

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1501

S.P. 501

In Senate, April 1, 2003

An Act To Amend the Laws Relating to the Maine State Retirement System

Submitted by the Maine State Retirement System pursuant to Joint Rule 204.
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 EDMONDS of Cumberland.
Cosponsored by Representative SMITH of Van Buren.

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

2
4 **Sec. 1. 4 MRSA §1201, sub-§7**, as enacted by PL 1983, c. 853,
Pt. C, §§15 and 18, is amended to read:

6 **7. Consumer Price Index.** "Consumer Price Index" means the
Consumer Price Index for All Urban Wage-Earners and Clerical
8 Workers--United States--City--Average,--All--items,--1967=100
Consumers, CPI-U, as compiled by the United States Department of
10 Labor, Bureau of Labor Statistics; or, if the index is revised or
superseded, the board shall employ the Consumer Price Index shall
12 be--the--index--represented compiled by the Bureau of Labor
Statistics as--reflecting--most--accurately, United States
14 Department of Labor that the board of trustees finds to be most
reflective of changes in the purchasing power of the dollar by
16 for the broadest population of consumers, including retired
consumers.

18 **Sec. 2. 5 MRSA §17760, first ¶**, as amended by PL 1991, c. 479,
20 §2, is further amended to read:

22 Service credit for service in the United States Armed Forces
is governed as follows. Except as provided in subsection 1,
24 paragraph B, subparagraph (1), service credit under this section
is limited to -4- 5 years.

26 **Sec. 3. 5 MRSA §17760, sub-§1**, as enacted by PL 1985, c. 801,
28 §§5 and 7, is amended to read:

30 **1. Service after becoming a member.** A member is entitled to
service credit for the period of time during which his the
32 member's membership is continued under section 17655, subsection
1, under the following terms and conditions.

34 A. No A member who is otherwise entitled to service credit
36 for military leave may not be deprived of these credits if
the member's return to membership service is delayed beyond
38 90 days after his the member's separation from the service
in the Armed Forces of the United States, under conditions
40 other than dishonorable, if the delay is caused by an
illness or disability incurred in the service in the armed
42 forces.

44 B. A member may not receive service credit for military
leave beyond the end of the period of first enlistment or
46 induction or beyond -4- 5 years from the date of original
call to active duty in the armed forces, whichever is less,
48 unless:

2 (1) The member's return to active duty in the armed
forces or the extension of the period of service
4 beyond --4- 5 years is required by some mandatory
provision; and

6 (2) The person presents proof of the return to or
extension of service satisfactory to the board.

8
10 **Sec. 4. 5 MRSA §17911 is enacted to read:**

12 **§17911. Rehabilitation**

14 As a means to a person being able to return to substantially
16 gainful activity, rehabilitation services may be provided to any
18 person who is the recipient of a disability retirement benefit
20 under this article and has filed the application under section
22 17902 for this benefit after the effective date of this section.
24 Rehabilitation services may be provided to any person who is the
26 recipient of a disability retirement benefit when the executive
28 director determines that rehabilitation is feasible, that
30 rehabilitation is consistent with the purposes of this article,
32 that the recipient is suitable for rehabilitation services and
34 that rehabilitation services are likely to lead to substantially
36 gainful activity. When appropriate, determination of suitability
38 must include consultation with a medical board pursuant to
40 section 17902, subsection 1, paragraph A to determine any medical
indications that the recipient should not engage in a
rehabilitation program or to identify a recipient too severely
disabled to benefit from rehabilitation services in accordance
with the purposes of this article. Services must be provided by
private and public rehabilitation counselors, government agencies
and others approved by the executive director as qualified to
provide rehabilitation services. The executive director shall
consider a rehabilitation counselor's rate of successfully
placing rehabilitated employees in jobs relative to the placement
rates of other counselors in the State as fundamental in deciding
whether to approve the counselor as qualified. Nothing in this
section affects the ongoing requirement that a person remain
disabled in order to continue to receive disability benefits.

42 For the purposes of this section, "person" means any person
who is the recipient of a disability retirement benefit.

44 1. Rehabilitation plan. If the executive director
46 determines that rehabilitation is feasible and recommended, the
48 retirement system shall designate a rehabilitation services
provider to evaluate the person and develop a rehabilitation plan.

50 2. Costs. The executive director may contract with
rehabilitation services providers to develop and carry out
approved rehabilitation plans.

