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CHAPTER 55

DIRECTOR OF PERSONNEL

Sec.

- 631. Qualifications; tenure; compensation; powers and duties.
- 632. Registers of eligibility.
- 633. Classification plan.
- 634. Compensation plan.
- 635. Definition of salary paid to minister of the gospel.
- 636. Training programs.
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§ 631. Qualifications; tenure; compensation; powers and duties

The Director of Personnel shall be, at the time of his appointment, a person thoroughly familiar with the principles and experienced in the methods and techniques of public personnel administration on the merit basis. His tenure of office shall be at the pleasure of the appointing board and he shall receive such compensation as shall be fixed by the board with approval of the Governor.

The director shall have the power and duty to administer and make effective chapters 51 to 61 and the rules and regulations of the board.

R.S.1954, c. 63, § 5.

§ 632. Registers of eligibility

The director shall prepare for each class of positions in the classified service registers of persons eligible for appointment to positions in each such class. Each eligible register shall consist of a list of all of the persons, who have shown by competitive tests, as provided for in section 673, that they possess the qualifications which entitle them to be considered eligible for appointment to any position in the class for which the eligible register is to be prepared, and of employees who have resigned or been dismissed, laid off or granted leaves of absence and whose names have been restored to the eligible register in accordance with chapters 51 to 61.

The names of all persons attaining the minimum final earned ratings established by the director in advance of the giving of the test shall be placed upon the register in order of their ratings.

All persons competing in any test shall be given written notice of their final earned ratings, and of their relative standing upon the eligible register, or of their failure to attain a place upon the register.

R.S.1954, c. 63, § 12.

§ 633. Classification plan

It shall be the duty of the director to ascertain and record the duties and responsibilities of all positions in the service and to establish classes for such positions, in conformity with regulations adopted therefor by the board as provided in section 592. The titles so classified and so established shall be used in all personnel, accounting, budget, appropriation and financial records of all state departments, commissions and institutions.

R.S.1954, c. 63, § 13.

§ 634. Compensation plan

The director shall, as soon as practicable after the adoption of the classification plan, submit to the board a proposed plan of compensation showing for each class of position in the classified service minimum and maximum salary rates and such intermediate rates as he deems desirable.

When the compensation plan has become effective through its adoption by the board as provided in section 592, it shall constitute the official schedule of salaries for all classes of positions in the classified service. No position shall be assigned a salary greater than the maximum or less than the minimum rates fixed in the compensation plan. Salaries of persons holding positions in the classified service shall not be approved by paying authorities unless such salaries conform to the adopted compensation plan.

Salary advancements within an established range shall not be automatic, but shall be dependent upon specific recommendation of the appointing officer and approval of the director and the board. Such recommendation shall be based upon standards of performance as indicated by merit ratings or other pertinent data. No advancements in salary shall be made until the employee has completed the probationary period.

R.S.1954, c. 63, § 14.

§ 635. Definition of salary paid to minister of the gospel

In the case of a minister of the gospel "salary" means the amount of money or credit received as compensation for service rendered, exclusive of mileage, traveling allowances, and other sums received for actual and necessary expenses incurred in the performance of the State's business, but including all of the following:

The rental value of a home furnished to him; the rental allowance paid to him to rent or provide a home.

For the purposes of this section there is allocated from the salary or wage paid to a minister of the gospel an amount not exceeding \$1,800 as either of the following:

The rental value of a home furnished to him; the rental allowance paid to him to rent or provide a home.

1963, c. 67.

§ 636. Training programs

The director shall devise plans for and cooperate with appointing authorities and other supervising officials in the conduct of employee training programs to the end that the quality of service rendered by persons in the classified service may be continually improved.

R.S.1954, c. 63, § 23.

§ 637. Service ratings

The director shall establish standards of performance for each class of position and a system of service ratings based upon such standards, which shall be in effect upon their approval by the board as provided in section 592.

R.S.1954, c. 63, § 24.

**CHAPTER 57
CLASSIFIED SERVICE**

Sec.

- 671. Composition of.
- 672. Filling of positions.
- 673. Examinations.
- 674. Veterans' preference.
- 675. —Reopening of examinations.
- 676. Probationary period; permanent appointment.
- 677. Temporary and provisional appointments.
- 678. Dismissal and disciplinary action.
- 679. Solicitation of political campaign contributions.

§ 671. Composition of

The classified service shall consist of all persons holding offices and employments now existing or hereafter created in the state service, except persons who are holding or shall hold offices and employments exempted by section 711.

