

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE

ONE HUNDRED AND TENTH LEGISLATURE

SECOND SPECIAL SESSION

September 25, 1981

AND

THIRD SPECIAL SESSION

December 9, 1981

AND

SECOND REGULAR SESSION

January 6, 1982 to April 13, 1982

AND AT THE

FOURTH SPECIAL SESSION

April 28, 1982 to April 29, 1982

AND AT THE

FIFTH SPECIAL SESSION

May 13, 1982

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 164, SUBSECTION 6.

J.S. McCarthy Co.
Augusta, Maine
1981

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND AND THIRD SPECIAL SESSIONS

and

SECOND REGULAR SESSION

and

FOURTH AND FIFTH SPECIAL SESSIONS

of the

ONE HUNDRED AND TENTH LEGISLATURE

1981

CHAPTER 596

H.P. 1953 - L.D. 1924

AN ACT to Establish Procedures for Withdrawal of Participating Local Districts from the Maine State Retirement System.

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

Sec. 1. 5 MRSA §1034 is enacted to read:

§1034. Withdrawal of local districts

1. Withdrawal authorized. Any participating local district may withdraw from further participation in the system upon the terms and conditions of this section.

2. Procedure. The withdrawal may be accomplished by a majority vote of the executive body or, for a town which has a town meeting form of government, by the voters of the town at a town meeting. The executive body of the district, or its designee, shall certify the results of the vote to the trustees of the system. The withdrawal shall become effective on the last day of the month following the month in which the certified notice is received by the trustees.

3. Certain withdrawal of contributions authorized. Any employee of the district who has made contributions to the system may withdraw the contributions in the manner provided by section 1096.

4. Effect of withdrawal. Withdrawal from the system shall have the following effect.

A. Any employee of the agency who withdraws his contribution or any person who begins employment after the effective date of withdrawal of the entity from the system may not be a participant in the Maine State Retirement System as an employee of the same entity.

B. The district shall continue to be a participating local district for those former employees who are receiving retirement allowances or who are eligible for retirement benefits and all employees who have not withdrawn their contributions from the system. No entity which has withdrawn from the system, in the man-

ner provided by this section, may amend the provisions of its retirement plan, except as provided in subsection 5. For the purposes of this section, those employees remaining in the system are subject to this chapter.

5. Amendments in the retirement plan. The provisions of any amendments to this chapter which take effect subsequent to the effective date of withdrawal of a participating local district may be accepted by that district for those employees who have remained in the system.

Sec. 2. 5 MRS §1154 is enacted to read:

§1154. Withdrawal of local districts

1. Withdrawal authorized. Any participating local district may withdraw from further participation in the group life insurance program upon the terms and conditions of this section.

2. Procedure. The withdrawal may be accomplished by a majority vote of the executive body or, for a town which has a town meeting form of government, by the voters of the town at a town meeting. The executive body of the district, or its designee, shall certify the results of the vote to the trustees of the system.

3. Continuous coverage. In order to provide continuous insurance coverage, withdrawal is not effective until equivalent coverage is made available to current active and retired employees of the participating local district. The certification required by subsection 2 shall also include certification to the trustees that equivalent coverage has been provided.

4. Effective date. The withdrawal shall become effective on the last day of the last full pay period before the end of the month following the month in which the certification notice is received by the board of trustees.