2 A. Except as provided in paragraph B, the executive
4 director shall pay rehabilitation services providers from
 funds accumulated in the Retirement Allowance Fund,
6 established under section 17251.

8 B. If the person is entitled to other benefits to meet the
 cost of rehabilitation services, that person must first
10 apply for and use those benefits to the extent available to
 pay for the goods and services provided.

12 3. Approval of rehabilitation plan. The executive director
 shall approve a rehabilitation plan that the executive director
14 finds to be in the person's best interest and consistent with the
 purposes of this article. The person and the executive director
16 shall indicate in writing their approval of and agreement to the
 submitted rehabilitation plan. The person shall approve the plan
18 within 30 days or, within that time period, submit to the
 executive director the name of an alternate rehabilitation
20 services provider for the executive director's consideration. If
 the rehabilitation plan includes return to employment with the
22 employer for whom the person worked before becoming disabled, the
 employer shall also indicate in writing approval of the plan.

24 4. Monitoring of rehabilitation plan. Each rehabilitation
26 plan approved by the executive director must contain a provision
 for periodic review of progress being made by the person toward
28 achieving the goal of the plan and substantially gainful
 activity. The provision relating to review must include
30 authority for the executive director to terminate the plan or to
 amend the plan with the same rehabilitation services provider or
32 with a change of provider, based upon results of the review or at
 the request of the person or the provider. Subsections 1, 2 and
34 3 apply to any amended plans under this subsection. A person is
 entitled to a single rehabilitation plan during the course of the
36 person's incapacity except when the person demonstrates that a
 termination of the plan was reasonable and for good cause. Any
38 entitlement to amend a rehabilitation plan or establish a new
 plan ends with a determination by the executive director that the
40 person is no longer disabled.

42 5. Return to service. If the rehabilitation plan includes
 return to employment with the person's former employer, that
44 person must be reemployed in accordance with the plan. The
 executive director shall notify the former employer, in writing,
46 that the person has completed the rehabilitation plan and is
 ready to return to employment. The former employer shall
48 reemploy the person in the first available position for which
 that person is qualified, taking into consideration that person's
50 prior compensation and benefits, training, education and

2 experience, including training and education received under that
3 person's rehabilitation plan.

4 6. Employment exception. A person is not required to
5 accept employment that reasonably necessitates relocation or for
6 which the person is not qualified, taking into consideration that
7 person's prior compensation and benefits, training, education and
8 experience, including training and education received under that
9 person's rehabilitation plan. The disability retirement benefit
10 may not be discontinued except as provided by section 17929 or
11 until the person is reemployed consistent with this section.

12 **Sec. 5. 5 MRSA §17927, first ¶**, as amended by PL 1995, c. 643,
13 **§12**, is further amended to read:

14
15 Rehabilitation services must ~~may~~ be provided to any person
16 who is the recipient of a disability retirement benefit under
17 this article ~~whenever~~ as a means to the person being able to
18 return to substantially gainful activity. Services may be
19 provided when the executive director determines that
20 rehabilitation is feasible, that rehabilitation is consistent
21 with the purposes of this article and, that the recipient is
22 suitable for rehabilitation services and that rehabilitation
23 services are likely to lead to substantially gainful activity.
24 When necessary appropriate, determination of suitability must
25 include consultation with the medical board to determine any
26 medical indications that the recipient should not engage in a
27 rehabilitation program or to identify a recipient too severely
28 disabled to benefit from rehabilitation services in accordance
29 with the purposes of this article. Services must be provided by
30 private and public rehabilitation counselors, government agencies
31 and others approved by the executive director as qualified to
32 provide rehabilitation services. The executive director shall
33 consider a rehabilitation counselor's rate of successfully
34 placing rehabilitated employees in jobs relative to the placement
35 rates of other counselors in the State as fundamental in deciding
36 whether to approve the counselor as qualified. Nothing in this
37 section affects the ongoing requirement that a person remain
38 disabled in order to continue to receive disability benefits.

39 For the purposes of this section, "person" means any person who
40 is the recipient of a disability retirement benefit.

41 **Sec. 6. 5 MRSA §17927, sub-§1**, as enacted by PL 1989, c. 409,
42 **§§8 and 12**, is amended to read:

43 **1. Rehabilitation plan.** If the executive director
44 determines that rehabilitation is feasible and recommended, the
45 retirement system shall designate a rehabilitation services
46 provider to evaluate the person and develop a rehabilitation plan.

