## MAINE STATE LEGISLATURE

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## 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

**Legislative Document** 

No. 1511

S.P. 534

March 20, 2007

RESOLUTION, Proposing an Amendment to the Constitution of Maine To Dispose of Unfunded Liabilities in State Retiree Health Care Plans

Reference to the Committee on Labor suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator TURNER of Cumberland.
Cosponsored by Representative MILLETT of Waterford and Senators: MILLS of Somerset,
ROTUNDO of Androscoggin, WESTON of Waldo, Representatives: CAIN of Orono,
FISCHER of Presque Isle, MILLS of Farmington, ROBINSON of Raymond.

Constitutional amendment. Resolved: Two thirds of each branch of the Legislature concurring, that the following amendment to the Constitution of Maine be proposed:

## Constitution, Art. IX, §24 is enacted to read:

Section 24. Payment of unfunded liabilities in state retiree health care plans. Each fiscal year beginning with the fiscal year starting July 1, 2008, the Legislature shall appropriate funds that will retire in 25 years or less the unfunded liabilities in the state retiree health care plans. Annual payments must be made on a straight-line basis based upon an independent actuarial analysis so that the unfunded liability of the state retiree health care plans is eliminated no later than fiscal year 2033. The unfunded liabilities referred to in this section are those in existence upon the enactment of this section. A further liability may not be incurred for state retiree health care plans unless the liability is fully funded at the time it is incurred.

; and be it further

Constitutional referendum procedure; form of question; effective date. Resolved: That the municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, at a statewide election held in the month of November following the passage of this resolution, to vote upon the ratification of the amendment proposed in this resolution by voting upon the following question:

"Do you favor amending the Constitution of Maine to eliminate the unfunded liabilities of the state retiree health care plans by fiscal year 2033 and to prohibit any further liabilities unless those liabilities are fully funded when they are incurred?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within the corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If it appears that a majority of the legal votes are cast in favor of the amendment, the Governor shall proclaim that fact without delay and the amendment becomes part of the Constitution of Maine on the date of the proclamation; and be it further

Secretary of State shall prepare ballots. Resolved: That the Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this resolution necessary to carry out the purposes of this referendum.

36 SUMMARY

This constitutional resolution amends the Constitution of Maine to eliminate the unfunded liabilities of the state retiree health care plans by fiscal year 2033 and to prohibit any further liabilities unless those liabilities are fully funded when they are incurred.