

MAINE STATE LEGISLATURE

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4/28/06

Date: 4/28/06

(Filing No. H-1082)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
122ND LEGISLATURE
SECOND REGULAR SESSION

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HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 1491, L.D. 2098, Bill, "An Act Authorizing Participation in the State Group Health Plan for Retiring Legislators"

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Amend the amendment by inserting after the title the following:
'Amend the bill by striking out the title and substituting the following:

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'An Act Authorizing Participation in the State Group Health Plan for Retiring Legislators and Relating to Certain Benefits for Legislators'

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Further amend the bill by inserting before section 1 the following:
'Sec. 1. 3 MRSA §2, sub-§1 is enacted to read:

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1. Disability benefits. Notwithstanding any other provision of this section, in order to ensure that a disability annuity or payment to which a member of the Legislature is entitled is not reduced or lost, the member may file a written notice with the Executive Director of the Legislative Council within one week after the biennium commences or within 30 days of becoming eligible to receive a disability annuity or payment stating that the member waives all or a portion of amounts to which the member would otherwise be entitled under this section. Upon filing such a waiver, the member is entitled to receive only such amounts as the member has not waived. A waiver under this subsection does not affect the coverage of or state contributions to any benefits to which the member is entitled as a Legislator, unless the waiver expressly includes a waiver of such benefits. A waiver of retirement membership under section 801 must be in accordance with section 801, subsection 1-A. A waiver under this subsection applies to the term or remainder of the term of office to which the member is elected.

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Sec. 2. 3 MRSA §701, sub-§9, as enacted by PL 1985, c. 507, §1, is amended to read:

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9. Earnable compensation. "Earnable compensation" means the actual compensation of a Legislator, except that, if a Legislator waives compensation pursuant to section 2, subsection 1, "earnable compensation" also includes any amount that is waived. Any money paid by the State under an annuity contract for the future benefit of a Legislator shall must be considered part of the Legislator's earnable compensation. The earnable compensation of a member retired with a disability retirement allowance under section 853 shall must be assumed, for the purposes of determining benefits under this

1 chapter, to be continued after ~~his~~ the Legislator's date of termination of service at the
2 same rate as received immediately prior to that time, subject to the same percentage
3 adjustments, if any, that may apply to the amount of retirement allowance of the
4 beneficiary under section 858.

5 **Sec. 3. 3 MRSA §801, sub-§1-A,** as enacted by PL 1989, c. 501, Pt. O, §8, is
6 amended to read:

7 **1-A. Waiver provision.** Any Legislator may petition the presiding officer for a
8 waiver from the membership provisions of subsection 1 if it can be demonstrated that
9 membership in the Maine Legislative Retirement System will create or exacerbate a
10 Legislator's federal income tax liability due to the ownership of another retirement plan.
11 A Legislator who waives compensation pursuant to section 2, subsection 1 may also
12 petition the presiding officer for a waiver from the membership provisions of subsection
13 1 in order to ensure that a disability annuity or payment to which the Legislator is entitled
14 is not reduced or lost. The Office of the Executive Director of the Legislative Council
15 shall provide assistance as requested by the Legislator or presiding officer. The presiding
16 officer shall respond to the Legislator's petition within 30 days and shall provide copies of
17 the decision to the Executive Director of the Legislative Council and the Executive
18 Director of the Maine State Retirement System.' '

19 Further amend the amendment in the first paragraph after the title (page 1, line 11 in
20 amendment) by striking out the following: "Amend" and inserting in its place the
21 following: 'Further amend'

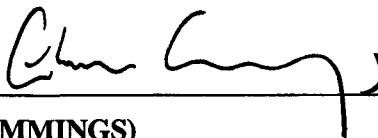
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SUMMARY

23 This amendment adds an additional provision that is intended to ensure that a person
24 is not required for financial reasons to choose between serving in the Legislature and
25 receiving in full a disability annuity or payment to which the person is entitled. Under
26 this amendment, a Legislator may file a written notice waiving compensation and
27 expenses to which that Legislator is entitled in order to eliminate the consideration,
28 application or use of those funds to reduce a federal or state disability annuity or
29 payment.

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SPONSORED BY: _____



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(Representative CUMMINGS)

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TOWN: Portland

FISCAL NOTE REQUIRED
(See attached)



122nd MAINE LEGISLATURE

LD 2098

LR 3256(06)

An Act Authorizing Participation in the State Group Health Plan for Retiring Legislators

Fiscal Note for House Amendment "B" to Committee Amendment "A"

Sponsor: Rep. Cummings

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium savings - General Fund

Fiscal Detail and Notes

This amendment may result in minor cost savings to the Legislature if a legislator receiving or eligible to receive a disability annuity or payment waives all or a portion of the salary or expenses or other payments that a legislator is entitled to. The amount of savings can not be determined at this time and will depend on the number of legislators to which this provision would apply and whether a waiver is filed.