2 **Sec. 7. 5 MRSA §17927, sub-§2, ¶A**, as enacted by PL 1989, c.
409, §§8 and 12, is amended to read:

4 A. Except as provided in paragraph B, the executive
6 director shall pay these providers from funds accumulated in
the ~~Disability-Retirement-Benefit-Fund~~ Retirement Allowance
8 Fund, established under section 17251.

10 **Sec. 8. 5 MRSA §17927, sub-§4**, as amended by PL 1995, c. 643,
§13, is repealed.

12 **Sec. 9. 5 MRSA §17927, sub-§5**, as enacted by PL 1989, c. 409,
14 §§8 and 12, is amended to read:

16 **5. Monitoring of rehabilitation plan.** Each rehabilitation
18 plan approved by the executive director ~~shall~~ must contain a
provision for periodic review of progress being made by the
20 person toward achieving the goal of the plan and substantially
gainful activity. The provision relating to review shall must
22 include authority for the executive director to terminate the
plan or to amend the plan with the same provider or with a change
24 of provider, based upon results of the review or at the request
of the person or the provider. Subsections 1, 2, and 3 ~~and~~-4
26 shall apply to any amended plans under this subsection. A person
is entitled to a single rehabilitation plan during the course of
the person's incapacity except when the person demonstrates that
28 a termination of the plan was reasonable and for good cause. Any
entitlement to amend a rehabilitation plan or establish a new
30 plan ends with a determination by the executive director that the
person is no longer disabled.

32 **Sec. 10. 5 MRSA §18252**, as amended by PL 2001, c. 699, §3, is
34 further amended to read:

36 **§18252. Membership in districts with Social Security coverage**
38 **under Social Security Section 218 agreement**

40 An employee who is or would be covered by the United States
Social Security Act as a result of employment by a participating
42 local district having a so-called "Social Security Section 218
agreement" may elect to join, not to join, to cease contributions
44 to or to withdraw from the retirement system under the following
conditions.

46 **1. New employees.** A new employee may join the retirement
48 system at the beginning of his employment or on any anniversary
of the beginning of his employment, so long as he the employee is
50 still an employee of the participating local district and the
district continues to be a participating local district.

2 **2. Employee who is participating member.** An employee who
3 is a participating member of the retirement system ~~and who wishes~~
4 may elect to withdraw from cease contributions to the system may
5 and, at the employee's discretion, may withdraw accumulated
6 contributions in accordance with the procedures in section 18306.

7 **3. Employee who has previously ceased contributions.** An
8 employee who has previously ~~withdrawn from~~ elected to cease
9 contributions to the retirement system, whether or not
10 accumulated contributions have been withdrawn, may choose to
11 rejoin the system ~~within 3 years of withdrawal~~ at any time under
12 the following conditions.

13 A. ~~The~~ If the employee withdrew accumulated contributions
14 and is rejoining the system within 3 years of the date that
15 a refund was paid under section 18306, the employee must
16 repay to the retirement system an amount equivalent to the
17 withdrawn accumulated contributions plus the amount of
18 interest ~~which~~ that would be required of any terminated
19 employee who had become reemployed and had elected to rejoin
20 the retirement system and to repay the contributions.

21 A-1. If the employee withdrew accumulated contributions and
22 is rejoining the system more than 3 years from the date that
23 a refund was paid under section 18306, the employee may not
24 repay to the retirement system the contributions withdrawn
25 under subsection 2.

26 B. The employer must still be a participating local
27 district allowing new membership in the retirement system.

28 ~~4. -- Employee who has previously withdrawn rejoins after 3~~
29 ~~years. -- An employee who has previously withdrawn from the~~
30 ~~retirement system may choose to rejoin the system after 3 years~~
31 ~~of withdrawal under the following conditions.~~

32 ~~A. -- The employee may not repay to the retirement system the~~
33 ~~contributions withdrawn under subsection 2.~~

34 ~~B. -- The employer must still be a participating local~~
35 ~~district allowing new membership in the retirement system.~~

36 **5. Limit on right to rejoin.** The right of an employee to
37 rejoin under either subsection 3 ~~or 4~~ is limited to one
38 occurrence.

39 **6. Restoration to service.** If any person who is the
40 recipient of a service retirement benefit is covered by the
41 United States Social Security Act upon being restored to service,
42 continuation of that person's benefit is governed by the
43 following.

