

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

FIRST REGULAR SESSION

December 5, 1984 to June 20, 1985

Chapters 1-384

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH
MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A,
SUBSECTION 4.

J.S. McCarthy Co., Inc.
Augusta, Maine
1986

PUBLIC LAWS
OF THE
STATE OF MAINE

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1985

essor to a person against whom taxes have been assessed, shall contain a statement that that person may apply for an abatement of taxes if the person cannot pay the taxes that have been assessed because of poverty or infirmity.

Effective September 19, 1985.

CHAPTER 365

S.P. 241 - L.D. 636

AN ACT Relating to Payment of Back
Contributions and Withdrawn
Contributions by Members of the Maine
State Retirement System.

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

Sec. 1. 5 MRSA §1094, sub-§8 is repealed.

Sec. 2. 5 MRSA §1094, sub-§8-A is enacted to read:

8-A. Back contributions. Any member who did not become a member as of the date he first became an employee, may, if he so elects, prior to the date any retirement allowance becomes effective for him, pay into the Members' Contribution Fund by direct payment or by an increased rate of contribution an amount equal to the contributions that he would have paid had he been a member during all of the period from the date he became an employee to the date he became a member with interest at a rate not to exceed the regular interest by more than 5 percentage points set by the board from the year or years when those contributions would have been made or July 1, 1957, whichever is later to the date of payment. Upon completion of payment of those contributions, the member shall be entitled to creditable service for that period of time. In the event any retirement allowance becomes effective before completion of payment of those contributions, the member shall be entitled to credit for that portion of the total of that service which the total amount of payment actually made bears to the total contributions owed, including, in each instance, interest at the rate not to exceed the regular interest by more than 5 percentage points set by the board to the date the retirement allowance becomes effective. This subsection shall not apply to

any member who begins membership after December 31, 1985, and had elected not to become a member when first employed pursuant to section 1091, subsection 1.

Sec. 3. 5 MRSAs §1094, sub-§9, as amended by PL 1975, c. 622, §28, is repealed.

Sec. 4. 5 MRSAs §1094, sub-§10, as amended by PL 1975, c. 622, §29, is further amended to read:

10. Former members. Any former member who withdrew his contributions after termination of service may, upon later restoration to membership for a period of 2 years and prior to the date any retirement allowance becomes effective for him, deposit in the Members' Contribution Fund by a single payment or by an increased rate of contribution an amount equal to the accumulated contributions withdrawn by him together with interest at 2% ~~greater than regular interest~~ thereon from the date of withdrawal to the date the deposit payment or payments are made at a rate not to exceed the regular interest by 5 percentage points set by the board. Upon the completion of such deposit, the member shall be entitled to all creditable service that he acquired during his previous membership. In the event any retirement allowance becomes effective before the completion of such deposit, the member shall be entitled to credit for that portion of the total of such previous creditable service which the total amount of deposit payments actually made bears to such single deposit if paid on the date of restoration to membership, in each instance including interest at 2% ~~greater than regular interest~~ a rate not to exceed the regular interest by 5 percentage points set by the board from the date of payment to the date the retirement allowance becomes effective.

Sec. 5. 5 MRSAs §1094, sub-§11, as amended by PL 1975, c. 622, §30, is further amended to read:

11. Federal employment service. Any employees of the federal employment service who transferred to a state department prior to the time said service was returned to state control shall be allowed prior service credit and membership credit for such time as he was with the said federal employment service, provided he makes up such contributions as may be necessary to cover membership credit, which shall include interest at 2% ~~greater than regular interest~~ a rate not to exceed the regular interest by 5 percentage points set by the board from January 1, 1976 to the date of payment. This subsection shall not apply to

any member who begins membership on or after January 1, 1976.

