

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

---

Legislative Document

No. 871

H.P. 660

House of Representatives, February 23, 2007

### **An Act To Amend the Laws Relating to the Treatment of Maine State Retirement System Contributions for Terminated Members**

---

Submitted by the Maine State Retirement System pursuant to Joint Rule 204.  
Reference to the Committee on Labor suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative CLARK of Millinocket.  
Cosponsored by Senator STRIMLING of Cumberland and  
Representatives: BURNS of Berwick, DRISCOLL of Westbrook, JACKSON of Allagash,  
THOMAS of Ripley, TUTTLE of Sanford, Senators: DOW of Lincoln, SULLIVAN of York.

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

2 **Sec. 1. 3 MRSA §703, sub-§2**, as enacted by PL 1991, c. 746, §1 and as affected  
3 by §10, is amended to read:

4 **2. Accumulated contributions available for child support.** A member's  
5 accumulated contributions, which are refundable under ~~section 805~~ sections 805-A and  
6 805-B, are available to satisfy a child support obligation that is otherwise enforceable by  
7 execution, garnishment, attachment, assignment or other process; and

8 **Sec. 2. 3 MRSA §805**, as amended by PL 1997, c. 651, §1, is repealed.

9 **Sec. 3. 3 MRSA §805-A** is enacted to read:

10 **§805-A. Refund of accumulated contributions**

11 **1. Conditions for refund.** If the service of any member has terminated, except by  
12 death or by retirement under this chapter, the member must be paid the amount of the  
13 member's accumulated contributions under the following conditions:

14 A. The member must have properly applied for a refund of accumulated  
15 contributions;

16 B. Payment must be made after termination of service and not less than 22 days nor  
17 more than 60 days after receipt of the application and receipt of the last payroll upon  
18 which the name of the member appears;

19 C. An application for refund is void if the member filing the application returns to  
20 membership in any retirement plan administered by the Maine State Retirement  
21 System before issuance of the payment; and

22 D. Only accumulated contributions made by the member or picked up by the  
23 employer may be refunded to that member under this subsection.

24 **Sec. 4. 3 MRSA §805-B** is enacted to read:

25 **§805-B. Inactive accounts**

26 **1. Conditions for refund.** The retirement system may make an automatic refund of  
27 contributions to a member who has not properly applied for a refund as provided in  
28 section 805-A and who has terminated service, except by death or by retirement under  
29 this chapter, and who has not met the minimum creditable service requirement for  
30 eligibility to receive a service retirement benefit at the applicable age under the following  
31 conditions:

32 A. The member account in the retirement system has been inactive for 3 or more  
33 years;

34 B. Only accumulated contributions made by the member or picked up by the  
35 employer may be refunded to that member under this subsection; and

1 C. A member who receives an automatic refund under this subsection may, within 30  
2 days of the issuance of the refund, return the full refunded amount to the retirement  
3 system. Upon receipt, the retirement system shall restore the accumulated  
4 contributions to the member's credit.

5 **Sec. 5. 4 MRSA §1203, sub-§2**, as enacted by PL 1991, c. 746, §2 and as  
6 affected by §10, is amended to read:

7 **2. Accumulated contributions available for child support.** A member's  
8 accumulated contributions, which are refundable under ~~section 1305~~ sections 1305-A and  
9 1305-B, are available to satisfy a child support obligation that is otherwise enforceable by  
10 execution, garnishment, attachment, assignment or other process; and

11 **Sec. 6. 4 MRSA §1305**, as amended by PL 1997, c. 651, §2, is repealed.

12 **Sec. 7. 4 MRSA §1305-A** is enacted to read:

13 **§1305-A. Refund of accumulated contributions**

14 **1. Conditions for refund.** If the service of any member has terminated, except by  
15 death or by retirement under this chapter, the member must be paid the amount of the  
16 member's accumulated contributions under the following conditions:

17 A. The member must have properly applied for a refund of accumulated  
18 contributions;

19 B. Payment must be made after termination of service and not less than 22 days nor  
20 more than 60 days after receipt of the application and receipt of the last payroll upon  
21 which the name of the member appears;

22 C. An application for refund is void if the member filing the application returns to  
23 membership in any retirement plan administered by the Maine State Retirement  
24 System before issuance of the payment; and

25 D. Only accumulated contributions made by the member or picked up by the  
26 employer may be refunded to that member under this subsection.