2 A. The person may elect to have the service retirement
benefit continued during the period of time the person is
4 restored to service and the person may not accumulate any
additional service credits.

6 B. The person may elect to have the service retirement
8 benefit terminated, again become a member of the retirement
system and begin contributing at the current rate.

10 (1) The person is entitled to accumulate additional
12 service credits during the period of time the person is
restored to service.

14 (2) When the person again retires, the person is
16 entitled to receive benefits computed on the person's
entire creditable service and in accordance with the
18 law in effect at the time.

20 C. Upon being restored to service, the person shall must
elect to have benefits either continued or terminated. If
22 written notification of the person's election is not
received by the executive director within 60 days of
24 restoration to service, the person is deemed to have elected
the provisions of paragraph A. The election, regardless of
26 how it is made, is irrevocable during the period of
restoration to services.

28 **Sec. 11. 5 MRSA §18252-A, sub-§1, ¶¶A and B**, as enacted by PL
30 1997, c. 709, §4, are amended to read:

32 A. An employee hired by a participating local district, or
rehired following a break in service, after the date on
34 which the employer provides a plan under section 18252-B
shall must elect at the time of hiring or rehiring whether
36 to be a member under the retirement system or to be covered
under a plan provided by the employer under section 18252-B.

38 (1) If the employee elects to be a member under the
40 retirement system, the election is effective as of the
date of hire or rehire.

42 (a) An employee who elects to be a member of the
44 retirement system may later elect to be covered
under a plan provided by the employer under
46 section 18252-B. The employee who so elects shall
may, at the employee's discretion, withdraw
48 accumulated contributions in accordance with
applicable requirements of law and rule and
50 retirement system procedures.

2 (b) An employee who elects under division (a) to
4 be covered under a plan provided by the employer
6 under section 18252-B may later elect to again
8 become a member under the retirement system,
10 unless to so elect would have the effect of
12 requiring the employer, without the employer's
14 agreement, to make an employer contribution to
16 both the retirement system and the plan provided
18 by the employer under section 18252-B.

12 (c) An employee who elects under division (b) to
14 again become a member of the retirement system may
16 not pay contributions or pick-up contributions or
18 receive service credit for the period during which
20 the employee elected not to be a member under the
22 retirement system. The employee may, in
24 accordance with section 18304, repay contributions
26 withdrawn under division (a) and may, as permitted
28 under other relevant retirement system law, rule
and policy, repay other refunded contributions.

24 (d) An employee who, having elected to again
26 become a member under the retirement system under
28 division (c), later elects again not to be a
member may not thereafter become a member under
the retirement system while employed by the same
participating local district.

30 (2) An employee who elects to be covered under a plan
32 provided by the employer under section 18252-B may
34 later elect to become a member under the retirement
system.

36 (a) Membership service credit for an employee
38 joining the retirement system under this
40 subparagraph begins as of the effective date of
first contributions or pick-up contributions to
the retirement system following the employee's
election under this subparagraph.

42 (b) An employee who joins the retirement system
44 under this subparagraph may not pay contributions
46 or have pick-up contributions made on or receive
any service credit for the period during which the
employee elected not to be a member of the
retirement system.

48 (c) An employee who, having elected to become a
50 member under the retirement system under this

2 subparagraph, later elects again not to be a
4 member shall may, at the employee's discretion,
6 withdraw accumulated contributions in accordance
8 with applicable requirements of law and rule and
 retirement system procedures and may not
 thereafter become a member under the retirement
 system while employed by the same participating
 local district.

10 B. An employee of the participating local district who is a
12 member under the retirement system on the date on which the
14 employer provides a plan under section 18252-B may elect to
 remain a member under the retirement system or to become
 covered under a plan provided by the employer under section
 18252-B.

16 (1) If the employee elects not to remain a member, the
18 election is effective as of the first day of the month
20 in which no contributions or pick-up contributions are
22 made to the retirement system by the employee. An
 employee who elects not to remain a member shall may,
 at the employee's discretion, withdraw accumulated
24 contributions in accordance with applicable
 requirements of law and rule and retirement system
 procedures.

26 (2) An employee who elects not to remain a member
28 under the retirement system may later elect to again
30 become a member.

32 (a) Membership service credit for an employee who
34 elects to again become a member under the
 retirement system under this subparagraph begins
36 as of the effective date of the first
 contributions or pick-up contributions to the
 retirement system following the employee's
 election under this subparagraph.

