
30 of the retirement benefit based upon creditable service
31 earned before being transferred must be reduced as
32 provided in that section; and

34 (2) The portion of the retirement benefit based upon
35 creditable service earned after being transferred shall
36 must be reduced in accordance with section 17852,
37 subsection 3.

40 B. If the member was a retiree restored to service subject
41 to subsection 2, paragraph B:

42 (1) If applicable, the portion of the retirement
43 benefit based upon creditable service earned before the
44 member's initial retirement shall must be reduced in
45 accordance with section 17852, subsection 4, paragraph
46 C or section 17852, subsection 10, paragraph C or, if
47 the member was covered under section 17851-A, the
48 portion of the retirement benefit based upon creditable

service earned before the member's initial retirement must be reduced as provided in that section; and

(2) The portion of the retirement benefit based upon creditable service earned after being restored to service shall must be reduced in accordance with section 17852, subsection 3.

C. If the member was transferred subject to subsection 2, paragraph C, the retirement benefit shall must be reduced in accordance with section 17852, subsection 3.

D. If the member was transferred subject to subsection 2, paragraph D, and:

(1) If the member completes the service or service and age requirements for retirement under the special plan that the member was under previously, if applicable, the retirement benefit shall must be reduced in accordance with section 17852, subsection 4, paragraph C or section 17852, subsection 10, paragraph C or, if the member was covered under section 17851-A, the retirement must be reduced as provided in that section; or

(2) If the member does not complete the service or service and age requirements for retirement under the special plan that the member was under previously, the retirement benefit shall must be reduced in accordance with section 17852, subsection 3.

3-A. Reduction of benefits; less than 10 years of creditable service on July 1, 1993. On and after July 1, 1993, upon retirement before reaching the age of 62, the service retirement benefit of a member who transferred or who was restored to service subject to subsection 2 must be reduced as follows.

A. If the member transferred under the provisions of subsection 2, paragraph A:

(1) If applicable, the portion of the retirement benefit based upon creditable service earned before being transferred must be reduced in accordance with section 17852, subsection 4, paragraph C-1 or section 17852, subsection 10, paragraph C-1 or, if the member was covered under section 17851-A, the portion of the retirement benefit based upon creditable service earned before being transferred must be reduced as provided in that section; and

2 (2) The portion of the retirement benefit based upon
4 creditable service earned after being transferred must
6 be reduced in accordance with section 17852, subsection
3-A.

8 B. If the member was a retiree restored to service subject
to subsection 2, paragraph B:

10 (1) If applicable, the portion of the retirement
12 benefit based upon creditable service earned before the
14 member's initial retirement must be reduced in
accordance with section 17852, subsection 4, paragraph
C-1 or section 17852, subsection 10, paragraph C-1 or,
16 if the member was covered under section 17851-A, the
portion of the retirement benefit based upon creditable
18 service earned before the member's initial retirement
must be reduced as provided in that section; and

20 (2) The portion of the retirement benefit based upon
22 creditable service earned after being restored to
24 service must be reduced in accordance with section
17852, subsection 3-A.

26 C. If the member was transferred subject to subsection 2,
paragraph C, the retirement benefit must be reduced in
28 accordance with section 17852, subsection 3-A.

30 D. If the member was transferred subject to subsection 2,
paragraph D and:

32 (1) If the member completes the service or service and
34 age requirements for retirement under the special plan
that the member was under previously, if applicable,
36 the retirement benefit must be reduced in accordance
with section 17852, subsection 4, paragraph C-1 or
38 section 17852, subsection 10, paragraph C-1 or, if the
member was covered under section 17851-A, the
40 retirement benefit must be reduced as provided in that
section; or

42 (2) If the member does not complete the service or
44 service and age requirements for retirement under the
special plan that the member was under previously, the
46 retirement benefit must be reduced in accordance with
section 17852, subsection 3-A.