27 **Sec. 8. 4 MRSA §1305-B** is enacted to read:

28 **§1305-B. Inactive accounts**

29 **1. Conditions for refund.** The retirement system may make an automatic refund of  
30 contributions to a member who has not properly applied for a refund as provided in  
31 section 1305-A and who has terminated service, except by death or by retirement under  
32 this chapter, and who has not met the minimum creditable service requirement for  
33 eligibility to receive a service retirement benefit at the applicable age under the following  
34 conditions:

35 A. The member account in the retirement system has been inactive for 3 or more  
36 years;

1 B. Only accumulated contributions made by the member or picked up by the  
2 employer may be refunded to that member under this subsection; and

3 C. A member who receives an automatic refund under this subsection may, within 30  
4 days of the issuance of the refund, return the full refunded amount to the retirement  
5 system. Upon receipt, the retirement system shall restore the accumulated  
6 contributions to the member's credit.

7 **Sec. 9. 5 MRSA §17054, sub-§2**, as amended by PL 1991, c. 746, §6 and as  
8 affected by §10, is further amended to read:

9 **2. Accumulated contributions available for child support.** A member's  
10 accumulated contributions, ~~being which are~~ refundable under sections ~~17705, 17706,~~  
11 ~~18306 and 18307~~ 17705-A, 17706-A, 18306-A and 18307-A, are available to satisfy any  
12 child support obligation that is otherwise enforceable by execution, garnishment,  
13 attachment, assignment or other process;

14 **Sec. 10. 5 MRSA §17705**, as amended by PL 2003, c. 630, Pt. B, §3, is repealed.

15 **Sec. 11. 5 MRSA §17705-A** is enacted to read:

16 **§17705-A. Refund of accumulated contributions**

17 **1. Conditions for refund.** If the service of any member has terminated, except by  
18 death or by retirement under this Part, or if an optional member withdraws from the  
19 retirement system, the member must be paid the amount of the member's accumulated  
20 contributions under the following conditions:

21 A. The member must have properly applied for a refund of accumulated  
22 contributions;

23 B. Payment must be made after termination of service and not less than 22 days nor  
24 more than 60 days after receipt of the application and receipt of the last payroll upon  
25 which the name of the member appears;

26 C. An application for refund is void if the member filing the application returns to  
27 membership in any retirement plan administered by the retirement system before  
28 issuance of the payment;

29 D. Except when inclusion of a portion of employer contributions is required by  
30 paragraph E, only accumulated contributions made by the member or picked up by  
31 the employer may be refunded to that member under this subsection; and

32 E. The amount of the refund of accumulated contributions related to a member's  
33 compensation for service rendered as a part-time, seasonal or temporary employee  
34 after December 31, 1991 must be at least equal to 7.5% of the member's  
35 compensation for that service plus interest as provided by section 17156.

36 **Sec. 12. 5 MRSA §17706**, as amended by PL 1987, c. 739, §§19 and 48, is  
37 repealed.

38 **Sec. 13. 5 MRSA §17706-A** is enacted to read:

1 **§17706-A. Inactive accounts**

2 **1. Conditions for refund.** The retirement system may make an automatic refund of  
3 contributions to a member who has not properly applied for a refund as provided in  
4 section 17705-A and who has terminated service, except by death or by retirement under  
5 this Part, or who as an optional member has withdrawn from the retirement system, and  
6 who has not met the minimum creditable service requirement for eligibility to receive a  
7 service retirement benefit at the applicable age under the following conditions:

8 A. The member account in the retirement system has been inactive for 3 or more  
9 years;

10 B. Except when inclusion of a portion of employer contributions is required by this  
11 subsection, only accumulated contributions made by the member or picked up by the  
12 employer may be refunded to that member under this subsection;

13 C. The amount of the refund of accumulated contributions related to a member's  
14 compensation for service rendered as a part-time, seasonal or temporary employee  
15 after December 31, 1991 must be at least equal to 7.5% of the member's  
16 compensation for that service plus interest as provided by section 17156; and

17 D. A member who receives an automatic refund under this subsection may, within  
18 30 days of the issuance of the refund, return the full refunded amount to the  
19 retirement system. Upon receipt, the retirement system shall restore the accumulated  
20 contributions to the member's credit.