Appointments to and promotions in the classified service shall be made according to merit and fitness, from eligible lists prepared upon the basis of examinations, which so far as practicable shall be competitive. No person shall be appointed, transferred, promoted or reduced as an officer, clerk or employee or laborer in the classified service in any manner or by any means other than those prescribed in chapters 51 to 61 and in the rules of the board made in pursuance to chapters 51 to 61.

The classified service shall be separated into the following divisions:

Competitive, noncompetitive and labor, in accordance with rules and regulations prescribed by the board.

R.S.1954, c. 63, § 6.

§ 672. Filling of positions

Positions in the classified service shall be filled by original appointment, promotion, transfer, reinstatement or demotion in pursuance of rules and regulations established by the board and administered by the director.

R.S.1954, c. 63, § 15.

§ 673. Examinations

All examinations for positions in the classified service shall relate to those matters which will fairly test the capacity and fit-

ness of the persons examined to discharge the duties of the office or employment sought by them, but due regard shall be shown for the capacity of the applicant for promotion to higher positions in the service.

The director, subject to the approval of the board, shall determine the character, type and content of examination for admission to the classified service; the time and place of holding examinations; the forms of application blanks for admission to the examination to be filed by applicants provided that admission to examinations shall be open only to those who have been legal residents of Maine for at least one year, except that at the request of the appointing authority the residence requirement may be waived in exceptional or emergency cases in which the board deems such action necessary for the good of the service; the minimum requirements for admission to the examination; and the value for each phase of the tests used in determining the average rating of the applicant.

Public notice of the time, place and general scope or nature of every examination or test shall be given in the manner prescribed by rules drawn up by the director and approved by the board.

R.S.1954, c. 63, § 16.

§ 674. Veterans' preference

In making appointments to any position on an open competitive basis in the classified service, preference in appointment shall be given to honorably discharged male and female veterans and widows of such, and to the wives of disabled veterans who themselves are not qualified but whose wives are qualified to hold such positions.

The classes of veteran preference shall be as follows:

1. Five-point preference. Five-point preference is so called because, for this class, 5 points are added to earned qualifying ratings in examination. Any veteran who has performed active duty in any branch of the Armed Forces of the United States during any war is entitled to 5-point preference upon honorable discharge or release therefrom.

A. Five-point preference is accorded to unmarried widows of deceased veterans who performed active duty in any branch of the Armed Forces of the United States during any war, and were honorably discharged or released therefrom.

2. Ten-point preference. Ten-point preference is a term applying to veteran preference which entitles the holder to an addition of 10 points to earned qualifying ratings in examination. The classes of 10-point preference are as follows:

A. Disability preference applies to honorably discharged veterans who establish by official records the present existence of a service-connected disability, and who are certified by the Veterans Administration to be disabled with a disability rating of more than 0%.

B. When veterans entitled to disability preference on the basis of service-connected disability cannot be directly benefited thereby because of being disqualified for appointment by reason of the physical disability on which the preference is based, 10-point preference may be granted to their wives instead. This constitutes "wife preference."

C. Ten-point preference is accorded to unmarried widows of deceased veterans who died while in the active service of the Armed Forces during any war, or who died as the result of service-connected disabilities.

D. Ten-point preference is accorded to mothers, who are widowed, divorced, separated or whose husbands are permanently and totally disabled, of veterans who died while in the active service of the Armed Forces during any war, or who died as a result of service-connected disabilities.
1955, c. 195, § 1.

The term "veteran" as used in this section shall mean a person, male or female, who served in the active service of the United States' Armed Forces for a period of not less than 90 days during a period of war in which the United States has been, or is, engaged, and who has been discharged or released therefrom under honorable conditions.

For the carrying out of this section, the following dates of active service in the United States' Armed Forces shall be: World War I, on or after April 6, 1917, and before November 11, 1918, World War II, December 7, 1941, and before September 2, 1945, Korean campaign, June 27, 1950, and before February 1, 1955.

In determining qualifications for examination, appointment, promotion, retention, transfer or reinstatement with respect to preference eligibles under this section, the board or other examining agency may waive requirements as to age, height and weight, provided any such requirement is not essential to the

performance of the duties of the position for which examination is given. The board or other examining agency, after giving due consideration to the recommendation of any accredited physician, may waive the physical requirements in the case of any veteran, provided such veteran is, in the opinion of the board or other examining agency, physically able to discharge efficiently the duties of the position for which the examination is given.