Sec. 6. 5 MRSA §1094, sub-§12, ¶A, as amended by PL 1975, c. 622, §§31 to 33, is further amended to read:

A. Out-of-state service shall be allowed as additional creditable service for any member in the determination of his retirement allowance under any provisions of this chapter, provided that the member has creditable service in Maine of at least 20 years in the aggregate, provided the member, prior to the date any retirement allowance becomes effective for him, makes contributions into the Members' Contribution Fund for the years of out-of-state service on the same basis as he would have made contributions had such service been in Maine, including interest at 2% greater than regular interest a rate not to exceed the regular interest by 5 percentage points set by the board from the date of his return to service end of the year or years when those contributions would have been made if the service had been in the State to the date of payment and subject to the following:

(1) If the member began to teach in the public schools in Maine for the first time prior to July 1, 1924, his last 15 years of creditable service prior to the date of retirement must be in Maine;

(2) If the member was formerly subject to the Revised Statutes of 1944, chapter 37, sections 221 to 241, his last 7 years of creditable service prior to date of retirement must be in Maine;

(3) If the member is a teacher employed for the first time after July 1, 1947, his last 10 years of creditable service prior to the date of retirement must be in Maine and no more than 10 years of such out-of-state service shall be allowed as creditable service; and

(4) If the member is other than a teacher, his last 10 years of creditable service prior to the date of retirement must be in Maine and no more than 10 years of such out-of-state service shall be allowed as creditable service; and

(5) A public school teacher who leaves service in Maine to teach children of United States occupational forces, located in any foreign country on a regularly established United States military base, shall be allowed credit for such service, not to exceed 2 years, provided such teacher returned to active teaching service in Maine within one year of the completion of such foreign service, and pays into the Maine State Retirement System contributions as would have been made had the service been rendered in Maine, including interest at ~~2% greater than regular interest~~ a rate not to exceed the regular interest by 5 percentage points set by the board from the date of his return to service end of the year or years when those contributions would have been made if the service had been in the State to the date of payment. This paragraph shall not apply to any member who begins membership on or after January 1, 1976.

Sec. 7. 5 MRSA §1094, sub-§13, as amended by PL 1981, c. 217, is further amended to read:

13. Military service credit. Anything to the contrary notwithstanding, military service shall be credited to all state employees for full-time active duty as a member of the Armed Forces of the United States who are unable to otherwise qualify for military service credits or benefits from other retirement plans according to rules to be established by the board of trustees. A state employee shall be entitled to this credit only if at point of retirement he shall have at least 15 years of creditable service in the State Retirement System. 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, together with interest at ~~2% greater than regular interest~~ a rate not to exceed the regular interest by 5 percentage points set by the board from January 1, 1976 or the date of attaining 15 years of creditable service, if later, to the date of payment; 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. Credit for military service under this subsection shall be limited to 4

years. Such credit shall be available to those persons who were separated under conditions other than dishonorable from the Armed Forces of the United States.

A local district may elect, with regard to special retirement plans under section 1092, subsection 3 and section 1121, subsections 4, 8 and 9, that military service credits under this subsection shall only apply to additional retirement benefits under section 1092, subsection 3-A and shall not apply to age or service requirements of retirement. Nothing in this paragraph may be construed to affect in any way the rights of public employees to collectively bargain for terms and conditions of employment.

It is the intent that these provisions shall apply to all persons, active or retired, but that for those already retired the effective date of any adjustment shall be not earlier than that date on which such time or credit is certified to the Maine State Retirement System. This subsection shall not apply to any member who begins membership on or after January 1, 1976.

Sec. 8. 5 MRSA §1121, sub-§1, ¶A, as repealed and replaced by PL 1983, c. 480, Pt. A, §5, is amended to read:

A. Any member, who at the attainment of age 60 years is in service, may retire at any time then or thereafter on a service retirement allowance, provided that the member has been in service for a minimum of one year immediately prior to retirement or has at least 10 years of creditable service, upon written application to the board of trustees setting forth at what time he desires to be retired. Any member not in service may retire at the age of 60 years or thereafter on a service retirement allowance upon written application to the board of trustees setting forth at what time he desires to be retired, provided that he has at least 10 years of creditable service or 5 full terms as a Legislator, any part of which service must have been rendered when he was, or could have been under then existing law, a contributing member to any publicly supported contributory retirement system sponsored by the State and provided that, at the effective date of the retirement allowance, his contributions are on deposit in the Members' Contribution Fund.

Effective September 19, 1985.
