

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 2204

S.P. 792

In Senate, April 15, 1999

An Act to Amend the Calculation of Service Credits Under the Maine State Retirement System Pertaining to the Comprehensive Education and Training Act of 1973 Employees.

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Received by the Secretary of the Senate on April 15, 1999. Referred to the Committee on Labor and ordered printed pursuant to Joint Rule 308.2

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator PARADIS of Aroostook.
Cosponsored by Representative AHEARNE of Madawaska and
Senator AMERO of Cumberland, Representatives: MARTIN of Eagle Lake, USHER of
Westbrook.

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

2
4 **Sec. 1. 5 MRSA §17707, sub-§4, ¶D** is enacted to read:

6 D. If an employee or member who has not contributed during
8 that employee's or member's CETA employment or who has
10 withdrawn that employee's or member's contributions later
12 elects, under section 17761, to purchase that employee's or
14 member's CETA time for past creditable service before any
16 retirement benefit becomes effective for that member, that
18 employee or member must pay into the Members' Contribution
20 Fund, by a single direct payment or annual direct payments
22 to the retirement system, an amount that, together with
24 regular interest on that amount, is the actuarial
26 equivalent, at the effective date of the retirement benefit,
28 of the portion of the retirement benefit based on the
30 additional creditable service. Annual payments must be made
32 in accordance with section 17701, subsection 4. Additional
34 amounts paid under this paragraph become a part of the
36 employee's or member's accumulated contributions. If any
38 retirement benefit becomes effective before the completion
40 of the payment under this paragraph, the employee or member
42 is entitled to service credit for a portion of the
44 additional creditable service in the same proportion that
 the total amount of payments actually made, plus regular
 interest on those payments to the date the retirement
 benefit becomes effective, bears to the actuarial equivalent
 of the total portion of the retirement benefit based on the
 additional creditable service.

30 **Sec. 2. 5 MRSA §17761, sub-§3** is enacted to read:

32 **3. Service credit allowed.** Service credit for the period
34 of CETA employment occurring before July 1, 1979 must be granted
36 to any person who satisfies the following conditions:

38 A. The person was a CETA employee;

40 B. The person within 90 days of termination of CETA
42 employment became a non-CETA employee of the employer; and

44 C. The employee contribution required by section 17707,
 subsection 4, paragraph D has been paid.

SUMMARY

2

4 This bill amends the calculation of service credits under
6 the Maine State Retirement System to allow eligible former
8 Comprehensive Employment and Training Act of 1973 employees hired
before July 1, 1979 to purchase service credits by paying the
full actuarial cost.

8