21 **Sec. 14. 5 MRSA §17851-A, sub-§6,** as enacted by PL 1997, c. 769, §11, is  
22 amended to read:

23 **6. Consequences of participation in retirement plan under section 17851,**  
24 **subsection 5-A, 6-A or 8-A.** Notwithstanding any other provision of law, a member in  
25 the capacities specified in subsection 1 who, prior to July 1, 1998 elected the retirement  
26 option provided in section 17851, subsection 5-A, 6-A or 8-A is treated as follows under  
27 the 1998 Special Plan.

28 A. A member who made the election at the time of first employment in a position  
29 covered under section 17851, subsection 5-A, 6-A and 8-A is considered to be a  
30 member under the 1998 Special Plan as of the date of hire. Beginning July 1, 1998, a  
31 member covered by this paragraph shall contribute to the retirement system or have  
32 pick-up contributions made at a rate of 8.65% of earnable compensation until  
33 completion of 25 years of creditable service and shall contribute at a rate of 7.65%  
34 thereafter.

35 B. A member who was serving in a position covered under section 17851,  
36 subsection 5-A, 6-A or 8-A at the time of the election and who elected to participate  
37 in the retirement option prospectively from the time of election is considered to be a  
38 member under the 1998 Special Plan as of the effective date of the election.  
39 Beginning July 1, 1998, a member covered by this paragraph shall contribute to the  
40 retirement system or have pick-up contributions made at a rate of 8.65% of earnable  
41 compensation until completion of 25 years of creditable service and shall contribute  
42 at a rate of 7.65% thereafter.

1 C. A member who was serving in a position covered under section 17851,  
2 subsection 5-A, 6-A or 8-A at the time of the election and who elected to participate  
3 in the retirement option prospectively from the time of election and also elected to  
4 purchase credit for service earned while serving in the same capacity before  
5 exercising the election is considered to be a member under the 1998 Special Plan as  
6 of the beginning date of the service for which credit is purchased, provided that all of  
7 the payments required under section 17852, subsection 5-A, 6-A or 7-A are made  
8 before retirement. If all the required payments are not made before retirement, that  
9 member is considered to be a member under the 1998 Special Plan as of the effective  
10 date of the election. Beginning July 1, 1998, a member covered by this paragraph  
11 shall contribute to the retirement system or have pick-up contributions made at a rate  
12 of 8.65% of earnable compensation until completion of 25 years of creditable service  
13 and shall contribute at a rate of 7.65% thereafter.

14 Employee contributions and actuarial and administrative costs paid to the retirement  
15 system by a member covered by this subsection may not be returned to that member,  
16 except that these employee contributions may be refunded to a member who terminates  
17 service and requests a refund under section ~~17705~~ 17705-A.

18 **Sec. 15. 5 MRSA §17851-A, sub-§6-A**, as enacted by PL 1999, c. 493, §10, is  
19 amended to read:

20 **6-A. Consequences of participation in retirement plan under section 17851,**  
21 **subsection 12 or 13.** A member in the capacities specified in subsection 1, paragraphs J  
22 and K who, prior to January 1, 2000, elected the retirement option provided in section  
23 17851, subsection 12 or 13 is treated as follows under the 1998 Special Plan.

24 A. A member who made the election at the time of first employment in a position  
25 covered under section 17851, subsection 12 or 13 is considered to be a member under  
26 the 1998 Special Plan as of the date of hire. Beginning January 1, 2000, a member  
27 covered by this paragraph shall contribute to the retirement system or have pick-up  
28 contributions made at a rate of 8.65% of earnable compensation until completion of  
29 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

30 B. A member who was serving in a position covered under section 17851,  
31 subsection 12 or 13 at the time of the election and who elected to participate in the  
32 retirement option prospectively from the time of election is considered to be a  
33 member under the 1998 Special Plan as of the effective date of the election.  
34 Beginning January 1, 2000, a member covered by this paragraph shall contribute to  
35 the retirement system or have pick-up contributions made at a rate of 8.65% of  
36 earnable compensation until completion of 25 years of creditable service and shall  
37 contribute at a rate of 7.65% thereafter.