48 ~~This subsection applies to members who on July 1, 1993 have~~
50 ~~less than 10 years of creditable service under this Part.~~
~~For the purpose of calculating creditable service under this~~

~~subsection only, creditable service includes time during which a member participated in the voluntary cost savings plan or the voluntary employee incentive program, authorized by Public Law 1989, chapter 702, section F 6 and Public Law 1991, chapter 591, Part BB and chapter 780, Part VV, or 10 years of combined creditable service under this Part and Title 3, chapter 29, or creditable service available to a member that the member was eligible to purchase on June 30, 1993 and that the member does purchase in accordance with rules adopted by the board.~~

This subsection applies to members who on July 1, 1993 have less than 10 years of creditable service under this Part. For the purpose of calculating creditable service under this subsection only, creditable service includes time during which a member participated in the voluntary cost savings plan or the voluntary employee incentive program, authorized by Public Law 1989, chapter 702, Part F, section 6 and Public Law 1991, chapter 591, Part BB and chapter 780, Part VV, or 10 years of combined creditable service under this Part and Title 3, chapter 29, or creditable service available to a member that the member was eligible to purchase on June 30, 1993 and that the member does purchase in accordance with rules adopted by the board.

4. **Computation of benefit.** The computation of the retirement benefit shall must be based upon the member's average final compensation, as defined in section 17001, subsection 4.

Sec. 20. Maine State Retirement System implementation; legislative intent. This Act creates a uniform special retirement plan for law enforcement officers and certain other similar categories of state employees. The Act establishes 10 years as the minimum number of years of creditable service under the special retirement plan to qualify for retirement benefits at normal retirement age, which is age 55 under the plan. This 10-year requirement is the same as the 10-year requirement under current law governing the regular retirement plan for state employees and teachers under which the normal retirement age is 60 or 62. It is the intent of the Legislature that the retirement system in implementing this Act maintain this requirement at the same number of years for the regular plan and the plan established by this Act. Therefore, if legislation that changes the 10-year requirement under the regular plan is enacted by the Second Regular Session of the 118th Legislature and becomes law, the retirement system is directed to apply that same changed requirement under the plan established in this Act.

Sec. 21. Expenditures in excess of allocations. Expenditures required by this Act of funds other than the General Fund and the Highway Fund are authorized to exceed legislative

allocations during the current biennium ending June 30, 1999. Appropriate adjustments to basic work programs facilitating these expenditures in excess of allocations must be recommended by the State Budget Officer and approved by the Governor.

Sec. 22. Adjustment of rates. The State Budget Officer after consultation with the Maine State Retirement System shall adjust the employer contribution rates on the effective date of this Act to fully fund this Act on an actuarially sound basis.

Sec. 23. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1998-99

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

Salary Plan

Personal Services \$160,880

Provides funds to be held in reserve in the event that costs associated with the increase in the normal cost component of the employer contribution rate for retirement costs related to establishing the uniform special plan exceed the amounts available for state departments and agencies. Because the normal cost component of the employer contribution rate for state employees is actuarially established based on projected salaries as a rate that must be applied to actual salaries, the funds resulting from the application of the actuarially established rate constitute appropriated funds. The funds here specified constitute estimates and not appropriated funds.

Sec. 24. Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

1998-99

**ADMINISTRATIVE AND FINANCIAL SERVICES,
DEPARTMENT OF**

Salary Plan

Personal Services \$45,200

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Provides funds to be held in reserve in the event that costs associated with the increase in the normal cost component of the employer contribution rate for retirement costs related to establishing the uniform special plan exceed the amounts available for state departments and agencies. Because the normal cost component of the employer contribution rate for state employees is actuarially established based on projected salaries as a rate that must be applied to actual salaries, the funds resulting from the application of the actuarially established rate constitute appropriated funds. The funds here specified constitute estimates and not appropriated funds.

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Emergency clause. In view of the emergency cited in the preamble, this Act takes effect July 1, 1998, except that the section of this Act that amends the Maine Revised Statutes, Title 5, section 17855 takes effect January 1, 1999.'

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

28

FISCAL NOTE

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1998-99

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APPROPRIATIONS/ALLOCATIONS

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General Fund	\$160,880
Highway Fund	45,200

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This bill creates a uniform special retirement plan for certain law enforcement and other state employees effective July 1, 1998. Since this change is being made on a prospective basis, it will not increase the unfunded liability of the Maine State Retirement System and as such will not violate the Constitution of Maine, Article IX, Section 18-A which prohibits the creation of unfunded liabilities except those that result from experience losses.

