

MAINE STATE LEGISLATURE

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Minority

L.D. 1584

DATE: *May 24, 2001*

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LABOR

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

COMMITTEE AMENDMENT *B* to S.P. 495, L.D. 1584, Bill, "An Act to Change the Retirement Eligibility Requirement for Game Wardens"

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

Sec. 1. 5 MRSA §17709, sub-§2, as repealed and replaced by PL 1995, c. 466, Pt. A, §1, is amended to read:

2. After August 31, 1984. A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity after August 31, 1984 ~~and who elects the retirement option provided in section 17851, subsection 5-A~~ shall contribute to the retirement system or have pick-up contributions made by the employer ~~as provided in section 17852, subsection 5-A~~ at a rate of 7.5%.

Sec. 2. 5 MRSA §17710, sub-§1-A, as enacted by PL 1995, c. 466, Pt. B, §2, is amended to read:

1-A. After August 31, 1984. A law enforcement officer in the Department of Marine Resources who was first employed in that capacity after August 31, 1984 ~~and who elects the retirement option provided in section 17851, subsection 6-A~~ shall contribute to the retirement system or have pick-up contributions made by the employer ~~as provided in section 17852, subsection 6-A~~ at a rate of 7.5%.

Sec. 3. 5 MRSA §17851, sub-§5-A, as amended by PL 1997, c. 769, §4, is further amended to read:

COMMITTEE AMENDMENT

2 **5-A. Inland Fisheries and Wildlife officers after August**
31, 1984. ~~Except as provided in section 17851-A, a~~ **A** law
4 enforcement officer in the Department of Inland Fisheries and
5 Wildlife who was first employed in that capacity after August 31,
6 1984 or who, if employed in that capacity before August 31, 1984,
7 ceased to be employed in that capacity on or before that date and
8 who subsequently became reemployed in that capacity after that
9 date qualifies for a service retirement benefit ~~upon reaching 55~~
10 ~~years of age after completing at least 25 years of creditable~~
11 ~~service in that capacity if notice of election of the option and~~
12 ~~payment of employee contributions and actuarial costs are made as~~
13 provided in section 17852 17851-A, subsection 5-A 2.

14 **Sec. 4. 5 MRSA §17851, sub-§6-A**, as amended by PL 1997, c.
15 769, §6, is further amended to read:

16 **6-A. Marine Resources officers after August 31, 1984.**
17 ~~Except as provided in section 17851-A, a~~ **A** law enforcement
18 officer in the Department of Marine Resources who was first
19 employed in that capacity after August 31, 1984 or who, if
20 employed in that capacity before August 31, 1984, ceased to be
21 employed in that capacity on or before that date and who
22 subsequently became reemployed in that capacity after that date
23 qualifies for a service retirement benefit ~~upon reaching 55 years~~
24 ~~of age after completing at least 25 years of creditable service~~
25 ~~in that capacity if notice of election of the option and payment~~
26 ~~of employee contributions and actuarial costs are made as~~
27 provided in section 17852 17851-A, subsection 6-A 2.

28 **Sec. 5. 5 MRSA §17851-A, sub-§1, ¶¶A and B**, as enacted by PL
29 1997, c. 769, §11, are amended to read:

30 **A.** Law enforcement officers in the employment of the
31 Department of Marine Resources ~~on July 1, 1998, or hired~~
32 ~~thereafter who were first employed in that capacity after~~
33 August 31, 1984;

34 **B.** Law enforcement officers in the employment of the
35 Department of Inland Fisheries and Wildlife ~~on July 1, 1998,~~
36 ~~or hired thereafter who were first employed in that capacity~~
37 after August 31, 1984;

38 **Sec. 6. 5 MRSA §17851-A, sub-§4, ¶B**, as repealed and replaced
39 by PL 1999, c. 731, Pt. CC, §5, is amended by amending the first
40 paragraph to read:

41 **B.** Except as provided in paragraphs D, E and F,
42 if some part of the member's creditable service in any one
43 or a combination of the capacities specified in subsection 1
44