38 C. A member who was serving in a position covered under section 17851,  
39 subsection 12 or 13 at the time of the election and who elected to participate in the  
40 retirement option prospectively from the time of election and also elected to purchase  
41 credit for service earned while serving in the same capacity before exercising the  
42 election is considered to be a member under the 1998 Special Plan as of the  
43 beginning date of the service for which credit is purchased, provided that all of the  
44 payments required under section 17852, subsection 12 or 13 are made before

1 retirement. If all the required payments are not made before retirement, that member  
2 is considered to be a member under the 1998 Special Plan as of the effective date of  
3 the election. Beginning January 1, 2000, for employees identified in subsection 1,  
4 paragraphs J and K, a member covered by this paragraph shall contribute to the  
5 retirement system or have pick-up contributions made at a rate of 8.65% of earnable  
6 compensation until completion of 25 years of creditable service and shall contribute  
7 at a rate of 7.65% thereafter.

8 Employee contributions and actuarial and administrative costs paid to the retirement  
9 system by a member covered by this subsection may not be returned to that member,  
10 except that these employee contributions may be refunded to a member who terminates  
11 service and requests a refund under section ~~17705~~ 17705-A.

12 **Sec. 16. 5 MRSA §17953, sub-§1**, as amended by PL 1991, c. 619, §10 and as  
13 affected by §18, is further amended to read:

14 **1. Refund of contributions.** The amount of the qualifying member's accumulated  
15 contributions, as determined under section ~~17705~~ 17705-A, is paid:

- 16 A. To the qualifying member's designated beneficiary, if any;
- 17 B. If the qualifying member is not survived by a designated beneficiary, to the first  
18 listed of the following relatives alive at the qualifying member's death:
  - 19 (1) Surviving spouse;
  - 20 (2) Child or children, regardless of age, sharing equally among themselves; or
  - 21 (3) The older parent; or
- 22 C. To the qualifying member's estate.

23 **Sec. 17. 5 MRSA §18252, sub-§2**, as amended by PL 2003, c. 630, Pt. A, §4, is  
24 further amended to read:

25 **2. Employee who is participating member.** A person who is a participating  
26 member of the retirement system may elect to cease contributions to the system and, at  
27 that person's discretion, may withdraw accumulated contributions in accordance with  
28 section ~~18306~~ 18306-A.

29 **Sec. 18. 5 MRSA §18252-A, sub-§1, ¶A**, as amended by PL 2003, c. 630, Pt. A,  
30 §5, is further amended to read:

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

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

38 (a) A person who elects to be a member of the retirement system may later  
39 elect to be covered under a plan provided by the employer under section



1 18252-B. The person who so elects may, at that person's discretion,  
2 withdraw accumulated contributions in accordance with section ~~18306~~  
3 18306-A.

4 (b) A person who elects under division (a) to be covered under a plan  
5 provided by the employer under section 18252-B may later elect to again  
6 become a member under the retirement system, unless to so elect would have  
7 the effect of requiring the employer, without the employer's agreement, to  
8 make an employer contribution to both the retirement system and the plan  
9 provided by the employer under section 18252-B.

10 (c) A person who elects under division (b) to again become a member of the  
11 retirement system may, in accordance with section 18305-A, purchase  
12 service credit for the period during which the person elected not to be a  
13 member of the retirement system. The person may, in accordance with  
14 section 18304, repay contributions withdrawn under division (a) and may, as  
15 permitted under other relevant retirement system law, rule and policy, repay  
16 other refunded contributions.

17 (d) A person who, having elected to again become a member under the  
18 retirement system under division (c), later elects again not to be a member  
19 may not thereafter become a member under the retirement system while  
20 employed by the same participating local district.

21 (2) A person who elects to be covered under a plan provided by the employer  
22 under section 18252-B may later elect to become a member under the retirement  
23 system.

24 (a) Membership service credit for a person joining the retirement system  
25 under this subparagraph begins as of the effective date of first contributions  
26 or pick-up contributions to the retirement system following that person's  
27 election under this subparagraph.

28 (b) A person who joins the retirement system under this subparagraph may,  
29 in accordance with section 18305-A, purchase service credit for the period  
30 during which the person elected not to be a member of the retirement system.

31 (c) A person who, having elected to become a member under the retirement  
32 system under this subparagraph, later elects again not to be a member may, at  
33 the employee's discretion, withdraw accumulated contributions in accordance  
34 with applicable requirements of law and rule and retirement system  
35 procedures and may not thereafter become a member under the retirement  
36 system while employed by the same participating local district.