38 (b) An employee who rejoins the retirement system
40 under this subparagraph may not pay contributions
42 or pick-up contributions or receive service credit
 for the period during which the employee elected
44 not to be a member under the retirement system.
 The employee may, in accordance with section
46 18304, repay contributions refunded under
 subparagraph (1), unless to so elect would have
48 the effect of requiring the employer, without the
 employer's agreement, to make an employer
50 contribution to both the retirement system and the
 plan provided by the employer under section
 18252-B.

2 (c) An employee who, having elected to again
4 become a member under the retirement system under
6 this subparagraph, later elects again not to be a
8 member ~~shall~~ may, at the employee's discretion,
10 withdraw accumulated contributions in accordance
12 with applicable requirements of law and rule and
14 retirement system procedures and may not
16 thereafter become a member under the retirement
18 system while employed by the same participating
20 local district.

22 **Sec. 12. 5 MRSA §18360, first ¶**, as amended by PL 1991, c. 479,
24 §5, is further amended to read:

26 Service credit for service in the Armed Forces of the United
28 States is governed as follows. Except as provided in subsection
30 1, paragraph B, subparagraph (1), service credit under this
32 section is limited to -4- 5 years.

34 **Sec. 13. 5 MRSA §18360, sub-§1**, as enacted by PL 1985, c. 801,
36 §§5 and 7, is amended to read:

38 **1. Service after becoming a member.** A member is entitled to
40 service credit for the period of time during which his the
42 member's membership is continued under section 18258, subsection
44 1, under the following terms and conditions.

46 **A.** ~~No~~ A member who is otherwise entitled to service credit
48 for military leave may not be deprived of these credits if
50 the member's return to membership service is delayed beyond
90 days after his the member's separation from the service
in the Armed Forces of the United States, under conditions
other than dishonorable, if the delay is caused by an
illness or disability incurred in the service in the armed
forces.

B. A member may not receive service credit for military
leave beyond the end of the period of first enlistment or
induction or beyond -4- 5 years from the date of original
call to active duty in the armed forces, whichever is less,
unless:

(1) The member's return to active duty in the armed
forces or the extension of the period of service
beyond --4- 5 years is required by some mandatory
provision; and

(2) The member presents proof of the return to or
extension of service satisfactory to the board.

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Sec. 14. 5 MRSA §18512 is enacted to read:

§18512. Rehabilitation

As a means to a person being able to return to substantially gainful activity, rehabilitation services may be provided to any person who is the recipient of a disability retirement benefit under this article and has filed the application under section 18502 for this benefit after the effective date of this section. Rehabilitation services may be provided to any person who is the recipient of a disability retirement benefit when the executive director determines that rehabilitation is feasible, that rehabilitation is consistent with the purposes of this article, that the recipient is suitable for rehabilitation services and that rehabilitation services are likely to lead to substantially gainful activity. When appropriate, determination of suitability must include consultation with a medical board pursuant to section 18502, subsection 1, paragraph A to determine any medical indications that the recipient should not engage in a rehabilitation program or to identify a recipient too severely disabled to benefit from rehabilitation services in accordance with the purposes of this article. Services must be provided by private and public rehabilitation counselors, government agencies and others approved by the executive director as qualified to provide rehabilitation services. The executive director shall consider a rehabilitation counselor's rate of successfully placing rehabilitated employees in jobs relative to the placement rates of other counselors in the State as fundamental in deciding whether to approve the counselor as qualified. Nothing in this section affects the ongoing requirement that a person remain disabled in order to continue to receive disability benefits.

For the purposes of this section, "person" means any person who is the recipient of a disability retirement benefit.

1. Rehabilitation plan. If the executive director determines that rehabilitation is feasible and recommended, the retirement system shall designate a rehabilitation services provider to evaluate the person and develop a rehabilitation plan.

2. Costs. The executive director may contract with rehabilitation services providers to develop and carry out approved rehabilitation plans.

A. Except as provided in paragraph B, the executive director shall pay these rehabilitation services providers from funds accumulated in the Retirement Allowance Fund, established under section 17251.

2 B. If the person is entitled to other benefits to meet the
3 cost of rehabilitation services, that person must first
4 apply for and use those benefits to the extent available to
5 pay for the goods and services provided.