2 was earned before July 1, 1998 for employees identified in
3 subsection 1, paragraphs A to H and before January 1, 2000
4 for employees identified in subsection 1, paragraphs I to K
5 and some part of the member's creditable service in any one
6 or a combination of the capacities specified in subsection 1
7 was earned after June 30, 1998 for employees identified in
8 subsection 1, paragraphs A to H and after December 31, 1999
9 for employees identified in subsection 1, paragraphs I to K,
10 then the member's service retirement benefit must be
11 computed in segments and the amount of the member's service
12 retirement benefit is the sum of the segments. The segments
13 must be computed as follows:

14 **Sec. 7. 5 MRSA §17851-A, sub-§4, ¶¶E and F** are enacted to read:

15 E. The service retirement benefit of a law enforcement
16 officer in the employment of the Department of Inland
17 Fisheries and Wildlife to whom subsection 1, paragraph B
18 applies who qualifies for a service retirement benefit under
19 subsection 2 and whose entire service credit is in the
20 capacity described in subsection 1, paragraph B must be
21 computed as provided in paragraph B, subparagraph (2)
22 regardless of whether the creditable service was earned
23 before, on or after July 1, 1998.

24
25 F. The service retirement benefit of a law enforcement
26 officer in the employment of the Department of Marine
27 Resources to whom subsection 1, paragraph A applies who
28 qualifies for a service retirement benefit under subsection
29 2 and whose entire service credit is in the capacity
30 described in subsection 1, paragraph A must be computed as
31 provided in paragraph B, subparagraph (2) regardless of
32 whether the creditable service was earned before, on or
33 after July 1, 1998.

34
35 **Sec. 8. 5 MRSA §17851-A, sub-§6**, as enacted by PL 1997, c.
36 769, §11, is amended to read:

37
38 **6. Consequences of participation in retirement plan under**
39 **section 17851, subsection 8-A.** Notwithstanding any other
40 provision of law, a member in the capacities specified in
41 subsection 1 who, prior to July 1, 1998, elected the retirement
42 option provided in section 17851, subsection ~~5-A, 6-A or~~ 8-A is
43 treated as follows under the 1998 Special Plan.

44
45 A. A member who made the election at the time of first
46 employment in a position covered under section 17851,
47 subsection ~~5-A, 6-A and~~ 8-A is considered to be a member
48 under the 1998 Special Plan as of the date of hire.

Beginning July 1, 1998, a member covered by this paragraph shall contribute to the retirement system or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

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

C. A member who was serving in a position covered under section 17851, subsection ~~5-A, 6-A or~~ 8-A at the time of the election and who elected to participate in the retirement option prospectively from the time of election and also elected to purchase credit for service earned while serving in the same capacity before exercising the election is considered to be a member under the 1998 Special Plan as of the beginning date of the service for which credit is purchased, provided that all of the payments required under section 17852, subsection ~~5-A, 6-A or~~ 7-A are made before retirement. If all the required payments are not made before retirement, that member is considered to be a member under the 1998 Special Plan as of the effective date of the election. Beginning July 1, 1998, a member covered by this paragraph shall contribute to the retirement system or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

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

Sec. 9. 5 MRSA §17852, sub-§5-A, as amended by PL 1997, c. 769, §12, is repealed.

Sec. 10. 5 MRSA §17852, sub-§5-B, as amended by PL 1997, c. 769, §13, is repealed.

Sec. 11. 5 MRSA §17852, sub-§6-A, as amended by PL 1997, c. 769, §14, is repealed.

Sec. 12. 5 MRSA §17852, sub-§6-B, as amended by PL 1997, c. 769, §15, is repealed.

Sec. 13. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	2001-02	2002-03
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**INLAND FISHERIES AND WILDLIFE,
DEPARTMENT OF**

**Enforcement Operations - Inland
Fisheries and Wildlife**

Personal Services	\$1,078,910	\$27,607
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Provides funds in the first year for the unfunded liability and provides funds in both years for the increased normal retirement costs for certain fish and wildlife positions due to a change in the retirement plan.

MARINE RESOURCES, DEPARTMENT OF

Marine Patrol, Bureau of

Personal Services	\$344,220	\$8,476
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Provides funds in the first year for the unfunded liability and provides funds in both years for the increased normal retirement costs for certain marine patrol positions due to a change in the retirement plan.