This section shall apply to all examinations for original positions in the State Police and in the Department of Inland Fisheries and Game.

R.S.1954, c. 63, § 17; 1955, c. 147, § 2; c. 195, §§ 1, 2.

§ 675. —Reopening of examinations

Veterans with the present existence of a service-connected disability to a compensable degree, wives of disabled veterans who qualify for 10-point preference under section 674, subsection 2, paragraph B, unmarried widows of deceased veterans who qualify for 10-point preference under section 674, subsection 2, paragraph C, and mothers, who are widowed, divorced, separated or whose husbands are permanently and totally disabled, of veterans who died while in the active service of the Armed Forces during any war, or who died as the result of service-connected disabilities, may file an application for and reopen an open competitive examination during the life of an eligible register resulting from a published announcement. If no eligible register resulted from a published announcement, applicants as above qualified may file an application for and reopen an open competitive examination within 3 years of the closing date of the published announcement, provided in all instances that the applicant had not previously made application for the examination under conditions of the published announcement. In the event positions in the classified service are held other than by permanent or probationary employees, applicants as above qualified may file application for an examination to be announced and opened. Examinations shall be conducted for such applicants not later than the quarterly period succeeding that in which the application has been filed with the State Personnel Board.

1955, c. 192.

§ 676. Probationary period; permanent appointment

All original appointments to the classified service shall be for a probationary period. The duration of such probationary

period shall be determined by the director, but in no case shall it be for less than 6 months.

R.S.1954, c. 63, § 19.

§ 677. Temporary and provisional appointments

Whenever it is impossible to certify eligible persons for appointment to a vacancy in the classified service, the appointing authority may nominate a person to the director. If such nominee is found by the director to have had experience and training which appear to qualify him for the position, he may be temporarily appointed to fill such vacancy but only until an appropriate eligible register can be established and an appointment made therefrom. The director with the approval of the board may make a provisional appointment to fill a technical or professional position, which requires a specialized knowledge or training to carry out the duties of the position, and cannot be filled from the eligible register. In no event shall a temporary appointment be continued for more than 3 months. Successive temporary appointment of the same person shall not be made. Not more than one temporary appointment shall be made to any position within any 12-month period. The director may authorize, without requiring competitive tests, the appointment of unskilled laborers or persons engaged in custodial and domestic work in state institutions or departments.

R.S.1954, c. 63, § 20.

§ 678. Dismissal and disciplinary action

An appointing authority may dismiss, suspend or otherwise discipline a classified employee for cause. In every case of such dismissal, suspension or other disciplinary action, at the request of the employee, the board shall investigate the circumstances relating to the action, and the fairness thereof, and if it shall find the charges unwarranted, the board shall order the immediate reinstatement of the affected employee to his former position with no loss of pay, seniority or other rights and benefits resulting from the dismissal or disciplinary action. At the request of the employee the board may recommend the transfer of the employee to the same or similar class of position in another department or institution. Such transfer shall be made to such department or institution only with the approval of the appointing authority thereof.

At the request of the employee, the board shall investigate the circumstances relating to an action of an appointing authority

which lays off, demotes or otherwise deprives an employee of rights established by chapters 51 to 61 or by rules prescribed in section 592, subsection 2, and if it shall find the action to be contrary to chapters 51 to 61 and rules, the board shall order the immediate reinstatement of the employee to his former position with no loss of pay, seniority or other rights or benefits resulting from such action.

R.S.1954, c. 63, § 21.

§ 679. Solicitation of political campaign contributions

No officer or employee in the classified service of this State shall, directly or indirectly, solicit or receive or be in any manner concerned in soliciting or receiving any assessment, subscription or contribution or political service, whether voluntary or involuntary, for any political purpose whatever from any officer, agent, clerk or employee of the State or from any person.

R.S.1954, c. 63, § 25.

CHAPTER 59

UNCLASSIFIED SERVICE

Sec.

711. Composition of.

§ 711. Composition of

The unclassified service comprises positions held by officers and employees who are:

1. Elective offices. Chosen by popular election or appointed to fill an elective office.

2. Officers chosen by Legislature. Officers who, under the Constitution or statutes, are chosen by the Legislature.

3. Appointed by Governor; certain official clerks. Heads of departments and members of boards and commissions required by law to be appointed by the Governor with the advice and consent of the Council, bureau directors, and the official clerk of the Public Utilities Commission and of the State Liquor Commission.

