

MAINE STATE LEGISLATURE

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Act

L.D. 1789

DATE: 5-25-01

(Filing No. H-615)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1333, L.D. 1789, Bill, "An Act Regarding the Length of Service for Retirement Benefits and Limits on Earnable Compensation for Certain State Employees"

Amend the bill by striking out the title and substituting the following:

'An Act Regarding the Length of Service for Retirement Benefits for Certain State Employees'

Further amend the bill in Part A in the first line (page 1, line 3 in L.D.) by striking out the following: "PART A"

Further amend the bill in Part A by striking out sections 2 to 5 and inserting in their place the following:

'Sec. A-2. 5 MRSA §17851-A, sub-§1, ¶¶L, M and N are enacted to read:

L. Special investigators and other sworn law enforcement officers who perform the duties of special investigators in the employment of the Attorney General on January 1, 2002 or hired after that date;

M. Security officers in the employment of the Department of Public Safety, Bureau of Capitol Security on January 1, 2002 or hired after that date; and

N. Motor vehicle investigators in the employment of the Department of the Secretary of State, Bureau of Motor Vehicles on January 1, 2002 or hired after that date.

COMMITTEE AMENDMENT

2 **Sec. A-3. 5 MRSA §17851-A, sub-§2**, as amended by PL 1999, c.
493, §7, is further amended to read:

4 **2. Qualification for benefits.** A member employed in any
6 one or a combination of the capacities specified in subsection 1
after June 30, 1998 for employees identified in subsection 1,
8 paragraphs A to H and, after December 31, 1999 for employees
identified in subsection 1, paragraphs I to K and after December
10 31, 2001 for employees identified in subsection 1, paragraphs L
to N qualifies for a service retirement benefit if that member
12 either:

14 A. Is at least 55 years of age and has completed at least
10 years of creditable service under the 1998 Special Plan
16 in any one or a combination of the capacities; or

18 B. Has completed at least 25 years of creditable service in
any one or a combination of the capacities specified in
20 subsection 1, whether or not the creditable service included
in determining that the 25-year requirement has been met was
22 earned under the 1998 Special Plan or prior to its
establishment.

24 **Sec. A-4. 5 MRSA §17851-A, sub-§3, ¶A**, as amended by PL 1999,
c. 493, §8, is further amended to read:

26 A. For the purpose of meeting the qualification requirement
28 of subsection 2, paragraph A:

30 (1) Service credit purchased by repayment of an
earlier refund of accumulated contributions following
32 termination of service is included only to the extent
that time to which the refund relates was served after
34 June 30, 1998 for employees identified in subsection 1,
paragraphs A to H and, after December 31, 1999 for
36 employees identified in subsection 1, paragraphs I to K
and after December 31, 2001 for employees identified in
38 subsection 1, paragraphs L to N in any one or a
combination of the capacities specified in subsection
40 1; and

42 (2) Service credit purchased other than as provided
under subparagraph (1), including but not limited to
44 service credit for military service, is not included.

46 **Sec. A-5. 5 MRSA §17851-A, sub-§4**, as amended by PL 1999, c.
489, §14; c. 493, §9; and c. 731, Pt. CC, §§5 and 6, is repealed
48 and the following enacted in its place:

2 4. Computation of benefits. The amount of the service
retirement benefit for members qualified under subsection 2 must
be computed as follows.

4
6 A. If all of the member's creditable service in any one or
a combination of the capacities specified in subsection 1
was earned after June 30, 1998 for employees identified in
subsection 1, paragraphs A to H; after December 31, 1999 for
employees identified in subsection 1, paragraphs I to K; and
after December 31, 2001 for employees identified in
subsection 1, paragraphs L to N or if service credit was
purchased by repayment of an earlier refund of accumulated
contributions for service after June 30, 1998 for employees
identified in subsection 1, paragraphs A to H; after
December 31, 1999 for employees identified in subsection 1,
paragraphs I to K; and after December 31, 2001 for employees
identified in subsection 1, paragraphs L to N, in any one or
if service credit was purchased by other than the repayment
of an earlier refund and eligibility to make the purchase of
the service credit, including, but not limited to, service
credit for military service, was achieved after June 30,
1998 for employees identified in subsection 1, paragraphs A
to H; after December 31, 1999 for employees identified in
subsection 1, paragraphs I to K; and after December 31, 2001
for employees identified in subsection 1, paragraphs L to N,
the benefit must be computed as provided in section 17852,
subsection 1, paragraph A.

