MAINE STATE LEGISLATURE

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	L.D. 1790
2	DATE: April 14, 2000 (Filing No. s-715)
4	April 14, 2000
6	Reproduced and distributed under the direction of the Secretary of the Senate.
8	of the behate.
10	STATE OF MAINE SENATE
12	119TH LEGISLATURE SECOND REGULAR SESSION
14	SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P.
16	625, L.D. 1790, Bill, "An Act to Amend the Laws Governing the Designation of a Beneficiary of Maine State Retirement System
18	Benefits"
20	Amend the amendment by striking out all of the first indented paragraph after the title (page 1, lines 23 to 25 in
22	amendment) and inserting in its place the following:
24	'Amend the bill by striking out everything after the title and before the summary and inserting in its place the following:
26	
20	Emergency preamble. Whereas, Acts of the Legislature do not
28	become effective until 90 days after adjournment unless enacted as emergencies; and
30	ob omorgonoros, una
	Whereas, this legislation needs to take effect before the
32	expiration of the 90-day period so that all those people who may benefit from the provisions of this legislation may take
34	advantage of these provisions in a timely fashion; and
36	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of
38	Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and
40	safety; now, therefore,
42	Be it enacted by the People of the State of Maine as follows:
44	Further amend the amendment in section 2 in subsection 3 in the first paragraph in the 6th line (page 4 line 32 in

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	SENATE AMENDMENT " λ " to COMMITTEE AMENDMENT "A" to S.P. 625, L.D. 1790
2	amendment) by inserting after the following: "option" the following: 'or in the amount of the benefits under that option'
4	Further amend the amendment in section 2 in subsection 3 by striking out all of paragraph A and inserting in its place the
6	following:
8	'A. The benefit payable to the recipient and the new beneficiary must be paid under the same payment option. The
10	amount of the recipient's benefit may not change, and the amount of the new beneficiary's benefit must be the same as
12	the amount of the prior beneficiary's benefit.'
14	Further amend the amendment in section 2 in subsection 3 in paragraph B by striking out all of the 2nd underlined sentence
16	(page 4, line 50 and page 5 lines 1 to 5 in amendment) and inserting in its place the following: 'As of the first day of the
18	month following the effective date of the designation of the new beneficiary, the prior beneficiary is no longer entitled to any
20	benefit payment and, if concurrent payment under subsection 2, paragraph E has been elected, the new beneficiary's benefit must
22	become effective on the same date.'
24	Further amend the amendment in section 2 in subsection 3 by inserting after paragraph B the following:
26 28	'C. The new beneficiary's entitlement to benefits ceases on the earlier of:
30	(1) The date of the new beneficiary's death; or
32	(2) The date established when the amount of the prior
34	beneficiary's benefit was established, which is the initial commencement date of benefits to the retiree
36	increased by the life expectancy of the prior beneficiary computed in years and months using
38	actuarial equivalence assumptions recommended by the system's actuary.
40	Payment of benefits to the new beneficiary must cease as of the first day of the month following the earlier of
42	subparagraph (1) or (2).'
44	Further amend the amendment in section 8 in subsection 5-F in the 7th line (page 8, line 10 in amendment) by inserting
46	after the following: "option" the following: 'or in the amount of the benefits under that option'
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SENATE AMENDMENT

	L.D. 1790
2	Further amend the amendment in section 8 in subsection 5-F by striking out all of paragraph A and inserting in its place the following:
4	
6	'A. The benefit payable to the recipient and the new beneficiary must be paid under the same payment option. The amount of the recipient's benefit may not change, and the
8	amount of the new beneficiary's benefit must be the same as the amount of the prior beneficiary's benefit.
10	
12	Further amend the amendment in section 8 in subsection 5-F in paragraph B by striking out all of the 2nd underlined sentence (page 8, lines 26 to 31 in amendment) and inserting in its place
14	the following: 'As of the first day of the month following the
16	effective date of the designation of the new beneficiary, the prior beneficiary is no longer entitled to any benefit payment
18	and, if concurrent payment under subsection 5-B has been elected, the new beneficiary's benefit must become effective on the same date.'
20	
22	Further amend the amendment in section 8 in subsection 5-F by inserting after paragraph B the following:
24	'C. The new beneficiary's entitlement to benefits ceases on
	the earlier of:
26	(1) The date of the new beneficiary's death; or
28	
30	(2) The date established when the amount of the prior beneficiary's benefit was established, which is the
32	initial commencement date of benefits to the retiree increased by the life expectancy of the prior
J.2	beneficiary computed in years and months using
34	actuarial equivalence assumptions recommended by the system's actuary.
36	system s actuary.
38	Payment of benefits to the new beneficiary must cease as of the first day of the month following the earlier of
40	subparagraph (1) or (2).
••	Further amend the amendment in section 13 in subsection 5-F
42	in the 7th line (page 11, line 19 in amendment) by inserting
44	after the following: "option" the following: 'or in the amount of the benefits under that option'
46.	Further amend the amendment in section 13 in subsection 5-F
	by striking out all of paragraph A and inserting in its place the

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 625,

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following:

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SENATE AMENDMENT

	SENATE AMENDMENT " $ extstyle{A}$ " to COMMITTEE AMENDMENT "A" to S.P. 625, L.D. 1790
	'A. The benefit payable to the recipient and the new
2	beneficiary must be paid under the same payment option. The
4	amount of the recipient's benefit may not change, and the
4	amount of the new beneficiary's benefit must be the same as
6	the amount of the prior beneficiary's benefit.'
U	Further amend the amendment in section 13 in subsection 5-F
8	in paragraph B by striking out all of the 2nd underlined sentence
	(page 11, lines 35 to 40 in amendment) and inserting in its place
10	the following: 'As of the first day of the month following the
	effective date of the designation of the new beneficiary, the
12	prior beneficiary is no longer entitled to any benefit payment
	and, if concurrent payment under subsection 5-B has been elected,
14	the new beneficiary's benefit must become effective on the same
7.6	date.'
16	The state of the second state of the second
18	Further amend the amendment in section 13 in subsection 5-F by inserting after paragraph B the following:
20	'C. The new beneficiary's entitlement to benefits ceases on
	the earlier of:
22	
	(1) The date of the new beneficiary's death; or
24	
26	(2) The date established when the amount of the prior
26	beneficiary's benefit was established, which is the
28	initial commencement date of benefits to the retiree increased by the life expectancy of the prior
20	beneficiary computed in years and months using
30	actuarial equivalence assumptions recommended by the
~ 0	system's actuary.
32	
	Payment of benefits to the new beneficiary must cease as of
34	the first day of the month following the earlier of

£ subparagraph (1) or (2),'

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Further amend the amendment by striking out all of sections 17, 18, 19 and 20 and inserting in their place the following:

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

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44 FISCAL NOTE

This amendment strikes the General Fund appropriations totaling \$229,043 and the Highway Fund allocation of \$21,889 in fiscal year 2000-01. As amended, the normal cost component of the employer retirement rate will not increase and, therefore,

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SENATE AMENDMENT

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 625, L.D. 1790

will not result in increased employer contributions to the Maine State Retirement System.

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SUMMARY

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This amendment clarifies that, if the recipient of a reduced retirement benefit under the Maine State Retirement System utilizes the one-time option provided in the committee amendment to designate a new nonspousal beneficiary, that beneficiary may receive benefits only under the same terms and conditions as and only during the life of the prior designated beneficiary. The amendment also adds an emergency preamble and emergency clause.

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18 (Senator MURRAY

20 COUNTY: Penobscot

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