

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2014

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Legislative Document

No. 1806

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H.P. 1297

House of Representatives, March 11, 2014

**An Act To Implement the Recommendations Contained in the State  
Government Evaluation Act Review of the Maine Public Employees  
Retirement System**

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Reported by Representative ROTUNDO of Lewiston for the Joint Standing Committee on Appropriations and Financial Affairs pursuant to the Maine Revised Statutes, Title 3, section 955, subsection 4.

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed pursuant to Joint Rule 218.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

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

2 **PART A**

3 **Sec. A-1. 5 MRSA §17152, first ¶**, as amended by PL 1995, c. 368, Pt. G, §6, is  
4 further amended to read:

5 The board may combine the assets of the State Employee and Teacher Retirement  
6 Program with the assets of other programs of the retirement system for investment  
7 purposes. The assets of the State Employee and Teacher Retirement Program may not be  
8 combined with the assets of another program for benefit purposes or for administrative  
9 expenses. All of the assets of the retirement system must be credited according to the  
10 purpose for which they are held among the several funds created by this section, namely:

11 **PART B**

12 **Sec. B-1. 5 MRSA §18312** is enacted to read:

13 **§18312. Emergency medical services persons**

14 **1. Contribution rate.** Except as provided in subsections 2 and 3, an emergency  
15 medical services person as defined in Title 32, section 83, subsection 12, including but  
16 not limited to a first responder, emergency medical technician, advanced emergency  
17 medical technician and paramedic, employed by a participating local district that provides  
18 a special retirement benefit under section 18453, subsection 4 or 5 shall contribute to the  
19 Participating Local District Retirement Program or must have pick-up contributions made  
20 by the employer at a rate of 8% of earnable compensation as long as the person is  
21 employed as an emergency medical services person.

22 **2. Exception.** A participating local district may elect to reduce the rate of  
23 contribution set out in subsection 1 to 6.5% of earnable compensation for all emergency  
24 medical services persons who continue employment after attaining eligibility for  
25 retirement during the remainder of their employment as emergency medical services  
26 persons.

27 **3. Member contributions to Participating Local District Consolidated**  
28 **Retirement Plan.** The board may establish by rule the rate at which emergency medical  
29 services persons who participate in the consolidated plan described in chapter 427  
30 contribute to that plan. Rules adopted pursuant to this subsection are routine technical  
31 rules pursuant to chapter 375, subchapter 2-A.

32 **Sec. B-2. 5 MRSA §18453, sub-§2**, as amended by PL 2001, c. 368, §1, is  
33 further amended to read:

34 **2. Employee Special Plan #2.** A retirement benefit to police officers, firefighters,  
35 sheriffs, full-time deputy sheriffs, county corrections employees, emergency medical  
36 services persons as defined in Title 32, section 83, subsection 12, including but not  
37 limited to first responders, emergency medical technicians, advanced emergency medical  
38 technicians and paramedics, or any other participating local district employees who have

1 completed 20 to 25 years of creditable service, the number of years to be selected by the  
2 participating local district. For the purposes of this subsection, "county corrections  
3 employees" means employees of the county who are employed at a county jail and whose  
4 duties include contact with prisoners or juvenile detainees. The benefits must be  
5 computed as follows:

6 A. Except as provided in paragraph B, 1/2 of the member's average final  
7 compensation; or

8 B. If the member's benefit would be greater, the part of the service retirement benefit  
9 based upon membership service before July 1, 1977, is determined, on a pro rata  
10 basis, on the member's current annual salary on the date of retirement or current final  
11 compensation, whichever is greater, and the part of the service retirement benefit  
12 based upon membership service after June 30, 1977, is determined in accordance  
13 with paragraph A.

14 **Sec. B-3. 5 MRSA §18453, sub-§3**, as enacted by PL 1985, c. 801, §§5 and 7, is  
15 amended to read:

16 **3. Firefighter and Emergency Medical Services Person Special Plan #1.** A  
17 retirement benefit equal to 1/2 of ~~his~~ the member's average final compensation to a  
18 firefighter, including the chief of a fire department, and an emergency medical services  
19 person as defined in Title 32, section 83, subsection 12, including but not limited to a first  
20 responder, emergency medical technician, advanced emergency medical technician and  
21 paramedic, who has completed at least 25 years of creditable service in that capacity and  
22 who retires upon or after reaching age 55.

23 **Sec. B-4. 5 MRSA §18453, sub-§4**, as amended by PL 1993, c. 387, Pt. A, §22,  
24 is further amended to read:

25 **4. Firefighter and Emergency Medical Services Person Special Plan #2.** A  
26 retirement benefit to a firefighter, including the chief of a fire department, and an  
27 emergency medical services person as defined in Title 32, section 83, subsection 12,  
28 including but not limited to a first responder, emergency medical technician, advanced  
29 emergency medical technician and paramedic, who has completed at least 25 years of  
30 creditable service in that capacity and who retires upon or after reaching age 55. The  
31 benefits shall be computed as follows:

32 A. Except as provided in paragraph B, 2/3 of ~~his~~ the member's average final  
33 compensation; or

34 B. If the member's benefit would be greater, the part of the service retirement benefit  
35 based upon membership service before July 1, 1977, is determined, on a pro rata  
36 basis, on the member's current final compensation and the part of the service  
37 retirement benefit based upon membership service after June 30, 1977, is determined  
38 in accordance with paragraph A.

39 **Sec. B-5. 5 MRSA §18453, sub-§5**, as amended by PL 1993, c. 387, Pt. A, §23,  
40 is further amended to read:



1 D. A member with a background in public pension, foundation or endowment  
2 administration and experience in implementing environmental, social and governance  
3 policies;

4 E. A member from a national organization representing institutional investors and  
5 pension funds; and

6 F. Two members chosen by the members of the task force named under paragraphs  
7 A to E.

8 **2. Stakeholder involvement.** The task force shall actively solicit stakeholder  
9 advisors to provide information relevant to environmental, social and governance policy  
10 issues and stakeholder interests and other technical information as required.

11 **3. Staff assistance.** The Maine Public Employees Retirement System within  
12 existing resources shall provide necessary staffing services to the task force.

13 **4. Report.** By January 15, 2015, the Executive Director of the Maine Public  
14 Employees Retirement System shall submit to the joint standing committee of the  
15 Legislature having jurisdiction over public employee retirement matters a report on the  
16 task force's recommendations to, and any resulting actions taken by, the Board of  
17 Trustees of the Maine Public Employees Retirement System.

18 **SUMMARY**

19 This Act implements the recommendations contained in the State Government  
20 Evaluation Act review of the Maine Public Employees Retirement System.

21 Part A permits the Board of Trustees of the Maine Public Employees Retirement  
22 System to combine the assets of the State Employee and Teacher Retirement Program  
23 with the assets of other programs for investment purposes, but specifies that the assets of  
24 the State Employee and Teacher Retirement Program may be used only for the benefit of  
25 the employees and beneficiaries of that program and may not be used to satisfy the  
26 liabilities of any other program within the Maine Public Employees Retirement System.

27 Part B adds emergency medical services persons to the category of participating local  
28 district employees for which a special retirement plan is available.

29 Part C requires the Executive Director of the Maine Public Employees Retirement  
30 System to establish a task force to make recommendations to the Board of Trustees of the  
31 Maine Public Employees Retirement System on an environmental, social and governance  
32 policy and to report by January 15, 2015 to the joint standing committee of the  
33 Legislature having jurisdiction over public employee retirement matters on the  
34 recommendations made and the board's resulting action.