6 3. Approval of rehabilitation plan. The executive director
7 shall approve a rehabilitation plan that the executive director
8 finds to be in the person's best interest and consistent with the
9 purposes of this article. The person and the executive director
10 shall indicate in writing their approval of and agreement to the
11 submitted rehabilitation plan. The person shall approve the plan
12 within 30 days or, within that time period, submit to the
13 executive director the name of an alternate rehabilitation
14 services provider for the executive director's consideration. If
15 the rehabilitation plan includes return to employment with the
16 employer for whom the person worked before becoming disabled, the
17 employer shall also indicate in writing approval of the plan.

18 4. Monitoring of rehabilitation plan. Each rehabilitation
19 plan approved by the executive director must contain a provision
20 for periodic review of progress being made by the person toward
21 achieving the goal of the plan and substantially gainful
22 activity. The provision relating to review must include
23 authority for the executive director to terminate the plan or to
24 amend the plan with the same rehabilitation services provider or
25 with a change of provider, based upon results of the review or at
26 the request of the person or the provider. Subsections 1, 2 and
27 3 apply to any amended plans under this subsection. A person is
28 entitled to a single rehabilitation plan during the course of the
29 person's incapacity except when the person demonstrates that a
30 termination of the plan was reasonable and for good cause. Any
31 entitlement to amend a rehabilitation plan or establish a new
32 plan ends with a determination by the executive director that the
33 person is no longer disabled.

34 5. Return to service. If the rehabilitation plan includes
35 return to employment with the person's former employer, that
36 person must be reemployed in accordance with the plan. The
37 executive director shall notify the former employer, in writing,
38 that the person has completed the rehabilitation plan and is
39 ready to return to employment. The former employer shall
40 reemploy the person in the first available position for which
41 that person is qualified, taking into consideration that person's
42 prior compensation and benefits, training, education and
43 experience, including training and education received under that
44 person's rehabilitation plan.

45 6. Employment exception. A person is not required to
46 accept employment that reasonably necessitates relocation or for
47 which the person is not qualified, taking into consideration that
48 the person is not qualified, taking into consideration that
49 the person is not qualified, taking into consideration that
50 the person is not qualified, taking into consideration that

2 person's prior compensation and benefits, training, education and
3 experience, including training and education received under that
4 person's rehabilitation plan. The disability retirement benefit
5 may not be discontinued except as provided by section 18529 or
6 until the person is reemployed consistent with this section.

7 **Sec. 15. 5 MRSA §18527, first ¶**, as amended by PL 1995, c. 643,
8 §24, is further amended to read:

10 Rehabilitation services ~~must~~ may be provided to any person
11 who is the recipient of a disability retirement benefit under
12 this article ~~if~~ as a means to the person being able to return to
13 substantially gainful activity. Services may be provided when
14 the executive director determines that rehabilitation is
15 feasible, that rehabilitation is consistent with the purposes of
16 this article and, that the recipient is suitable for
17 rehabilitation services and that rehabilitation services are
18 likely to lead to substantially gainful activity. When necessary
19 appropriate, determination of suitability must include
20 consultation with the medical board to determine any medical
21 indications that the recipient should not engage in a
22 rehabilitation program or to identify a recipient too severely
23 disabled to benefit from rehabilitation services in accordance
24 with the purposes of this article. Services must be provided by
25 private and public rehabilitation counselors, government agencies
26 and others approved by the executive director as qualified to
27 provide rehabilitation services. The executive director shall
28 consider a rehabilitation counselor's rate of successfully
29 placing rehabilitated employees in jobs relative to the placement
30 rates of other counselors in the State as fundamental in deciding
31 whether to approve the counselor as qualified. Nothing in this
32 section affects the ongoing requirement that a person remain
33 disabled in order to continue to receive disability benefits.

34 For the purposes of this section, "person" means any person who
35 is the recipient of a disability retirement benefit.

36 **Sec. 16. 5 MRSA §18527, sub-§1**, as enacted by PL 1989, c. 409,
37 §§11 and 12, is amended to read:

38 **1. Rehabilitation plan.** If the executive director
39 determines that rehabilitation is feasible and recommended, the
40 retirement system shall designate a rehabilitation services
41 provider to evaluate the person and develop a rehabilitation plan.

42 **Sec. 17. 5 MRSA §18527, sub-§2, ¶A**, as enacted by PL 1989, c.
43 409, §§11 and 12, is amended to read:

44 **A.** Except as provided in paragraph B, the executive
45 director shall pay these providers from funds accumulated in

2 the ~~Disability-Retirement-Benefit-Fund~~ Retirement Allowance
3 Fund, established under section 17251.

