MAINE STATE LEGISLATURE

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LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWELFTH LEGISLATURE

SECOND REGULAR SESSION January 8, 1986 to April 16, 1986

SECOND SPECIAL SESSION May 28, 1986 to May 30, 1986

AND AT THE

THIRD SPECIAL SESSION October 17, 1986

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

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

RESOLVES

OF THE

STATE OF MAINE

AS PASSED AT THE

SECOND REGULAR SESSION

of the

ONE HUNDRED AND TWELFTH LEGISLATURE

1985

CHAPTER 88

S.P. 872 - L.D. 2202

Resolve, to Establish a Commission to Study the Integration of the Maine State Retirement System with the Social Security System.

Emergency preamble. Whereas, Acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the United States Congress is actively considering various proposals for the mandatory coverage of all state and municipal employees under the United States Social Security or Medicare System; and

Whereas, the Legislature needs to have assessed the components of the 2 systems before they can act on methods of integrating them if that is required by the Federal Government; and

Whereas, in order to ease the burden on the staffs of the State Planning Office and the Maine State Retirement System and thereby avoid the added costs inherent in rush requests for information; and

Whereas, for these reasons it is desirable for the commission to start work as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

Integration of the Maine State Retirement System and United States Social Security. Resolved: That the Federal Government is moving in the direction of universal mandatory coverage of the United States Social Security System; and be it further

Review of benefit structures and costs. Resolved: That prior to any federally mandated inclusion of members of the Maine State Retirement System into the United States Social Security System, or voluntary election of membership by the State and its employees, there needs to be a review of the benefit structures and costs of both systems to determine the impact on State Government and local government and

their employees of developing an integrated system; and be it further

Joint Select Commission to study the integration of the Maine State Retirement System with the United States Social Security System formed; appointment; expenses. Resolved: That there shall be formed a Joint Select Commission to Study the Integration of the Maine State Retirement System with the United States Social Security System comprised of the following members.

- 1. The following members shall be appointed by the President of the Senate and the Speaker of the House of Representatives: Two members of the Senate appointed by the President of the Senate; 2 members of the House of Representatives appointed by the Speaker of the House of Representatives.
- 2. Three public members shall be appointed by the Governor.
- 3. The members of the commission shall be paid reasonable expenses and a per diem equal to the legislative per diem; and be it further

Chairman. Resolved: That the members of the commission shall select one of their members to be chairman of the commission; and be it further

Report. Resolved: That this Joint Select Commission to Study the Integration of the Maine State Retirement System with the United States Social Security System shall prepare and present a report to the Governor and the Legislature no later than January 1, 1987. This report shall include, but not be limited to:

- 1. A review of the public policy under which the United States Social Security System was established and the conditions under which State Government and local government may establish independent systems;
- 2. A comparison of the benefits available under the Maine State Retirement System with those available under the United States Social Security System. The comparison shall include an assessment of the actual benefits received by various categories of recipients based on their length of service, level of earnings and their memberships or their spouses' membership in other retirement systems;
- 3. An analysis of the contribution of employers and employees under both systems. Based upon the ac-

tuarial assumptions of the 2 systems, assess the cost of the various components of each system and where possible relate the differences in the premium rates of both systems to the exclusion or inclusion of different categories of individuals from coverage;

- 4. A review of the January 14, 1986, Tillinghast Report to the Maine State Retirement System, "Proposal for Designing a Program to Coordinate with the Federal Social Security System" and discuss its policy recommendations with the Board of Directors of the Maine State Retirement System; and
- 5. A public hearing to allow interested employer and employee groups to express their opinions of the advantages or disadvantages of both systems and of the possibility of coordinating the benefits available under the 2 systems; and be it further

Staff support. Resolved: That the State Planning Office and the Maine State Retirement System shall provide technical assistance in conducting the statistical analysis comparing benefit levels for the various categories of recipients outlined in this resolve. The commission may request staff assistance from the Legislative Council to carry out and coordinate the analysis and to assist the commission; and be it further

Appropriation. Resolved: That the following funds are appropriated from the General Fund to carry out the purpose of this resolve.

1986-87

LEGISLATURE

Joint Select Commission to Study the Integration of the Maine State Retirement System and the United States Social Security System.

Personal Services All Other

\$1,750 4,600

Total

\$6,350

Emergency clause. In view of the emergency cited in the preamble, this resolve shall take effect when approved.