

MAINE STATE LEGISLATURE

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L.D. 1103

Date: 6/2/21

(Filing No. S-145)

MAJORITY

LABOR AND HOUSING

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STATE OF MAINE

SENATE

130TH LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 364, L.D. 1103, "An Act To Allow a 5-year Open Enrollment in the Participating Local District Retirement Program for Certain Law Enforcement Officers, Firefighters and Other Municipal Employees"

Amend the bill in section 5 in §18252-C in subsection 4 in the last 2 lines (page 2, lines 21 and 22 in L.D.) by striking out the following: "governed by section 18301, unless otherwise specified in subchapter 3" and inserting the following: 'not pick-up contributions'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment, which is the majority report of the committee, clarifies that member contributions for an employee that joins the Participating Local District Retirement Program under the bill's provisions may not be made with pretax dollars.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



Approved: 05/12/21 *mac*

130th MAINE LEGISLATURE

LD 1103

LR 1719(02)

**An Act To Allow a 5-year Open Enrollment in the Participating Local District Retirement Program
for Certain Law Enforcement Officers, Firefighters and Other Municipal Employees**

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-145)

Committee: Labor and Housing

Fiscal Note Required: Yes

Fiscal Note

No net fiscal impact - Maine Public Employees Retirement System

Fiscal Detail and Notes

This bill allows eligible employees in a participating local district who chose not to enroll in the Participating Local District (PLD) Retirement Plan at the beginning of their employment to become a member any time up to and including their 5th-year employment anniversary. The bill also provides a one-time election for employees whose year anniversary has passed. Requiring that member contributions for employees that choose to become members under this provision not be made with pre-tax dollars may result in increased costs to participating municipalities and other local districts to update payroll systems in order to process after-tax contributions.

The Maine Public Employees Retirement System (MainePERS) estimates their cost to implement the requirements of this legislation to be \$20,000. This cost will be reflected in future contribution rates for the PLD Retirement Plan. Future costs for eligible individuals to join the PLD Retirement Plan as a result of this legislation will be the responsibility of the participating municipalities and other local districts and their employees and will have no fiscal impact on the State.