MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1103

S.P. 364

In Senate, March 22, 2021

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

Received by the Secretary of the Senate on March 18, 2021. Referred to the Committee on Labor and Housing pursuant to Joint Rule 308.2 and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator BAILEY of York.
Cosponsored by Representative SYLVESTER of Portland and
Senators: BALDACCI of Penobscot, CLAXTON of Androscoggin, CURRY of Waldo,
MAXMIN of Lincoln, RAFFERTY of York, Representative: GRAMLICH of Old Orchard
Beach.

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

Sec. 1. 5 MRSA §18251, sub-§3, as amended by PL 2013, c. 555, §1, is further amended by amending the first blocked paragraph to read:

A Except as provided in section 18252-C, a person must make an election at the time of initial hire, or on the date of first eligibility to participate, whichever occurs earlier, whether to be a member of the program. Once an election is made under this subsection, the election is irrevocable with respect to all subsequent employment with the same employer when membership in the program is not mandatory.

Sec. 2. 5 MRSA §18252, first ¶, as amended by PL 2011, c. 449, §14, is further amended to read:

A person who is or would be covered by the United States Social Security Act as a result of employment by a participating local district with Social Security coverage may elect to be a member in the Participating Local District Retirement Program. A Except as provided by section 18252-C, a person must make an election at the time of initial hire or on the date of first eligibility to participate, whichever occurs earlier, whether to be a member of the program. Once an election is made under this section, the election is irrevocable with respect to all subsequent employment with the same employer when membership in the program is not mandatory.

- **Sec. 3. 5 MRSA §18252-A, sub-§1, ¶A,** as amended by PL 2011, c. 449, §15, is further amended to read:
 - A. A Except as provided by section 18252-C, a person hired by a participating local district, or rehired following a break in service, after the date on which the employer provides a plan under section 18252-B must elect at the time of initial hiring or rehiring whether to be a member under the Participating Local District Retirement Program or to be covered under a plan provided by the employer under section 18252-B. Once an election is made under this paragraph, the election is irrevocable with respect to all subsequent employment with the same employer when membership in the program is not mandatory.
- **Sec. 4. 5 MRSA §18252-A, sub-§1, ¶B,** as amended by PL 2009, c. 474, §33, is further amended to read:
 - B. An employee of the participating local district who is a member under the Participating Local District Retirement Program on the date on which the employer provides a plan under section 18252-B may elect to remain a member under that program or to become covered under a plan provided by the employer under section 18252-B. A Except as provided by section 18252-C, a person must make an election within 90 days of the date on which the employer provides a plan under section 18252-B. Once an election is made under this paragraph, the election is irrevocable with respect to all subsequent employment with the same employer when membership in the program is not mandatory.
 - (1) If that person elects not to remain a member, the election is effective as of the first day of the month in which no contributions or pick-up contributions are made to the Participating Local District Retirement Program by that person. A person

who elects not to remain a member may, at that person's discretion, withdraw accumulated contributions in accordance with section 18306-A.

Sec. 5. 5 MRSA §18252-C is enacted to read:

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§18252-C. Delayed election of membership; annual open enrollment

Employees who were eligible to participate in the Participating Local District Retirement Program under section 18251, subsection 3, section 18252 and section 18252-A, subsection 1 at the beginning of employment but did not join may do so as governed by this section.

- 1. Delayed election of membership. An employee who was first eligible to participate in the Participating Local District Retirement Program who elects not to join the Participating Local District Retirement Program at the beginning of that employee's employment may become a member at any time up to and including that employee's 5th-year employment anniversary with that employer pursuant to subsection 2.
- 2. Annual open enrollment period. An employee under this section may elect to join the Participating Local District Retirement Program through an annual open enrollment period from September 1st to November 1st, beginning in 2022.
- 3. Creditable service granted. An employee who elects to join the Participating Local District Retirement Program under this section is entitled to creditable service as governed by section 18358.
- 4. Member contributions. Member contributions for an employee that joins the Participating Local District Retirement Program under this section are governed by section 18301, unless otherwise specified in subchapter 3.
- **5. Rules.** The board may adopt rules to implement this section. Rules adopted pursuant to this subsection are routine technical rules pursuant to chapter 375, subchapter 2-A.
- **Sec. 6. Application.** Notwithstanding the Maine Revised Statutes, Title 5, section 18252-C, subsection 1, an employee who has been employed for more than 5 years on the effective date of this Act may make a one-time election to join the Participating Local District Retirement Program by November 1, 2021. A person electing to join must be granted service as described in Title 5, section 18252-C, subsection 3 and must make contributions according to Title 5, section 18252-C, subsection 4.

31 SUMMARY

This bill allows employees in a participating local district to enroll in the Participating Local District Retirement Program up to and including that employee's 5th-year employment anniversary through an annual open enrollment. It also provides a one-time election for participating local district employees whose 5-year work anniversary has passed to join the Participating Local District Retirement Program.