37 **Sec. 19. 5 MRSA §18252-A, sub-§1, ¶B,** as amended by PL 2003, c. 630, Pt. A,  
38 §5, is further amended to read:

39 B. An employee of the participating local district who is a member under the  
40 retirement system on the date on which the employer provides a plan under section  
41 18252-B may elect to remain a member under the retirement system or to become  
42 covered under a plan provided by the employer under section 18252-B.

1 (1) If that person elects not to remain a member, the election is effective as of  
2 the first day of the month in which no contributions or pick-up contributions are  
3 made to the retirement system by that person. A person who elects not to remain  
4 a member may, at that person's discretion, withdraw accumulated contributions in  
5 accordance with section ~~18306~~ 18306-A.

6 (2) A person who elects not to remain a member under the retirement system  
7 may later elect to again become a member.

8 (a) Membership service credit for a person who elects to again become a  
9 member under the retirement system under this subparagraph begins as of the  
10 effective date of the first contributions or pick-up contributions to the  
11 retirement system following that person's election under this subparagraph.

12 (b) A person who rejoins the retirement system under this subparagraph  
13 may, in accordance with section 18305-A, purchase service credit for the  
14 period during which that person elected not to be a member of the retirement  
15 system. The person may, in accordance with section 18304, repay  
16 contributions refunded under subparagraph (1), unless to so elect would have  
17 the effect of requiring the employer, without the employer's agreement, to  
18 make an employer contribution to both the retirement system and the plan  
19 provided by the employer under section 18252-B.

20 (c) A person who, having elected to again become a member under the  
21 retirement system under this subparagraph, later elects again not to be a  
22 member may, at that person's discretion, withdraw accumulated contributions  
23 in accordance with section ~~18306~~ 18306-A and may not thereafter become a  
24 member under the retirement system while employed by the same  
25 participating local district.

26 **Sec. 20. 5 MRSA §18306**, as amended by PL 2003, c. 630, Pt. A, §11, is repealed.

27 **Sec. 21. 5 MRSA §18306-A** is enacted to read:

28 **§18306-A. Refund of accumulated contributions**

29 **1. Conditions for refund.** If the service of any member has terminated, except by  
30 death or by retirement under this Part, or if an optional member withdraws from the  
31 retirement system, or if an employee of a district that withdraws from participation under  
32 section 18203 wishes to have accumulated contributions refunded, the member or  
33 employee must be paid the amount of the member's accumulated contributions under the  
34 following conditions:

35 A. The member must have properly applied for a refund of accumulated  
36 contributions;

37 B. Payment must be made after termination of service and not less than 22 days nor  
38 more than 60 days after receipt of the application and receipt of the last payroll upon  
39 which the name of the member appears;

1 C. An application for refund is void if the member filing the application returns to  
2 membership in any retirement plan administered by the retirement system before  
3 issuance of the payment;

4 D. Except when inclusion of a portion of employer contributions is required by  
5 subsection 5, only accumulated contributions made by the member or picked up by  
6 the employer may be refunded to that member under this section; and

7 E. The amount of the refund of accumulated contributions related to a member's  
8 compensation for service rendered as a part-time, seasonal or temporary employee  
9 after December 31, 1991 must be at least equal to 7.5% of the member's  
10 compensation for that service plus interest as provided by section 17156.

11 **Sec. 22. 5 MRSA §18307**, as amended by PL 1987, c. 739, §§37 and 48, is  
12 repealed.

13 **Sec. 23. 5 MRSA §18307-A** is enacted to read:

14 **§18307-A. Inactive accounts**

15 **1. Conditions for refund.** The retirement system may make an automatic refund of  
16 contributions to a member who has not properly applied for a refund as provided in  
17 section 18306-A and who has terminated service, except by death or by retirement under  
18 this Part, or who as an optional member has withdrawn from the retirement system, and  
19 who has not met the minimum creditable service requirement for eligibility to receive a  
20 service retirement benefit at the applicable age under the following conditions:

21 A. The member account in the retirement system has been inactive for 3 or more  
22 years;

23 B. Except when inclusion of a portion of employer contributions is required by this  
24 subsection, only accumulated contributions made by the member or picked up by the  
25 employer may be refunded to that member under this subsection;

26 C. The amount of the refund of accumulated contributions related to a member's  
27 compensation for service rendered as a part-time, seasonal or temporary employee  
28 after December 31, 1991 must be at least equal to 7.5% of the member's  
29 compensation for that service plus interest as provided by section 17156; and

30 D. A member who receives an automatic refund under this subsection may, within  
31 30 days of the issuance of the refund, return the full refunded amount to the  
32 retirement system. Upon receipt, the retirement system shall restore the accumulated  
33 contributions to the member's credit.