4. Judicial officers and employees. Officers and employees in the judicial service of the State.

5. Legislative officers and employees. Officers and employees of the Senate and House of Representatives of the Legislature.

6. Military. Officers and enlisted men in the National Guard and Naval Militia of the State.

7. Governor's office. The private secretary, assistant secretary and stenographers in the Governor's office, and the employees working at the Blaine Mansion.

8. University of Maine, etc. Officers and employees of the University of Maine, of the several state teachers' colleges and of the unorganized territory school system and the teachers and principals of the school systems in state vocational schools and state institutions.

1963, c. 140; c. 414, § 88.

9. Maine Forestry District. All officers and employees of the Maine Forestry District.

10. Deputy and assistants of the Department of the Attorney General. Deputy and assistants of the Attorney General's Department.

R.S.1954, c. 63, § 11; 1961, c. 397, § 9; 1963, c. 140; c. 414, § 88.

**CHAPTER 61
VIOLATIONS**

Sec.

741. Penalties; forfeiture of office.

§ 741. Penalties; forfeiture of office

Any person violating any of the provisions of chapters 51 to 61 or of the rules established in accordance with chapters 51 to 61 shall be deemed guilty of a misdemeanor and shall be punished by a fine of not more than \$100. Any person holding a public office or position who is convicted under this section shall be deemed to have vacated the office or position and such person shall be incapable of holding public office for a period of 5 years after the date of such conviction.

R.S.1954, c. 63, § 27.

PART 3

RETIREMENT AND SOCIAL SECURITY

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CHAPTER 101

STATE RETIREMENT SYSTEM

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SUBCHAPTER I

GENERAL PROVISIONS

Sec.
1001. Definitions.
1002. Name and date of establishment.
1003. Exemption from taxation and execution.
1004. Protection against fraud.

§ 1001. Definitions

1. Accumulated contributions. "Accumulated contributions" shall mean the sum of all the amounts credited to a member's individual account in the Members' Contribution Fund, together with regular interest thereon, as provided in section 1062.

2. Actuarial equivalent. "Actuarial equivalent" shall mean a benefit of equal value when computed at regular interest upon

the basis of such mortality and service tables as the board of trustees shall adopt.

3. Average final compensation. "Average final compensation" shall mean the average annual rate of earnable compensation of a member during the 5 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 years.

4. Beneficiary. "Beneficiary" shall mean any person in receipt of a benefit or any person designated to be a recipient of a benefit as provided by this chapter.

1963, c. 76, § 1.

5. Board of Trustees. "Board of Trustees" shall mean the board provided for in section 1031 to administer the retirement system.

6. Child or children. "Child" or "children" shall mean any unmarried natural, born or unborn, or legally adopted progeny of the member, under 18 years of age, or adjudged mentally incompetent by a probate court of the State of Maine, or certified by the Medical Board of the Maine State Retirement System to be physically and permanently incapacitated. For the purposes of this chapter, providing any beneficiary is not lawfully qualified to make an election, such election shall be entered into in his behalf by his legally appointed guardian.

1957, c. 367, § 1.

7. Creditable service. "Creditable service" shall mean membership service plus prior service.

8. Department. "Department" shall mean any department, commission, institution or agency of the State Government.

9. Earnable compensation. "Earnable compensation" shall mean actual compensation, including maintenance if any. In cases where compensation includes maintenance, the board of trustees shall fix the value of that part of the compensation not paid in money.

10. Employee. "Employee" shall mean any regular classified or unclassified officer or employee in a department, including teachers in the state teachers' colleges and for the purposes of this chapter, teachers in the public schools, but shall not include any member of the Legislature or the Council or any Justice of

the Superior Court or Supreme Judicial Court who is now or may be later entitled to retirement benefits under Title 4, section 5, and Title 4, section 103, nor shall it include any Judge of the District Court who is now or may be later entitled to retirement benefits under Title 4, chapter 5, nor shall it include any member of the State Police who is now entitled to retirement benefits under Title 25, chapter 195. Persons serving during any probationary period required under the Personnel Law and rules of the Personnel Board shall be deemed regular employees for purposes of this definition. In all cases of doubt, the board of trustees shall determine whether any person is an employee as defined in this chapter.

1957, c. 397, § 41; 1963, c. 414, § 89.

11. Father. "Father" shall mean father or stepfather.

1961, c. 279, § 1.

12. Member. "Member" shall mean any employee included in the membership of the retirement system, as provided in section 1091.

