

MAINE STATE LEGISLATURE

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NINETY-SEVENTH LEGISLATURE

Legislative Document

No. 489

H. P. 443

House of Representatives, February 3, 1955

Referred to the Committee on Retirements and Pensions, sent up for concurrence and 750 copies ordered printed.

HARVEY R. PEASE, Clerk

Presented by Miss Cormier of Rumford.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

AN ACT to Clarify the Laws on Federal Social Security for Municipal Employees.

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

Sec. 1. R. S., c. 65, § 1, amended. Section 1 of chapter 65 of the revised statutes is hereby amended to read as follows:

'Sec. 1. Policy. In order to extend to employees of the political subdivisions of the State of Maine ~~who are not members of existing retirement or pension systems~~ the benefits of social security, provided under the Federal Social Security Act enacted by the Congress of the United States, it is declared to be the policy of the Legislature, subject to the limitations of this chapter, that such steps be taken as to provide such protection to employees of the political subdivisions of the State on as broad a basis as is permitted under the Social Security Act. ~~Provided, however, that the provisions of this chapter shall also apply to employees of the University of Maine who are members of an existing retirement or pension system.'~~

Sec. 2. R. S., c. 65, amended. Wherever in chapter 65 of the revised statutes the words 'federal security administrator' appear, they are hereby deleted and the words "Secretary of Health, Education and Welfare" substituted in place thereof.

Sec. 3. R. S., c. 65, § 2, amended. The last sentence of the 2nd paragraph of section 2 of chapter 65 of the revised statutes is hereby repealed as follows:

~~' Employment in positions covered by any retirement system supported wholly or in part by the state or any of its subdivisions may not be included in such agreement;'~~

Sec. 4. R. S., c. 65, § 2, amended. The last paragraph of section 2 of chapter 65 of the revised statutes is hereby repealed and the following enacted in place thereof:

'The term "Federal Insurance Contributions Act" means Subchapter A of Chapter 9 of the Federal Internal Revenue Code of 1939 and Subchapters A and B of Chapter 21 of the Federal Internal Revenue Code of 1954 as such codes have been and may from time to time be amended and the term "employee tax" means the tax imposed by Section 1400 of such Code of 1939 and Section 3101 of such Code of 1954.'

Sec. 5. R. S., c. 65, § 3, sub-§ II, amended. Subsection II of section 3 of chapter 65 of the revised statutes is hereby amended to read as follows:

'II. The state shall pay to the secretary of the treasury, at such time or times as may be prescribed under the Social Security Act, contributions with respect to wages, as defined in section 2, equal to the sum of the taxes which would be imposed by ~~sections 1400 and 1410~~ of the Federal Insurance Contributions Act if the services covered by the agreement constituted employment within the meaning of that act;'

Sec. 6. R. S., c. 65, § 3, sub-§ III, amended. Subsection III of section 3 of chapter 65 of the revised statutes is hereby amended to read as follows:

'III. Such agreement shall be effective with respect to services in employment covered by the agreement performed after a date specified therein, but in no event may it be effective with respect to any such services performed prior to the 1st day of January, ~~1954~~ 1955; and'

Sec. 7. R. S., c. 65, § 4, sub-§ I, ¶ F, additional. Subsection I of section 4 of chapter 65 of the revised statutes is hereby amended by adding thereto a new paragraph to be lettered F, to read as follows:

'F. Social security coverage may be extended to employees of political subdivisions of the State which already have established retirement systems provided the following conditions are complied with: Upon the request of the governing body of a political subdivision of the State, the Governor shall authorize a referendum and designate an agency or individual to supervise its conduct in accordance with the requirements of Sec. 218 (d) (3) of the Social Security Act on the question of whether service in positions covered by a retirement system established by such political subdivision of the State should be excluded from or included under an agreement under this Act. The notice of the referendum required by Sec. 218 (d) (3) (C) of the Social Security Act to be given to employees shall contain or shall be accompanied by a statement in such form and in such detail as the agency or individual directed to supervise the referendum shall deem necessary and sufficient to inform the employees of the rights which will accrue to them and their dependents and survivors and the liabilities to which they will be subject if their services are included under an agreement under this Act. Upon receiving evidence satisfactory to him that with respect to any such referendum the conditions specified in Sec. 218 (d) (3) of the Social Security Act have been met, the Governor shall so certify to the Secretary of Health, Education and Welfare, clearing such certification through the state agency.'