4 **Sec. 18. 5 MRSA §18527, sub-§4**, as amended by PL 1995, c. 643,
5 §25, is repealed.

6 **Sec. 19. 5 MRSA §18527, sub-§5**, as enacted by PL 1989, c. 409,
7 §§11 and 12, is amended to read:

10 **5. Monitoring of rehabilitation plan.** Each rehabilitation
11 plan approved by the executive director shall ~~must~~ contain a
12 provision for periodic review of progress being made by the
13 person toward achieving the goal of the plan and substantially
14 gainful activity. The provision relating to review shall ~~must~~
15 include authority for the executive director to terminate the
16 plan or to amend the plan with the same provider or with a change
17 of provider, based upon results of the review or at the request
18 of the person or the provider. Subsections 1, 2, and 3 ~~and~~ 4
19 shall apply to any amended plans under this subsection. A person
20 is entitled to a single rehabilitation plan during the course of
21 the person's incapacity except when the person demonstrates that
22 a termination of the plan was reasonable and for good cause. Any
23 entitlement to amend a rehabilitation plan or establish a new
24 plan ends with a determination by the executive director that the
25 person is no longer disabled.

26 **Sec. 20. 5 MRSA §18801, sub-§6**, as enacted by PL 1989, c. 811,
27 §3, is amended to read:

30 **6. Plan design and amendments.** The rules adopted by the
31 board must be based entirely upon proposals for the consolidated
32 retirement plan and proposed amendments to the consolidated
33 retirement plan received from the Participating Local District
34 Advisory Committee or from the retirement system staff. The
35 board shall adopt as a rule any proposal received from the
36 Participating Local District Advisory Committee or return the
37 proposal to the advisory committee with a statement setting forth
38 the reasons for not adopting the proposal.

40 **Sec. 21. 5 MRSA §18802-A, sub-§§5 and 6**, as enacted by PL 1997,
41 c. 12, §1 and affected by §2, are amended to read:

42 **5. Transaction of business.** The transaction of business by
43 the advisory committee is governed as follows.

46 A. Seven voting members constitute a quorum for the
47 transaction of any business.

48 B. Each member is entitled to one vote.

50

2 C. ~~Except as provided by subsection 6, 6 affirmative votes~~
are Affirmative votes of a simple majority of the quorum or,
4 if greater, of the voting members present are necessary for
the passage of any resolution or any other action by the
6 advisory committee.

8 **6. Proposal for plan design or amendment.** The advisory
committee shall or the retirement system staff may present to the
10 board proposals for the consolidated retirement plan and
amendments to the plan. Passage of any resolution or any other
12 action by the advisory committee relating to proposals for the
consolidated retirement plan or proposed amendments to the
14 consolidated retirement plan requires ~~8-~~ affirmative votes of a
simple majority of the quorum or, if greater, of the voting
members present.

18 SUMMARY

20 The bill makes the definition of Consumer Price Index that
applies to judges consistent with the definition that applies to
22 all other Maine State Retirement System members.

24 The bill brings state law into compliance with federal law
with respect to the period of time that a member may continue to
26 earn creditable service while on a leave of absence in order to
serve in the military.

28 The bill extends rehabilitation services to additional
30 disability retirement recipients and makes optional the
participation in rehabilitation services designed to assist their
32 return to substantially gainful activity. A disability recipient
under this change could request rehabilitation services and, upon
34 meeting certain criteria, receive them.

36 The bill repeals the discontinuance of disability retirement
benefits to recipients who decline to participate in the
38 rehabilitation services program.

40 The bill clarifies 2 subsections of the Maine Revised
Statutes by combining them and makes the withdrawal of
42 contributions optional when a member who is covered by the Social
Security Act elects to cease contributing to Maine State
44 Retirement System.

46 The bill makes the withdrawal of contributions from the
Maine State Retirement System optional when a member who is
48 covered by an employer-provided retirement plan elects to cease
contributing to the Maine State Retirement System.

50

2 The bill changes the attendance and voting requirements
under which the Participating Local District Advisory Committee
transacts business. The bill also adds the retirement system
4 staff to those permitted to make rule amendment proposals to the
Board of Trustees of the Maine State Retirement System. The
6 Participating Local District Advisory Committee was previously
the sole entity permitted to make such proposals.

8