Sec. 14. Allocation. The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

	2001-02	2002-03
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INLAND FISHERIES AND WILDLIFE,

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DEPARTMENT OF

Whitewater Rafting Fund

Personal Services \$12,185 \$312

Provides funds in the first year for the unfunded liability and provides funds in both years for the increased normal retirement costs for certain fish and wildlife positions due to a change in the retirement plan.

MARINE RESOURCES, DEPARTMENT OF

Shellfish Fund

Personal Services \$9,766 \$240

Provides funds in the first year for the unfunded liability and provides funds in both years for the increased normal retirement costs for certain marine patrol positions due to a change in the retirement plan.

Lobster Management Fund

Personal Services \$33,774 \$832

Provides funds in the first year for the unfunded liability and provides funds in both years for the increased normal retirement costs for certain marine patrol positions due to a change in the retirement plan.

Watercraft Fund

Personal Services \$24,748 \$609

Provides funds in the first year for the unfunded liability and provides funds

2 in both years for the
increased normal retirement
4 costs for certain marine
patrol positions due to a
6 change in the retirement plan.

8 **Sec. 15. Effect on game wardens and marine patrol officers who**
previously elected to self-fund an early retirement option. The Maine
10 State Retirement System shall refund the additional amount paid
above the normal employee contribution rate plus interest on that
12 amount from the date of payment to a person who is employed as a
law enforcement officer in the Department of Marine Resources or
14 the Department of Inland Fisheries and Wildlife on the effective
date of this Act and who elected to exercise the option of
16 retirement at 55 years of age or after 55 years of age and before
60 years of age under the Maine Revised Statutes, Title 5,
section 17852, subsection 5-A or 6-A before they were repealed by
18 this Act or elected to exercise the option of retirement before
55 years of age under Title 5, section 17852, subsection 5-B or
20 6-B before they were repealed by this Act by paying the full
actuarial cost of either of those options through an increased
22 employee contribution to the Maine State Retirement System. The
employee contribution rate from the effective date of this Act
24 for a member who previously made one of the elections specified
in this section is as provided in Title 5, section 17709-B for
26 game wardens and 17710-B for marine patrol officers.'

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

32 **FISCAL NOTE**

	2001-02	2002-03
36 APPROPRIATIONS/ALLOCATIONS		
38 General Fund	\$1,423,130	\$36,083
40 Other Funds	80,473	1,993

42 **REVENUES**

44 Other Funds	\$80,473	\$1,993
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46 Removing a law enforcement officer in the Department of
Inland Fisheries and Wildlife and the Department of Marine
Resources who was first employed after a certain date from a
48 current retirement plan would increase the unfunded liability of
the Maine State Retirement System. Pursuant to the Constitution

of Maine, Article IX, Section 18-A, unfunded liabilities may not be created except those that result from experience losses. The Maine State Retirement System will require one-time additional General Fund appropriations of \$1,387,047 and allocations of Other Special Revenue funds of \$78,480 in fiscal year 2001-02 that represent the full actuarial value of the increase to the unfunded liability resulting from the plan change. The change placing certain law enforcement officers in the 1998 special plan as of their date of hire as opposed to July 1, 1998 will increase the normal cost component of the employer retirement rate by .80% from 6.89% to 7.69% and will result in additional ongoing retirement costs of \$36,083 and \$36,083 in General Fund appropriations in fiscal years 2001-02 and 2002-03, respectively, and \$1,993 and \$1,993 in Other Special Revenue allocations in fiscal years 2001-02 and 2002-03, respectively, to the Department of Inland Fisheries and Wildlife and the Department of Marine Resources.'

SUMMARY

This amendment is the minority report of the committee. It retains the special retirement plan for Department of Inland Fisheries and Wildlife game wardens and Department of Marine Resources marine patrol officers established prospectively in 1998 and extends coverage under the special plan retroactively to date of hire for currently employed game wardens who were hired on or after September 1, 1984. Employees covered by the 1998 special plan may retire with full benefits at age 55 if they have 10 years of service or may retire before age 55 with a benefit reduction if they have at least 25 years of service. Game wardens or marine patrol officers hired before September 1, 1984 are not affected by this amendment; they may retire at any age after 20 years of service.

The amendment also provides for return of contributions plus interest to game wardens and marine patrol officers who previously participated in an option to self-fund a special retirement benefit similar to that provided by this amendment.

The amendment also adds an appropriation section, an allocation section and a fiscal note to the bill.