

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 947

H.P. 650

House of Representatives, March 10, 2009

An Act To Amend the Laws To Ensure Equity in the Judicial Retirement Program

Reference to the Committee on Judiciary suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative TRINWARD of Waterville.
Cosponsored by Representatives: BRYANT of Windham, CLEARY of Houlton, DILL of Cape Elizabeth, HILL of York, PRIEST of Brunswick.

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

2 **Sec. 1. 4 MRSA §1302, sub-§3**, as amended by PL 2007, c. 491, §45, is further
3 amended to read:

4 **3. State Employee and Teacher Retirement Program and Legislative**
5 **Retirement Program service.** Creditable service as a member of the State Employee and
6 Teacher Retirement Program or the Legislative Retirement Program must be allowed as
7 creditable service of the Judicial Retirement Program as follows.

8 A. Any member who has not withdrawn that member's accumulated contributions
9 with the State Employee and Teacher Retirement Program or the Legislative
10 Retirement Program may, upon appointment as a judge, have that member's State
11 Employee and Teacher Retirement Program or Legislative Retirement Program
12 contributions and membership service transferred to that member's account with the
13 Judicial Retirement Program and all creditable service resulting from membership in
14 the State Employee and Teacher Retirement Program or the Legislative Retirement
15 Program is creditable service in the Judicial Retirement Program.

16 All funds in the State Employee and Teacher Retirement Program or the Legislative
17 Retirement Program contributed by the employer on account of employment are
18 transferred to the Judicial Retirement Program and must be used to liquidate the
19 liability incurred by reason of that member's previous employment. The State shall
20 make such contributions, from time to time, as may be necessary to provide the
21 benefits under the Judicial Retirement Program for the member as have accrued to the
22 member by reason of the member's previous employment and may accrue to the
23 member by reason of membership in the Judicial Retirement Program.

24 Any member who has that member's accumulated contributions and membership
25 service with the State Employee and Teacher Retirement Program or the Legislative
26 Retirement Program transferred to the Judicial Retirement Program shall pay the
27 costs associated with having the contributions transferred from the State Employee
28 and Teacher Retirement Program or the Legislative Retirement Program to the
29 Judicial Retirement Program.

30 B. Any member who has withdrawn that member's accumulated contributions from
31 the State Employee and Teacher Retirement Program or the Legislative Retirement
32 Program may, subsequent to appointment as a judge and prior to the date any
33 retirement allowance becomes effective for that member, deposit in the fund by a
34 single payment or by an increased rate of contribution an amount equal to the
35 accumulated contributions withdrawn by that member together with interest at 2%
36 greater than regular interest from the date of withdrawal to the date of repayment. If
37 repayment is made in installments, interest continues to accrue on the outstanding
38 balance. The member is entitled to all creditable service that the member acquired
39 during previous membership. In the event any retirement allowance becomes
40 effective before repayment is completed, the member is entitled to credit for that
41 portion of the total of the previous creditable service which the total amount of
42 payments actually made bears to the total amount, including interest at 2% greater

1 than regular interest from the date of withdrawal to the date the retirement allowance
2 becomes effective.

3 D. A person may not receive benefits under both the Judicial Retirement Program
4 and the State Employee and Teacher Retirement Program or the Legislative
5 Retirement Program based upon the same period of service.

6 **SUMMARY**

7 This bill implements the recommendation of the Judicial Compensation Commission
8 that members of Maine's judiciary with retirement contributions earned in the Legislative
9 Retirement Program be allowed to fully transfer these contributions to the Judicial
10 Retirement Program. The bill also requires any member who transfers retirement
11 contributions from the State Employee and Teacher Retirement Program or the
12 Legislative Retirement Program to pay the costs to have the contributions transferred to
13 the Judicial Retirement Program.