30 (1) If the member had 10 years of creditable service
on July 1, 1993, the benefit under subsection 2,
paragraph B must be reduced as provided in section
17852, subsection 3, paragraphs A and B.

34 (2) If the member had fewer than 10 years of
creditable service on July 1, 1993, the benefit under
subsection 2, paragraph B must be reduced by 6% for
each year that the member's age precedes 55 years of
age.

40
42 B. Except as provided in paragraph D, if some part of the
member's creditable service in any one or a combination of
the capacities specified in subsection 1 was earned before
July 1, 1998 for employees identified in subsection 1,
paragraphs A to H; before January 1, 2000 for employees
identified in subsection 1, paragraphs I to K; and before
January 1, 2002 for employees identified in subsection 1,
paragraphs L to N and some part of the member's creditable
service in any one or a combination of the capacities
specified in subsection 1 was earned after June 30, 1998 for

2 employees identified in subsection 1, paragraphs A to H;
3 after December 31, 1999 for employees identified in
4 subsection 1, paragraphs I to K; and after December 31, 2001
5 for employees identified in subsection 1, paragraphs L to N,
6 then the member's service retirement benefit must be
7 computed in segments and the amount of the member's service
8 retirement benefit is the sum of the segments. The segments
9 must be computed as follows:

10 (1) The segment or, if the member served in more than
11 one of the capacities specified in subsection 1 and the
12 benefits related to the capacities are not
13 interchangeable under section 17856, segments that
14 reflect creditable service earned before July 1, 1998
15 for employees identified in subsection 1, paragraphs A
16 to H; before January 1, 2000 for employees identified
17 in subsection 1, paragraphs I to K; and before January
18 1, 2002 for employees identified in subsection 1,
19 paragraphs L to N or purchased by repayment of an
20 earlier refund of accumulated contributions for service
21 before July 1, 1998 for employees identified in
22 subsection 1, paragraphs A to H; before January 1, 2000
23 for employees identified in subsection 1, paragraphs I
24 to K; and before January 1, 2002 for employees
25 identified in subsection 1, paragraphs L to N in a
26 capacity or capacities specified in subsection 1 or
27 purchased by other than the repayment of a refund and
28 eligibility to make the purchase of the service credit,
29 including, but not limited to, service credit for
30 military service, was achieved before July 1, 1998 for
31 employees identified in subsection 1, paragraphs A to
32 H; before January 1, 2000 for employees identified in
33 subsection 1, paragraphs I to K; and before January 1,
34 2002 for employees identified in subsection 1,
35 paragraphs L to N must be computed under section 17852,
36 subsection 1, paragraph A. If the member is qualified
37 under subsection 2, paragraph B and;

38 (a) Had 10 years of creditable service on July 1,
39 1993, the amount of the segment or segments must
40 be reduced as provided in section 17852,
41 subsection 3, paragraphs A and B; or

42 (b) Had fewer than 10 years of creditable service
43 on July 1, 1993, the amount of the segment or
44 segments must be reduced as provided in section
45 17852, subsection 3-A; and

46 (2) The segment that reflects creditable service
47 earned after June 30, 1998 for employees identified in
48 subsection 1, paragraphs A to H; before January 1, 2000
49 for employees identified in subsection 1, paragraphs I to K;
50 and before January 1, 2002 for employees identified in

2 subsection 1, paragraphs A to H; after December 31,
4 1999 for employees identified in subsection 1,
6 paragraphs I to K; and after December 31, 2001 for
8 employees identified in subsection 1, paragraphs L to N
10 or purchased by repayment of an earlier refund of
12 accumulated contributions for service after June 30,
14 1998 for employees identified in subsection 1,
16 paragraphs A to H; after December 31, 1999 for
18 employees identified in subsection 1, paragraphs I to
20 K; and after December 31, 2001 for employees identified
22 in subsection 1, paragraphs L to N in any one or a
24 combination of the capacities specified in subsection 1
or purchased by other than the repayment of a refund
and eligibility to make the purchase of the service
credit, including, but not limited to, service credit
for military service, was achieved after June 30, 1998
for employees identified in subsection 1, paragraphs A
to H; after December 31, 1999 for employees identified
in subsection 1, paragraphs I to K; and after December
31, 2001 for employees identified in subsection 1,
paragraphs L to N must be computed under section 17852,
subsection 1, paragraph A. If the member is qualified
under subsection 2, paragraph B and:

26 (a) Had 10 years of creditable service on July 1,
28 1993, the segment amount must be reduced in the
30 manner provided in section 17852, subsection 3,
32 paragraphs A and B for each year that the member's
34 age precedes 55 years of age; or

36 (b) Had fewer than 10 years of creditable service
38 on July 1, 1993, the segment amount must be
40 reduced by 6% for each year that the member's age
42 precedes 55 years of age.