13. Membership service. "Membership service" shall mean service rendered while a member of the retirement system for which credit is allowable under section 1094.

14. Mother. "Mother" shall mean mother or stepmother.

1961, c. 279, § 2.

15. Out-of-state service. "Out-of-state service" shall mean service rendered as an employee of any state of the United States, except Maine, or of any political subdivision of any such state.

16. Parent. "Parent" shall mean mother or father, stepmother, stepfather.

1961, c. 279, § 3.

17. Prior service. "Prior service" shall mean service rendered prior to the date of establishment of the retirement system for which credit is allowable under section 1094. In the case of participating local districts "prior service" shall mean service to the district rendered prior to the district joining the retirement system.

1963, c. 76, § 1.

18. Public school. "Public school" shall mean any public school conducted within the State under the authority and supervision of a duly elected board of education, superintending school

committee or school directors, and any school which received any direct state aid in 1950, and municipal tuition funds amounting to at least the amount of such state aid, during the same year.

1957, c. 348; c. 443, § 36.

19. Regular interest. "Regular interest" shall mean interest at such rate as may be set from time to time by the board of trustees in accordance with section 1061, subsection 2.

20. Retirement. "Retirement" shall mean termination of membership with a retirement allowance granted under this chapter.

21. Retirement allowance. "Retirement allowance" shall mean the retirement payments to which a member is entitled as provided in this chapter.

22. Retirement system. "Retirement system" shall mean the Maine State Retirement System, as defined in section 1002.

23. Service. "Service" shall mean service as an employee, as defined in this section, for which compensation was paid.

24. Spouse. "Spouse" shall mean a person of the opposite sex either married to or divorced from the member, in that order.

1957, c. 367, § 2.

25. Teacher. "Teacher" shall mean any teacher, principal, supervisor, school nurse, school dietitian, school secretary or superintendent employed in any public school, including teachers in unorganized territory.

26. Masculine pronoun. The masculine pronoun, wherever used, shall include the feminine pronoun.

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 348; c. 367, §§ 1, 2; c. 397, § 41; c. 443, § 36; 1961, c. 279, §§ 1-3; 1963, c. 76, § 1; c. 414, § 89.

§ 1002. Name and date of establishment

A retirement system, as heretofore established, shall be placed under the board of trustees for the purpose of providing retirement allowances and other benefits under this chapter for employees of this State. The retirement system, so created, shall be considered to have been established July 1, 1947 for employees employed for the first time thereafter and for all employees who were eligible for the Revised Statutes of 1944, chapter 37, sections 212 to 241; July 1, 1942 for all employees who were eligible for

the Revised Statutes of 1944, chapter 60, and for all other employees the date on which contributions were first made by them to any retirement system supported in whole or in part by the State. It shall have the powers and privileges of a corporation and shall be known as the "Maine State Retirement System," and by such name all of its business shall be transacted, all of its funds invested, and all of its cash and securities and other property held in trust for the purpose for which received.

R.S.1954, c. 64; 1955, c. 417, § 1.

§ 1003. Exemption from taxation and execution

The right of a person to a retirement allowance, such retirement allowance itself, to the return of contributions, any optional benefit or death benefit or any other right accrued or accruing to any person under this chapter, and the moneys in the various funds created thereby, shall be exempted from any state, county or municipal tax in the State, and shall not be subject to execution, garnishment, attachment or any other process whatsoever, and shall be unassignable except as this chapter specifically provides.

R.S.1954, c. 64; 1955, c. 417, § 1.

§ 1004. Protection against fraud

Any person who shall knowingly make any false statement or shall falsify or permit to be falsified any record or records of this retirement system in any attempt to defraud such system, as a result of such act shall be guilty of a misdemeanor and shall be punished therefor under the laws of the State. Should any change or error in the records result in any member or beneficiary receiving from the retirement system more or less than he would have been entitled to receive had the records been correct, the board of trustees shall have the power to correct such error, and to adjust as far as practicable the payments in such manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.

R.S.1954, c. 64; 1955, c. 417, § 1.

SUBCHAPTER II
ADMINISTRATION

Sec.

1031. Administration.

1032. Special intent.

1033. Limitations.

§ 1031. Administration

1. Board of trustees. The general administration and responsibility for the proper operation of the retirement system and for making effective the provisions of this chapter are vested in a board of 7 trustees. The board, as heretofore established, shall consist of the chairman of the State Personnel Board, the State Controller, the Bank Commissioner, the Treasurer of State, their terms of office as such board members to run concurrently with their terms in said state positions; a member duly elected for a 2-year term by the Maine Teachers' Association, a state employee duly elected for a 2-year term by the Maine State Employees' Association and a person appointed for a 2-year term by the Governor.

