

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**

**ONE HUNDRED AND TWENTIETH LEGISLATURE**

**SECOND REGULAR SESSION**  
**January 2, 2002 to April 25, 2002**

**THE GENERAL EFFECTIVE DATE FOR**  
**SECOND REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JULY 25, 2002**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**2002**

## CHAPTER 707

S.P. 819 - L.D. 2199

**An Act to Address the Unfunded  
Liability of the Maine State  
Retirement System and the Equity of  
Retirement Benefits for State  
Employees and Teachers**

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

**Sec. 1. 5 MRSA §17160** is enacted to read:

**§17160. Minimum level of employer contribution**

1. Portion of employer contribution. Beginning in fiscal year 2002-03 and continuing until the unfunded liabilities of the Maine State Retirement System attributable to state employees and teachers, as defined in the Constitution of Maine, Article IX, Section 18-B, are retired, within the term provided in Section 18-B or within any shorter term provided by statute, the portion of the employer contribution amount devoted to paying the unfunded liabilities of the system attributable to state employees and teachers may not be less than the amount paid for that purpose during the immediately preceding fiscal year.

A. In circumstances in which the unfunded liability amount to be paid in a given year would be less than the amount paid in the immediately preceding year, the Board of Trustees of the Maine State Retirement System shall request the system's actuary to recommend a methodology to adjust plan funding in order to realize payment of the required amount. The methodology for adjustment must be actuarially sound in itself and may not jeopardize the actuarial soundness of the system or its funding.

B. If the system's actuary determines pursuant to paragraph A that no methodology meeting the requirements of this subsection can be identified, then the requirement that the unfunded liability payment in a given year may not be less than the amount paid in the immediately preceding fiscal year applies only to the General Fund portion of the unfunded liability payment. A General Fund appropriation in the amount of the difference between the General Fund portions of the unfunded liability payment in the 2 years in question must be sought.

**Sec. 2. Task force established.** The Task Force to Study Methods of Addressing Inequities in the Retirement Benefits of State Employees and Teachers, referred to in this section as the "task force," is established.

**1. Membership; chairs.** The task force consists of members as follows:

A. Three Legislators, one of whom is appointed by the President of the Senate and 2 of whom are appointed by the Speaker of the House;

B. The Commissioner of Administrative and Financial Services or the commissioner's designee; and

C. A representative from each of the following organizations, appointed by each respective organization: the Maine State Employees Association, the Maine Education Association and the American Federation of State, County and Municipal Employees.

The Executive Director of the Maine State Retirement System or the executive director's designee shall serve as a nonvoting adjunct member of the task force for the purpose of providing information and analysis and obtaining and directing the services of the system's actuary when needed for the work of the task force. The executive director or designee shall participate in the task force's proceedings and discussions and, together with such staff as may be provided by the Legislative Council, shall draft the accompanying legislation, if any, included in the task force report and, at the request of the members, shall draft the task force report.

The member appointed by the President of the Senate and the first named member appointed by the Speaker of the House shall serve as cochairs of the task force.

**2. Appointments.** All appointments must be made no later than 30 days following the effective date of this Act. The appointing authorities shall notify the Executive Director of the Legislative Council upon making their appointments. Within 15 days of when the appointment of all members is complete, the cochairs of the task force shall call and convene the first meeting of the task force.

**3. Duties.** The task force shall:

A. Identify the advantages and possible methods of further reductions in the amortization schedule for paying off the unfunded liabilities of the Maine State Retirement System attributable to state employees and teachers;

B. Identify and list the differences in retirement benefits available to state employees and teachers who had 10 years of creditable service on July 1, 1993 and those who did not;

C. Assess the impact of that difference on state employees and teachers and on State Government and school administrative units;

D. Calculate the immediate and future cost of restoring the level of benefits for all state employees and teachers who did not have 10 years of creditable service on July 1, 1993;

E. Recommend whether those who were employed as state employees or teachers when the benefit reductions were made should be treated differently than those employed after the changes were enacted; and

F. Identify possible methods of funding the restoration of benefits.

**4. Meetings.** The task force is authorized to hold not more than 4 meetings to complete its work.

**5. Staff assistance.** Upon approval of the Legislative Council, the Office of Policy and Legal Analysis shall provide necessary staffing service to the task force. The Maine State Retirement System shall provide information and actuarial assistance upon request of the cochairs of the task force.

**6. Reimbursement.** Task force members who are Legislators are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, for each day's attendance at meetings of the task force. Public members not otherwise compensated are entitled to receive reimbursement of necessary expenses for their attendance at authorized meetings of the task force.

**7. Report.** The task force shall submit its report with any accompanying legislation to the joint standing committee of the Legislature having jurisdiction over retirement matters by November 6, 2002. Following receipt and review of the report, the joint standing committee may report out a bill to the First Regular Session of the 121st Legislature.

**8. Extension.** If the task force requires a limited extension of time to complete its study and make its report, it may apply to the Legislative Council, which may grant an extension.

**9. Budget.** The chairs of the task force, with assistance from the task force staff, shall administer the budget of the task force. Within 10 days after its first meeting, the task force shall present a work plan and proposed budget to the Legislative Council for approval. The task force may not incur expenses that would result in the task force exceeding its approved budget. Upon request from the task force, the Executive Director of the Legislative Council shall provide the task force chairs and staff with a status report on the task force's budget, expenditures incurred and paid and available funds.

See title page for effective date.

**CHAPTER 708**

**S.P. 793 - L.D. 2146**

**An Act to Establish the Maine Consumer Choice Health Plan**

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

**Sec. 1. 2 MRSA §6, sub-§2,** as amended by PL 1999, c. 731, Pt. F, §1; PL 2001, c. 44, §11 and affected by §14; and amended by c. 354, §3, is further amended to read:

**2. Range 90.** The salaries of the following state officials and employees are within salary range 90:

Superintendent of Financial Institutions;

State Tax Assessor;

Superintendent of Insurance;

Executive Director of the Maine Consumer Choice Health Plan;

Associate Commissioner for Programs, Department of Behavioral and Developmental Services;

Associate Commissioner of Administration, Department of Behavioral and Developmental Services;

Associate Commissioner for Systems Operations, Department of Behavioral and Developmental Services;

Deputy Commissioner, Department of Administrative and Financial Services;

Associate Commissioner for Adult Services, Department of Corrections;

Associate Commissioner for Juvenile Services, Department of Corrections;

Public Advocate;

Chief Information Officer; and

Associate Commissioner for Legislative and Program Services, Department of Corrections.

**Sec. 2. 5 MRSA §12004-G, sub-§21-B** is enacted to read:

<u>21-B.</u>	<u>Board of</u>	<u>Expenses</u>	<u>24-A</u>
<u>Insurance</u>	<u>Directors of the</u>	<u>Only</u>	<u>MRSA</u>
	<u>Maine Choice</u>		<u>§4346</u>
	<u>Health Con-</u>		
	<u>sumer Plan</u>		