

MAINE STATE LEGISLATURE

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LABOR

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STATE OF MAINE
SENATE
124TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 622, L.D. 1657, Bill, "An Act Regarding Maine Public Employees Retirement System Life Insurance Policies"

Amend the bill by inserting after the title and before the enacting clause the following:

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to provide beneficiaries of the Maine Public Employees Retirement System's group life insurance and group accidental death insurance benefits as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Amend the bill by striking out all of section 1 and inserting the following:

Sec. 1. 5 MRSA §18057, as amended by PL 1991, c. 480, §5, is further amended to read:

§18057. Payments on death

Any amount of group life insurance and group accidental death insurance in force on any employee at the date of his the employee's death shall must be paid, upon the establishment of a valid claim, in the following order of precedence.

1. Designated beneficiary. First, to the beneficiary or beneficiaries whom the employee designated in writing, if the written designation was received in the retirement system office or postmarked before the employee's death.

2. Widow or widower. Second, if no beneficiary qualifies under subsection 1, to the widow or widower of the employee.

COMMITTEE AMENDMENT

1 **2-A. Executor or personal representative.** Third, if no one qualifies under
2 subsection 1 or 2, to the employee's duly appointed executor or personal representative
3 for distribution according to the provisions of a lawfully executed will. This subsection is
4 applicable only if the retirement system is notified of the appointment of the executor or
5 personal representative within 6 months of the date of death of the employee.

6 **3. Children.** ~~Third~~ Fourth, if no one qualifies under subsection 1 ~~or~~ 2 or 2-A, to the
7 child or children of the employee and descendants of deceased children by representation.

8 **4. Parents.** ~~Fourth~~ Fifth, if no one qualifies under subsection 1, 2, 2-A or 3, to the
9 surviving parent or parents of the employee.

10 ~~**5. Executor or conservator.** Fifth, if no one qualifies under subsection 1, 2, 3 or 4,~~
11 ~~to the duly appointed executor or conservator or the estate of the employee.~~

12 **6. Next of kin.** Sixth, if no one qualifies under subsection 1, 2, 2-A, 3, or 4 ~~or~~ 5, to
13 other next of kin of the employee entitled under the laws of domicile of that employee at
14 the time of his the employee's death.

15 **Sec. 2. 5 MRSA §18657**, as amended by PL 1991, c. 480, §10, is further amended
16 to read:

17 **§18657. Payments on death**

18 Any amount of group life insurance and group accidental death insurance in force on
19 any employee at the date of his the employee's death ~~shall~~ must be paid, upon the
20 establishment of a valid claim, in the following order of precedence.

21 **1. Designated beneficiary.** First, to the beneficiary or beneficiaries whom the
22 employee designated in writing, if the written designation was received in the retirement
23 system office or postmarked before the employee's death.

24 **2. Widow or widower.** Second, if ~~there is~~ no beneficiary qualifying ~~qualifies~~ under
25 subsection 1, to the widow or widower of the employee.

26 **2-A. Executor or personal representative.** Third, if no one qualifies under
27 subsection 1 or 2, to the employee's duly appointed executor or personal representative
28 for distribution according to the provisions of a lawfully executed will. This subsection is
29 applicable only if the retirement system is notified of the appointment of the executor or
30 personal representative within 6 months of the date of death of the employee.

31 **3. Children.** ~~Third~~ Fourth, if no one qualifies under subsection 1 ~~or~~ 2 or 2-A, to the
32 child or children of the employee and descendants of deceased children by representation.

33 **4. Parents.** ~~Fourth~~ Fifth, if no one qualifies under subsection 1, 2, 2-A or 3, to the
34 surviving parent or parents of the employee.

35 ~~**5. Executor or conservator.** Fifth, if no one qualifies under subsection 1, 2, 3 or 4,~~
36 ~~to the duly appointed executor or conservator or the estate of the employee.~~

37 **6. Next of kin.** Sixth, if no one qualifies under subsection 1, 2, 2-A, 3, or 4 ~~or~~ 5, to
38 other next of kin of the employee entitled under the laws of domicile of that employee at
39 the time of his the employee's death.

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Sec. 3. Retroactivity; application. This Act applies retroactively to January 1, 2009 to group life insurance and group accidental death insurance claims that have not been paid by the Maine Public Employees Retirement System on the effective date of this Act.'

Amend the bill by inserting at the end before the summary the following:

'Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

SUMMARY

This amendment replaces the bill and moves the deceased employee's duly appointed executor or personal representative of the employee's will after widow or widower in precedence for payment of group life insurance and group accidental death insurance benefits by the Maine Public Employees Retirement System to state employees and teachers. The amendment also amends the law governing coverage for employees of participating local districts in order to maintain consistency across the program. The amendment establishes a time frame within which an executor or personal representative must contact the retirement system in order for the claim proceeds to be distributed to the estate. The amendment removes all references to "conservator." The amendment makes the changes retroactive to January 1, 2009 for group life insurance and group accidental death claims not yet paid by the retirement system. The amendment also adds an emergency preamble and clause to the bill.