

# MAINE STATE LEGISLATURE

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# ACTS AND RESOLVES

AS PASSED BY THE

## One Hundred and Fourth Legislature

OF THE

# STATE OF MAINE

Published by the Director of Legislative Research in accordance with the Revised Statutes of 1964, Title 3, Section 164, Subsection 6.

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THE KNOWLTON AND MCLEARY COMPANY  
FARMINGTON, MAINE  
1969

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PUBLIC LAWS  
OF THE  
STATE OF MAINE  
AS PASSED BY THE  
ONE HUNDRED AND FOURTH LEGISLATURE  
1969

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## Chapter 415

### AN ACT Altering Formula for Retirement Under State Retirement System.

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

**Sec. 1.** R. S., T. 5, § 1001, sub-§ 3, amended. Subsection 3 of section 1001 of Title 5 of the Revised Statutes is amended to read as follows:

3. **Average final compensation.** "Average final compensation" shall mean the average annual rate of earnable compensation of a member during the ~~5~~ 3 years of creditable service as an employee in Maine, not necessarily consecutive, in which such average annual rate of earnable compensation is highest, or during his entire period of creditable service if such period is less than ~~5~~ 3 years.

**Sec. 2.** R. S., T. 5, § 1033, sub-§§ 3-4, additional. Section 1033 of Title 5 of the Revised Statutes is amended by adding 2 new subsections 3 and 4, to read as follows:

3. **Local district to certify.** Any participating local district which is included under the retirement system shall be entitled to accept any or all of the provisions of this chapter by filing with the board of trustees a duly certified copy of the vote of the county commissioners or of the city council or such corresponding body or a record of the vote of the town voters certified by the clerk of the town meeting, setting forth in such action those provisions of this chapter which are to be accepted by the district in question, except any local participating district may elect to retain any or all of those provisions of the retirement law said district accepted at the time of the original agreement and including any changes subsequently accepted or selected by the district. Any participating local district shall be entitled to a revaluation in order to determine the cost of any provisions which may be adopted and the expense of such revaluation shall be assessed to and paid by the participating local district.

4. **Registered mail.** The executive secretary of the retirement system shall cause to be mailed by registered mail a written notice to each participating local district, setting forth the changes as provided by this chapter.

**Sec. 3.** R. S., T. 5, § 1094, sub-§ 13, amended. The 3rd sentence of subsection 13 of section 1094 of Title 5 of the Revised Statutes, as enacted by chapter 497 of the public laws of 1965, is repealed and the following sentences enacted in place thereof:

The member shall contribute to the retirement system for each year of military service claimed that percentage of contribution required of active members during the period of time covered by said military service applied to the earnable compensation paid such member during the first year of state employment subsequent to service in the Armed Forces; however, 5% shall be the minimum rate of contribution. In the event 2 or more percentages of

contribution were in effect during the period of military service, the greatest percentage of contribution shall govern.

Sec. 4. R. S., T. 5, § 1095, amended. Section 1095 of Title 5 of the Revised Statutes, as amended, is further amended by inserting after the first sentence the following new sentences:

After January 1, 1970, each such member shall make an additional contribution of 1.14% of earnable compensation. Should the actuary determine that all or part of said additional contributions are not required, the board of trustees, upon the recommendation of the actuary, has the right to reduce or eliminate such additional contributions.

Sec. 4-A. R. S., T. 5, § 1095, amended. Section 1095 of Title 5 of the Revised Statutes, as amended, is further amended by adding at the end, a new paragraph, as follows:

At no time shall the state matching share of the cost of the retirement system be increased due to the change in formula from 1/70 to 1/60 and the change in formula from 5-year average highest compensation to 3-year average highest compensation. Any additional costs are to be borne by the members of the system.

Sec. 5. R. S., T. 5, § 1121, sub-§ 2, ¶ A, sub-¶ (1), amended. Subparagraph (1) of paragraph A of subsection 2 of section 1121 of Title 5 of the Revised Statutes is amended to read as follows:

(1) ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years of his membership service, and

Sec. 6. R. S., T. 5, § 1121, sub-§ 2, ¶ A, sub-¶ ¶ (3), (4) & (5), additional. Paragraph A of subsection 2 of section 1121 of Title 5 of the Revised Statutes is amended by adding 3 new subparagraphs (3), (4) and (5), to read as follows:

(3) Each person receiving a retirement allowance shall become entitled to a recomputation of benefits based upon the change in formula to a 1/60 and such amount, exclusive of retirement allowance adjustments as granted under section 1128, shall be paid. Said recomputation and payments therefor shall become effective on January 1, 1970. Such adjustments as may have been granted under section 1128 shall not be changed, improved or impaired.

(4) Any member who has 10 or more years of creditable service at retirement shall be entitled to a minimum of \$80 per month, further any former state employee or teacher who had 10 or more years of creditable service and who is receiving a retirement allowance including such adjustments as have been provided by section 1128, which is less than \$80 per month, shall be increased to \$80 per month as of January 1, 1970.