36 D. The service retirement benefit of a member who is a
38 Maine State Prison employee to whom subsection 1, paragraph
40 E applies and who qualifies for service retirement benefits
42 under subsection 2, paragraph B must be computed under
44 section 17852, subsection 1, paragraph A on the basis of all
of the member's creditable service in the capacity specified
in subsection 1, paragraph E regardless of whether the
creditable service was earned before, on or after July 1,
1998, except that:

46 (1) If the member had 10 years of service on July 1,
48 1993, the benefit must be reduced as provided in
50 section 17852, subsection 10, paragraph C,
subparagraphs (1) and (2); or

(2) If the member had fewer than 10 years of creditable service on July 1, 1993, the benefit must be reduced as provided in section 17852, subsection 10, paragraph C-1.

Sec. A-6. 5 MRSA §17851-A, sub-§5, as amended by PL 1999, c. 493, §9, is further amended to read:

5. Contributions. Notwithstanding any other provision of subchapter III, after June 30, 1998, for employees identified in subsection 1, paragraphs A to H, and after December 31, 1999, for employees identified in subsection 1, paragraphs I to K and after December 31, 2001 for employees identified in subsection 1, paragraphs L to N, a member in the capacities specified in subsection 1 must contribute to the retirement system or have pick-up contributions made at the rate of 8.65% of earnable compensation until the member has completed 25 years of creditable service as provided in this section and at the rate of 7.65% thereafter.

Sec. A-7. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	2001-02	2002-03
ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF		

Salary Plan

Personal Services	\$1,479	\$3,006
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Provides funds for the increased normal retirement costs for certain employees of the Department of Public Safety and the Department of the Attorney General due to a change in the retirement plan.

Sec. A-8. Allocation. The following funds are allocated from the Highway Fund to carry out the purposes of this Act.

	2001-02	2002-03
ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF		

Salary Plan

2 Personal Services \$1,931 \$3,895
 4 Provides funds for the
 6 increased normal retirement
 8 costs for certain employees
 10 of the Department of the
 12 Secretary of State due to a
 14 change in the retirement
 16 plan.'

12 Further amend the bill by striking out all of Part B.

14 Further amend the bill by relettering or renumbering any
 16 nonconsecutive Part letter or section number to read
 18 consecutively.

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

22 **FISCAL NOTE**

24 **2001-02 2002-03**

26 **APPROPRIATIONS/ALLOCATIONS**

28	General Fund	\$1,479	\$3,006
	Highway Fund	1,931	3,895
30	Other Funds	835	1,725

32 The addition of certain positions to be covered under the
 34 1998 special retirement plan will increase the normal cost
 36 component of the employer retirement rate, resulting in increased
 38 employer contributions to the Maine State Retirement System for
 state employees during the current biennium by a total of \$4,245
 in fiscal year 2001-02 and \$8,626 in fiscal year 2002-03.

40 Additional General Fund appropriations of \$1,479 and \$3,006
 42 and Highway Fund allocations of \$1,931 and \$3,895 in fiscal years
 44 2001-02 and 2002-03, respectively, are required in the salary
 46 plan reserve accounts to fund the increases for state employees.
 The cost to accounts in other funds estimated to be \$835 and
 \$1,725 may require increased allotments to meet these additional
 personal services expenditures.'

48 **SUMMARY**

50 This amendment provides retirement benefits under the 1998
 special plan for motor vehicle investigators employed by the

COMMITTEE AMENDMENT "A" to H.P. 1333, L.D. 1789

2 Department of the Secretary of State, Bureau of Motor Vehicles.
The amendment also eliminates the increase in the 3-year cap on
4 earnable compensation contained in the bill. Finally, it adds an
appropriation section, an allocation section and a fiscal note to
the bill.

COMMITTEE AMENDMENT