2. Expenses. The trustees shall serve without compensation but they shall be reimbursed from the funds of the retirement system for all necessary expenses that they may incur through service on the board of trustees.

3. Oath. Each trustee shall, within 10 days after his appointment or election, take an oath of office that so far as it devolves upon him he will diligently and honestly administer the affairs of the retirement system, and that he will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the retirement system. Such oath shall be subscribed to by the trustee making it, and certified by the officer before whom it is taken, and immediately filed in the office of the Secretary of State.

4. Quorum. Each trustee shall be entitled to one vote in the board of trustees. Four trustees shall constitute a quorum for the transaction of any business. Four votes shall be necessary for any resolution or action by the board of trustees at any meeting of the board.

5. Rules and regulations. Subject to the limitations of this chapter, the board of trustees shall, from time to time, establish

rules and regulations for the administration of the funds created by this chapter and for the transaction of its business.

6. Chairman; executive secretary; employees. The board of trustees shall elect from its membership a chairman and shall appoint an executive secretary who shall engage such services as shall be required to transact the business of the retirement system. All such employees shall be considered as employees of the State and subject to all the provisions of state law regarding state employees and shall be employed under the rules and regulations established by the Personnel Board and shall receive such compensation as is provided by the rules and regulations of the Personnel Board for state employees in similar capacities. The necessary expenses incurred by the board and executive secretary in the operation of the retirement system shall be paid from the funds so allocated.

7. Data. The executive secretary shall keep in convenient form such data as shall be necessary for actuarial valuation of the various funds of the retirement system and for checking the experience of the system.

8. Meetings; record errors. The board of trustees shall meet at least once in each month for the transaction of such business as may properly come before it. The head of any department upon request from the board of trustees shall promptly furnish it with such information as shall be required to effectuate this chapter. Whenever the board of trustees shall find it impossible or impracticable to consult an original record to determine the date of birth, length of service, amount of regular compensation or other pertinent fact with regard to any member, it may, subject to the approval of the executive secretary and actuary, use estimates thereof on any basis which in its judgment is fair and just. The board of trustees, upon discovery of any error in any record of the system, shall, as far as practicable, correct such record. If any such error results in the receipt from such system by any member or beneficiary of more or less than he would have been entitled to receive had the records been correct, payments shall, as far as practicable, be adjusted in such manner that the actuarial equivalent of the benefit to which he was correctly entitled shall be paid.

9. Record; report. The board of trustees shall keep a record of all its proceedings, which shall be open to public inspection. It shall publish biennially a report showing the fiscal transactions of the retirement system for the preceding fiscal years,

the amount of the accumulated cash and securities of the system and the last balance sheet showing the financial condition of the retirement system by means of an actuarial valuation of the assets and liabilities of the system.

10. Legal adviser. The Attorney General or an assistant designated by him shall be legal adviser of the board of trustees.

11. Medical board. The board of trustees shall designate a medical board to be composed of 3 physicians not eligible to participate in the retirement system. If required, other physicians may be employed to report on special cases. The medical board shall arrange for and pass upon all medical examinations required under this chapter, shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations upon all the matters referred to it.

12. Actuary. The board of trustees shall designate an actuary who shall be the technical adviser of the board on matters regarding the operation of the funds created by this chapter and shall perform such other duties as are required in connection therewith. He shall calculate the amount of each retirement allowance granted under this chapter.

13. Mortality and service tables. When he deems it necessary, the actuary shall make such investigation of the mortality, service and compensation experience of the members of the system, for the purpose of determining the proper mortality and service tables to be prepared and submitted to the board for adoption. Having regard to such investigation and recommendation, the board of trustees shall adopt for the retirement system such mortality and service tables as shall be deemed necessary and shall certify the rates of contribution payable under this chapter. In the year 1960 and at least once in each 5-year period thereafter, the actuary shall make an actuarial investigation into the mortality, service and compensation experience of the members and beneficiaries of the retirement system, and taking into account the results of such investigation, the board of trustees shall adopt for the retirement system such mortality, service and other tables as shall be deemed necessary and shall certify the rates of contribution payable under this chapter.

14. Annual valuations of funds. On the basis of such mortality and service tables as the board of trustees shall adopt, the

actuary shall make annual valuations of the assets and liabilities of the funds of the retirement system.

