

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1998

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Legislative Document

No. 1

S.P. 12

Received by the Secretary, December 21, 1998

**An Act to Transfer Funds from the Service Retirement Benefit Reserve  
to the Maine State Retirement System in Order to Fund the Modification  
of Retirement Laws for Certain Law Enforcement Personnel.**

(EMERGENCY)

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Received by the Secretary of the Senate on December 21, 1998. Referred to the Committee  
on Appropriations and Financial Affairs and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator MICHAUD of Penobscot.  
Cosponsored by Representative KNEELAND of Easton and  
Senators: CAREY of Kennebec, MURRAY of Penobscot, PARADIS of Aroostook,  
Representative: McALEVEY of Waterboro.

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

Whereas, the 118th Legislature, in enacting Public Law 1997, chapter 740, established the Service Retirement Benefit Reserve in order to accrue sufficient funds to pay the full actuarial costs for the modification of retirement laws for certain law enforcement officers; and

Whereas, sufficient funds accrued to the Service Retirement Benefit Reserve from the unappropriated surplus of the General Fund at the close of fiscal year 1997-98; and

Whereas, Public Law 1997, chapter 740 prohibits the implementation of the modification of those retirement laws unless and until the Legislature takes additional action to direct payment of the full actuarial costs of that Act to the Maine State Retirement System; and

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

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

**Sec. 1. Transfer from the Service Retirement Benefit Reserve.** In accordance with Public Law 1997, chapter 740, sections 4, 5 and 6, the State Controller is authorized to transfer \$3,250,000 from the Service Retirement Benefit Reserve to the Maine State Retirement System to pay the full actuarial costs for the modification of retirement laws in Public Law 1997, chapter 740, sections 1, 2 and 3.

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

## SUMMARY

Public Law 1997, chapter 740 proposed to modify the retirement laws for certain law enforcement officers. Implementation of those modifications, however, required that sufficient funds first be set aside in a newly created account called the Service Retirement Benefit Reserve. The source of the funds to be set aside would be those funds that would otherwise be transferred to the Retirement Allowance Fund. The second step needed to modify those retirement laws required the Legislature

2 to take action to direct payment of the full actuarial costs to  
implement the modification of the retirement laws, estimated to  
4 be \$3,250,000 as of July 1, 1998, from the Service Retirement  
Benefit Reserve to the Maine State Retirement System.

6 This bill authorizes the transfer of the full actuarial  
costs to the Maine State Retirement System to fully implement  
8 those retirement law modifications for certain law enforcement  
officers.

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