(5) As of January 1, 1970, each person who is receiving a retirement allowance which had been computed on the basis of a 5-year average highest compensation shall be entitled to a recomputation of benefits based upon a 3-year average highest compensation but not less than an increase

of 2% on the basic retirement allowance exclusive of such amounts as may have accrued under section 1128. When the final recomputations are completed, if any reflects an amount that is greater than 2% of the basic retirement allowance the retirement system shall make such correction effective as of January 1, 1970.

**Sec. 7.** R. S., T. 5, § 1122, sub-§ 1, ¶ B, amended. The first sentence of paragraph B of subsection 1 of section 1122 of Title 5 of the Revised Statutes is amended to read as follows:

Upon retirement in accordance with paragraph A a member shall receive a retirement allowance determined as follows, or, if eligible, a service retirement allowance determined in accordance with section 1121, if greater: An amount equal to 90% of ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years of his creditable service, if such retirement allowance exceeds 25% of his average final compensation; otherwise an amount equal to 25% of his average final compensation, provided such allowance shall not exceed 90% of ~~1/70~~ 1/60 of his average final compensation multiplied by the number of years which would be creditable to him were his creditable service to include the period from the time of retirement to the attainment of age 60.

**Sec. 8.** R. S., T. 5, § 1122, sub-§ 1, ¶ B, amended. Paragraph B of subsection 1 of section 1122 of Title 5 of the Revised Statutes is amended by adding at the end a new paragraph to read as follows:

Each person receiving a retirement allowance shall become entitled to a recomputation of benefits based upon the change in formula provided by this chapter and such amount, exclusive of retirement allowance adjustments as granted under section 1128, shall be paid. Said recomputation and payments therefor shall become effective on January 1, 1970. Such adjustments as may have been granted under section 1128 shall not be changed, improved or impaired.

**Sec. 9.** R. S., T. 5, § 1124, sub-§ 1, ¶ A, amended. The first sentence of paragraph A of subsection 1 of section 1124 of Title 5 of the Revised Statutes is amended to read as follows:

The amount of his contribution to the Members' Contribution Fund together with not less than  $\frac{3}{4}$  of the accumulated regular interest, as the board of trustees shall allow, shall be paid to such person, if any, as he has nominated by written designation duly ~~acknowledged~~ witnessed and filed with the board prior to his death.

**Sec. 10.** R. S., T. 5, § 1124, sub-§ 1, ¶ A, amended. The last sentence of paragraph A of subsection 1 of section 1124 of Title 5 of the Revised Statutes is repealed as follows:

~~By filing a notarized statement of intent with the board of trustees, a member may specify the refund of his own contribution to the Members' Contribution Fund plus allowable interest to a designated beneficiary or to his estate in lieu of any payments to survivors provided in paragraph B.~~

**Sec. 11.** R. S., T. 5, § 1124, sub-§ 1, ¶ B, amended. The first sentence of paragraph B of subsection 1 of section 1124 of Title 5 of the Revised Statutes is amended to read as follows:

If the member has not so specified a refund of his own contribution to the Members' Contribution Fund, in lieu of accepting the payment provided in paragraph A, the first of certain designated beneficiaries, if living at the death of the member, may elect to substitute the benefits described below, providing the member prior to his death has met certain conditions of eligibility.

**Sec. 12. R. S., T. 5, § 1124, sub-§ 1, ¶ C, additional.** Subsection 1 of section 1124 of Title 5 of the Revised Statutes, as amended, is further amended by adding a new paragraph C to read as follows:

**C.** A member may specify the refund of his own contribution to the Members' Contribution Fund plus allowable interest to a designated beneficiary or to his estate in lieu of any payment to survivors as provided in paragraph B by filing an affidavit expressing such intent with the board of trustees.

**Sec. 13. Application.** In the event any adjustment in retirement allowances applicable under section 1128 becomes effective on January 1, 1970 it shall be applied to the retirement allowance in effect on December 31, 1969.

**Sec. 14. Effective date.** This Act shall become effective on January 1, 1970.

Effective January 1, 1970

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## Chapter 416

### AN ACT Prohibiting the Conducting of Contests and Games by Retail Sellers.

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

**Sec. 1. Findings and intent.** The Legislature finds and declares that the practice current in this State of conducting contests and games of chance, as a promotional device designed to increase the retail sales of the goods in connection with which such contests and games are conducted, misleads the citizens of this State and causes the citizens of this State to pay more for such goods than they would pay if such contests and games did not exist, since the cost to the retailer of purchasing and conducting such contests and games may be passed on to the retail consumer in the form of increased prices for such goods.

The Legislature further finds and declares that unnecessary increases in the operating costs of retail businesses and in the retail prices of goods are detrimental to the welfare of the citizens of this State, and that such welfare is of paramount concern to the Legislature.

The Legislature further finds and declares that the sale of goods at retail is a business so affected with the public interest that this legislation is