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The special plan provisions will increase the normal cost component of the employer contribution rate by an additional 0.0092% of salaries for certain law enforcement and liquor

enforcement employees in the Department of Public Safety and for certain employees of the Maine State Prison. The normal cost component of the employer contribution rate for certain law enforcement officers of the Department of Conservation, the Department of Marine Resources and the Department of Inland Fisheries and Wildlife as well as employees who are military firefighters in the Department of Defense, Veterans and Emergency Management and airplane pilots will increase by an additional .0127% of salaries. This will increase employer contributions by these departments to the Maine State Retirement System in fiscal year 1998-99 by an estimated \$190,000 to \$224,000. The estimated employer costs to the General Fund and the Highway Fund in fiscal year 1998-99 will be \$160,880 and \$45,200, respectively. A General Fund appropriation and a Highway Fund allocation, equal to the estimated total costs to those funds, are included to provide funds in the salary plan reserve accounts in the event that the increase in the employer retirement contribution rates exceeds the allotments in General Fund and Highway Fund accounts during fiscal year 1998-99. The cost to accounts in other funds, estimated to be \$17,920, may require increased allotments to meet these additional personal services expenditures.

Beginning in fiscal year 1999-2000, the normal cost component of the employer contribution rate for the new special plan is expected to decrease at the same time that the unfunded liability component of the employer contribution rate for certain special plans in effect before September 1, 1984 is expected to increase. These component changes are expected to have no net fiscal impact on employer costs.

The bill establishes legislative intent that if the Second Regular Session of the 118th Legislature enacts any legislation that would change the 10-year service requirement for benefit eligibility under the State's regular plan, then the Maine State Retirement System is required to apply that same change to this new special plan. LD 1100, An Act to Amend the Laws Relating to Vesting in the Maine State Retirement System, would establish a 5-year service requirement for benefit eligibility. If that bill were to be enacted, the total cost of this bill would increase by approximately \$13,500.

The bill also changes restoration to service provisions to reduce the penalty for returning to covered service. This will reduce the experience gain of the Maine State Retirement System in amounts that can not be determined at this time.

The additional costs associated with processing membership changes related to the uniform special plan will be absorbed by the Maine State Retirement System utilizing existing budgeted resources.'

SUMMARY

This amendment replaces the bill. The amendment establishes a uniform special retirement plan for marine patrol officers, game wardens, forest rangers, state police, Maine State Prison employees having direct prisoner contact, state airplane pilots, liquor inspectors and firefighters at the Bangor International Airport. With the exception of the firefighters, all these categories of employees were eligible before 1984 for some type of special retirement plan that provided for early retirement with a requirement for years of service that was less than the regular retirement plan for state employees and teachers. In 1984, several of the special plans were eliminated and others were modified. The result has been different treatment for employees in different categories and within the same category depending on date of hire. In recent years, numerous legislative proposals have been introduced to restore some aspects of the former retirement plan for various categories of employment of these employees.

The uniform special retirement plan, called the 1998 Special Plan, provided in this amendment is patterned on the regular retirement plan for state employees and teachers. Under the special plan, the retirement benefit is computed based on the member's average final compensation and years of service and members qualify for a service retirement benefit at normal retirement age after 10 years of service as under the regular plan. The normal retirement age under the special plan is 55, as compared to 60 or 62 under the regular plan. Members of the special plan may retire before normal retirement age with a reduction in benefits as under the regular plan.

After June 30, 1998, all the eligible employees will be covered by the special retirement plan provided in this amendment. Provisions are made for the incorporation into the new plan of members who have service under current plans. Members with service under both the special plan established in this amendment and under other plans administered by the Maine State Retirement System will receive a split retirement benefit with the amount prorated based on service under each plan.

The amendment amends existing law governing transfer from special plans to the regular retirement plan to account for the existence of the 1998 Special Plan. The amendment also amends the restoration to service provisions of existing law to reduce the penalty for returning to covered service. Finally, the amendment adds a new title, an emergency preamble and emergency clause and a fiscal note.