

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 990

S.P. 331

In Senate, February 25, 2003

An Act To Provide an Alternative Method of Payment under the Maine State Retirement System

Reference to the Committee on Labor suggested and ordered printed.

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

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MITCHELL of Penobscot.
Cosponsored by Representative DAVIS of Falmouth and
Senators: BLAIS of Kennebec, EDMONDS of Cumberland, WESTON of Waldo,
Representatives: ANDREWS of York, FINCH of Fairfield, FISCHER of Presque Isle,
GAGNE-FRIEL of Buckfield, MURPHY of Kennebunk.

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

4 **Sec. 1. 5 MRSA §17804, sub-§5-G** is enacted to read:

6 5-G. Death of beneficiary. Notwithstanding any other
8 provision of this Part, if a qualifying member has elected an
10 option under subsection 3 or 4 and the beneficiary named pursuant
12 to that option predeceases the qualifying member, the qualifying
14 member must receive the amount of service retirement benefits the
16 qualifying member would have received had the qualifying member
18 elected the option under subsection 1. The revised service
20 retirement benefits received by a qualifying member under this
22 subsection begin the first day of the first month following the
24 receipt by the retirement system of proof of death of the
26 beneficiary.

28 **Sec. 2. 5 MRSA §18404, sub-§5-G** is enacted to read:

30 5-G. Death of beneficiary. Notwithstanding any other
32 provision of this Part, if a qualifying member has elected an
34 option under subsection 3 or 4 and the beneficiary named pursuant
36 to that option predeceases the qualifying member, the qualifying
38 member must receive the amount of service retirement benefits the
40 qualifying member would have received had the qualifying member
42 elected the option under subsection 1. The revised service
44 retirement benefits received by a qualifying member under this
46 subsection begin the first day of the first month following the
48 receipt by the retirement system of proof of death of the
50 beneficiary.

Sec. 3. Application. This Act applies to a current or future
qualifying member of the Maine State Retirement System who may
choose or who has chosen an option under the Maine Revised
Statutes, Title 5, section 17804, subsection 3 or 4 or Title 5,
section 18404, subsection 3 or 4, including a qualifying member
whose beneficiary named under the chosen option has predeceased
the qualifying member prior to the effective date of this Act.

SUMMARY

This bill allows a qualifying member of the Maine State Retirement System who elects to receive reduced benefits in exchange for a beneficiary to continuing to receive benefits after the member dies, to revert to receiving full benefits if the named beneficiary predeceases the member. This bill applies to current and future members who have or may elect to receive reduced benefits, including current members who have chosen reduced benefits and whose beneficiaries have died before the effective date of this legislation.