

MAINE STATE LEGISLATURE

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R.S.

L.D. 237

2 DATE: *April 20, 2021*

(Filing No. S- *601*)

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6 **LABOR**

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14 **STATE OF MAINE**
SENATE
16 **120TH LEGISLATURE**
FIRST REGULAR SESSION

18
20 COMMITTEE AMENDMENT "*A*" to S.P. 66, L.D. 237, Bill, "An Act
Concerning Eligibility Requirements for State Employees, Teachers
and Participating Local District Employees to Purchase Military
22 Service Credit"

24 Amend the bill by striking out everything after the enacting
clause and before the summary and inserting in its place the
26 following:

28 **Sec. 1. 5 MRSA §17760, sub-§2, ¶A**, as enacted by PL 1985, c.
801, §§5 and 7, is amended to read:

30
32 A. ~~On~~ Except as provided in paragraph G, on the date of
retirement, the member must have at least 15 years of
creditable service.

34
36 **Sec. 2. 5 MRSA §17760, sub-§2, ¶E**, as amended by PL 1989, c.
907, §3, is further amended to read:

38 E. ~~A~~ Except as provided in paragraph G, a member who served
40 in the armed forces during any federally recognized period
of conflict, as defined in Title 37-B, section 504,
42 subsection 4, paragraph A-1, subparagraph (3), is entitled
to service credit under this subsection.

44 **Sec. 3. 5 MRSA §17760, sub-§2, ¶G** is enacted to read:

46 G. A member who fails to meet one or more of the terms and
48 conditions required under paragraphs A, D and E may purchase
service credit as provided in this paragraph. The member

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2 must have at least 5 years of creditable service and, before
3 any retirement benefit becomes effective for that member,
4 must pay into the Members' Contribution Fund, by a single
5 direct payment or annual direct payments to the retirement
6 system, an amount that, together with regular interest on
7 that amount, is the actuarial equivalent, at the effective
8 date of the retirement benefit, of the portion of the
9 retirement benefit based on the additional creditable
10 service. Annual direct payments must be made in accordance
11 with section 17701, subsection 4. Any member who purchases
12 service credit under this paragraph who subsequently,
13 without inclusion of the purchased service credit and prior
14 to retirement, meets the terms and conditions of paragraphs
15 A, D and E is entitled to purchase the service credit under
16 section 17713, subsection 2 and to receive a refund of the
17 amount paid under this paragraph that exceeds the cost to
18 purchase the service credit under section 17713.

19 **Sec. 4. 5 MRSA §18360, sub-§2, ¶A,** as enacted by PL 1985, c.
20 801, §§5 and 7, is amended to read:

21 A. On Except as provided in paragraph I, on the date of
22 retirement, the member must have at least 15 years of
23 creditable service.

24 **Sec. 5. 5 MRSA §18360, sub-§2, ¶E,** as amended by PL 1991, c.
25 23, §3, is further amended to read:

26 E. A Except as provided in paragraph I, a member who served
27 in the armed forces during any federally recognized period
28 of conflict, as defined in Title 37-B, section 504,
29 subsection 4, paragraph A-1, subparagraph (3), is entitled
30 to service credit under this subsection.

31 **Sec. 6. 5 MRSA §18360, sub-§2, ¶I** is enacted to read:

32 I. A member who fails to meet one or more of the terms and
33 conditions required under paragraphs A, D and E may purchase
34 service credit as provided in this paragraph. The member
35 must have at least 5 years of creditable service and, before
36 any retirement benefit becomes effective for that member,
37 must pay into the Members' Contribution Fund, by a single
38 direct payment or annual direct payments to the retirement
39 system, an amount that, together with regular interest on
40 that amount, is the actuarial equivalent, at the effective
41 date of the retirement benefit, of the portion of the
42 retirement benefit based on the additional creditable
43 service. Annual direct payments must be made in accordance
44 with section 17701, subsection 4. Any member who purchases
45 service credit under this paragraph who subsequently,
46 without inclusion of the purchased service credit and prior
47 to retirement, meets the terms and conditions of paragraphs
48 A, D and E is entitled to purchase the service credit under
49 section 17713, subsection 2 and to receive a refund of the
50 amount paid under this paragraph that exceeds the cost to
51 purchase the service credit under section 17713.

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2 service credit under this paragraph who subsequently,
3 without inclusion of the purchased service credit and prior
4 to retirement, meets the terms and conditions of paragraphs
5 A, D and E is entitled to purchase the service credit under
6 section 18311, subsection 2 and to receive a refund of the
7 amount paid under this paragraph that exceeds the cost to
8 purchase the service credit under section 18311.'

10

SUMMARY

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13 This amendment strikes the provisions of the bill and,
14 thereby, retains the current law governing the purchase of
15 military time for retirement credit by state employees, teachers
16 and employees of participating local districts. Under current
17 law, members of the Maine State Retirement System must have at
18 least 15 of years creditable service, have served in a federally
19 recognized period of conflict and have received a discharge other
20 than a dishonorable discharge to be eligible to buy credit for up
21 to 4 years of credit for their full-time military service.

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23 The amendment also provides an additional option allowing
24 any member who doesn't have the required 15 years of creditable
25 service or the necessary service during a recognized period of
26 conflict or who lacks both to buy credit for military service by
paying the actuarial cost of the portion of the retirement
benefit based on the additional creditable service.