15. Investment and other counsel. The board of trustees shall employ investment counsel or advice and may employ or engage such other expert, professional or other assistance as may be necessary or appropriate to aid in carrying out its functions.

1961, c. 45, § 5.

16. Custodial care and servicing of negotiable securities. The board of trustees shall have power to enter into a contract or agreement with any national bank, trust company or safe deposit company located in New England or New York City for custodial care and servicing of the negotiable securities belonging to any fund of the retirement system. Such services shall consist of the safekeeping of said negotiable securities in the vaults of the bank or safe deposit company, preparation of coupons for collection, the actual collection of such coupons, periodical checks of the portfolio deposited for safekeeping to determine all calls for redemption, in whole or in part, of any bonds owned by the retirement system, and any other fiscal service which is normally covered in a custodial contract or agreement.

The said board of trustees is empowered to arrange for the payment for such services, either by cash payments to be charged pro rata to the income of the several funds of the system, or by an agreement for a compensating deposit balance with the bank in question, in lieu of such cash payment, or by some combination of both methods of payment. The contracting bank shall give assurance of proper internal safeguards, which are usual to such contracts, and shall furnish insurance protection satisfactory to both parties.

The said board of trustees shall be empowered to withdraw or deposit securities from or with the custodian as circumstances may require.

The finance committee shall be empowered to withdraw or deposit securities from or with the custodian as circumstances may require, except that all withdrawal orders or delivery instructions shall bear the approval in writing over the signatures of 2 persons duly authorized by a resolution of the board of trustees, and at least one of the signatures must be that of a member of the finance committee.

All contracts or agreements entered into between the said board of trustees and the custodian bank or safe deposit com-

pany selected by them shall have the approval of the Governor and Executive Council. (1957, c. 316, § 3; 1961, c. 45, § 6.)

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 316, § 3; 1961, c. 45, §§ 5, 6.

§ 1032. Special intent

It is the intent and meaning of this chapter that all rights, credits and privileges enumerated herein shall be available to and shared in by all members of the system whether employees of the State or local participating districts and it is expressly provided that the board of trustees shall in all cases make the final and determining decision in all matters affecting the rights, credits and privileges of all members of the system, whether in participating local districts or in the state service.

If and when any special resolve is enacted by the Legislature granting credits toward retirement not provided for under this chapter, the entire actuarial costs of such special resolve shall be funded by act of the same Legislature which enacts any such special resolve.

R.S.1954, c. 64; 1955, c. 417, § 1.

§ 1033. Limitations

1. Local district to certify. Any participating local district which on July 1, 1955 is included under the retirement system shall be subject to all the provisions of this chapter unless it files with the board of trustees on or before July 1, 1956 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 not 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.

2. Notification. The executive secretary of the retirement system shall, immediately following August 20, 1955, cause to be mailed by registered mail a written notice to each participating local district which was in the system as of July 1, 1955 setting forth the provisions of subsection 1. Any participating local district shall be entitled to a revaluation in order to determine the

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cost of any new provisions of the chapter which may be adopted; the expense of making such revaluation shall be assessed to and paid by the participating local district involved.

R.S.1954, c. 64; 1955, c. 417, § 1.

SUBCHAPTER III

FINANCING

Sec.

1061. Funds.

1062. Financing.

§ 1061. Funds

1. Duties of board of trustees. The members of the board of trustees shall be the trustees of the several funds created by this chapter and shall have full power to invest and reinvest such funds, subject to all the terms, conditions, limitations and restrictions imposed by the laws of this State upon savings banks in the making and disposing of their investments; and subject to like terms, conditions, limitations and restrictions, said trustees shall have full power to hold, purchase, sell, assign, transfer and dispose of any of the securities and investments in which any of the funds created by this chapter shall have been invested, as well as the proceeds of such investments. Notwithstanding the foregoing, the board of trustees shall be authorized to purchase at their discretion equities in accordance with the prudent man rule, such investments to be limited to not more than 10% of the total assets of the system.

The board of trustees is authorized to appoint a finance committee consisting of 3 of its duly constituted members. The finance committee shall be empowered to withdraw or deposit all securities and mortgages and to implement and conduct the investment business of the retirement system within the framework of the general investment policy. Periodically the finance committee shall report said actions to the board of trustees.

1961, c. 45, § 7.

2. Rate of interest. The board of trustees from time to time shall set the rate of regular interest at such per cent rate compounded annually as shall be determined by the board to be equitable in its judgment, both to members and to the taxpayers of the State.