34 **Sec. 24. 5 MRSA §18553, sub-§1**, as amended by PL 1991, c. 619, §17 and as  
35 affected by §18, is further amended to read:

36 **1. Refund of contributions.** The amount of the qualifying member's accumulated  
37 contributions, as determined under section ~~18306~~ 18306-A, is paid:

38 A. To the qualifying member's designated beneficiary, if any;

1 B. If the qualifying member is not survived by a designated beneficiary, to the first  
2 listed of the following relatives, if any are alive at the qualifying member's death:

3 (1) Surviving spouse;

4 (2) Child or children, regardless of age, sharing equally among themselves; and

5 (3) The older parent; or

6 C. To the qualifying member's estate.

7 **Sec. 25. 20-A MRSA §12722, sub-§3**, as amended by PL 2001, c. 442, §4, is  
8 further amended to read:

9 **3. Maine State Retirement System members.** An eligible person who becomes a  
10 participant in the defined contribution plan offered by the board of trustees and who is a  
11 member of the Maine State Retirement System at the time participation in the defined  
12 contribution plan begins may apply for a refund of accumulated contributions from the  
13 Maine State Retirement System pursuant to Title 5, section ~~47705~~ 17705-A, except that  
14 any such person who has less than the number of years of creditable service required to  
15 be eligible for a Maine State Retirement System benefit as of the date specified in the  
16 notification in subsection 2, paragraph A or the date of hire pursuant to subsection 2,  
17 paragraph B shall apply for a refund of accumulated contributions. Participation in the  
18 defined contribution plan offered by the board of trustees pursuant to this section is  
19 considered a termination of service for purposes of Title 5, section ~~47705~~ 17705-A as of  
20 the date specified in the notification in subsection 2, paragraph A or the date of hire  
21 pursuant to subsection 2, paragraph B, except that, if an application is made for refund of  
22 accumulated contributions under an election pursuant to subsection 2, paragraph A,  
23 payment must be made no later than 90 days after receipt of the application by the Maine  
24 State Retirement System. Service rendered while a participant in the defined contribution  
25 plan offered by the board of trustees does not constitute service for a Maine State  
26 Retirement System member who does not withdraw contributions from the Maine State  
27 Retirement System nor is the member considered to be in service for purposes of Title 5,  
28 chapter 423, subchapter ~~Ψ~~ 5, articles 3-A, 4 and 5.

29 **Sec. 26. Inactive accounts; transition.** For a member of the Maine State  
30 Retirement System who has been inactive for at least 10 years as of the effective date of  
31 this Act and whose member contributions, not including accumulated interest, are less  
32 than \$100, the retirement system may transfer those contributions from the member's  
33 account to the Retirement Allowance Fund. The provisions of the Maine Revised  
34 Statutes, Title 5, section 17706, subsections 1 and 2 and section 18307, subsections 1 and  
35 2 as repealed continue to apply to a member whose contributions are transferred under  
36 this transitional provision. The same provisions apply to members of the Maine Judicial  
37 Retirement System and the Maine Legislative Retirement System whose contributions are  
38 transferred under this transitional provision.

39

## SUMMARY

40 This bill repeals the current statutory provisions governing the refund of accumulated  
41 contributions to members and the treatment of accumulated contributions for terminated

1 members and replaces those provisions. The replacement language is substantively the  
2 same for terminated members who apply for a refund of accumulated contributions. For  
3 nonvested terminated members, the bill permits the Maine State Retirement System to  
4 make an automatic refund of accumulated contributions to the member and permits the  
5 member to reinstate membership upon the return of automatically refunded accumulated  
6 contributions. The bill also contains transitional language to assist the retirement system  
7 in its effort to improve the quality of member data.