

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2006

Legislative Document

No. 1719

H.P. 1226

House of Representatives, December 20, 2005

**An Act To Establish the Administrative Operating Budget for the
Maine State Retirement System for the Fiscal Year Ending June 30,
2007**

(EMERGENCY)

Reported by Representative SMITH of Van Buren for the Maine State Retirement System pursuant to the Maine Revised Statutes, Title 5, section 17103, subsection 13.

Received by the Clerk of the House on December 14, 2005. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

2 **Sec. 3. Transfers of allocations; year-end balances.** Transfers of
allocations and carry-forwards of unexpended balances must be
4 carried out in accordance with the Maine Revised Statutes, Title
5, section 17103, subsection 13.

6 **Sec. 4. Collective bargaining agreements approval.** The
allocations made in section 1 of this Act and the attributions
8 made in section 2 of this Act include the amounts required to
fund the collective bargaining agreements approved in Private and
10 Special Law 2003, chapter 34, which are effective until October
31, 2006.

12 **Sec. 5. Technology replacement approval.** Of the amount
14 authorized to be expended in section 1 of this Act, \$200,000 is a
new expenditure request towards the cost of a complete
16 line-of-business automated system that includes within it
replacing the current benefits payroll technology, which will
18 become unsupported and obsolete on December 31, 2006.

20 **Sec. 6. Authorization to expend retirement system reserve
administrative operating funds.** Of the amount authorized to be
22 expended in section 1 of this Act for the administrative and
operating costs of the retirement system, \$400,000 of this amount
24 must be provided from the system's Administrative Expense Fund
established in the Maine Revised Statutes, Title 5, section 17301.

26 **Emergency clause.** In view of the emergency cited in the
28 preamble, this Act takes effect July 1, 2006.

30

SUMMARY

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The Maine State Retirement System is required by statute to
34 present its annual operating budget to the Legislature for
approval. This bill is the system's 13th annual budget. It is
36 for fiscal year 2006-07.

38 This bill identifies the retirement system's personal
services costs and its costs for all other operating expenses.

40

For information purposes, the bill presents the attribution
42 of expenses to the 3 retirement system member and employer
categories: General Fund; Non-General Fund; and Participating
44 Local District.

46 This bill requests \$200,000 to continue the funding of a
complete line-of-business computer system, including replacement
48 of aging and failing benefits payroll technology.