3. Treasurer of State custodian; payments. Except as otherwise provided, the Treasurer of State shall be the custodian of the several funds of the retirement system. Upon receipt of vouchers signed by a person or persons designated by the board of trustees, the State Controller shall draw a warrant on the Treasurer of State for the amount so authorized. A duly attested copy of the resolution of the board of trustees designating such persons and bearing on its face specimen signatures of such persons shall be filed with the State Controller as his authority for making payments upon such vouchers.

1957, c. 316, § 4.

4. Available cash. For the purpose of meeting disbursements for retirement allowances and other payments, there may be kept available cash, not exceeding 10% of the total amount in the several funds of the retirement system, on deposit in one or more banks or trust companies in the State organized under the laws of the State or of the United States. The sum of deposit in any one bank or trust company shall not exceed 25% of the paid-up capital and surplus of such bank or trust company.

5. Trustees and employees not to have interest in investments. Except as otherwise provided, no trustee and no employee of the board of trustees shall have any direct interest in the gains or profits of any investment made by the board; nor shall any trustee or employee of the board, directly or indirectly, for himself or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the board; nor shall any trustee or employee of the board become an indorser or surety; or in any manner an obligor, for moneys loaned to or borrowed from the board.

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 316, § 4; 1961, c. 45, § 7.

§ 1062. Financing

1. Funds. All of the assets of the retirement system shall be credited, according to the purpose for which they are held, among 4 funds, namely, the Members' Contribution Fund, the Retirement Allowance Fund, the Expense Fund and the Survivors' Benefit Fund.

1957, c. 367, § 6.

2. Members' Contribution Fund.

A. The Members' Contribution Fund shall be a fund in which shall be accumulated contributions deducted from

the compensation of members. The board of trustees shall certify to the head of each department, and the head of each department shall cause to be deducted from the compensation of each member on each and every payroll of such department for each and every payroll period the proportion of earnable compensation of each member so computed. In determining the amount earnable by a member in a payroll period, the board of trustees may consider the annual rate of earnable compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and it may omit deduction from compensation for any period less than a full payroll period if an employee was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed $\frac{1}{10}$ of 1% of the annual earnable compensation upon the basis of which such deduction is to be made. The head of each department shall certify to the board of trustees on each and every payroll, or in such other manner as the board may prescribe, the amounts deducted. Each of said amounts shall be deducted, and when deducted shall be paid into the Members' Contribution Fund, and shall be credited to the individual account of the member from whose compensation said deduction was made.

B. The deductions provided for shall be made notwithstanding that the minimum compensation provided for by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made and provided and shall receipt for his full compensation, and payment of compensation, less such deduction, shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payment, except as to the benefits provided under this chapter.

C. Subject to the approval of the board of trustees, in addition to the contributions deducted from compensation as provided, any member may deposit in the Members' Contribution Fund by a single payment or by an increased rate of contribution an amount computed to be sufficient to purchase an additional amount of retirement allowance which, together with his prospective retirement allowance, will provide for him a total retirement allowance not in excess of $\frac{1}{2}$ of his average final compensation, at any eligible age.

The amount of any contributions of a member made prior to July 1, 1955, in excess of the minimum amount of such contributions required by the system when such contributions were made, shall be considered as additional amount deposited to purchase such additional amounts of retirement allowance. Such additional amounts so deposited shall become a part of his accumulated contributions except in the case of disability retirement, when they shall be treated as excess contributions returnable to the member, as an additional retirement allowance of equivalent actuarial value.

D. The contributions of a member and such interest as may be allowed thereon, withdrawn by him or paid to his estate or to his designated beneficiary in event of his death, shall be paid from the Members' Contribution Fund, and any accumulated interest not so paid shall be transferred to the Retirement Allowance Fund. Upon the retirement of a member, his accumulated contributions shall be transferred from the Members' Contribution Fund to the Retirement Allowance Fund. If the member dies before becoming eligible for retirement and benefits become payable under section 1124, subsection 1, paragraph B, his accumulated contributions shall be transferred from the Members' Contribution Fund to the Survivors' Benefit Fund.

E. Should a beneficiary be restored to membership, the difference between the amount of accumulated contributions originally credited to the Retirement Allowance Fund and the portion of the total retirement allowance payments made to him, which is the actuarial equivalent of such accumulated contributions, shall be transferred to the Members' Contribution Fund and credited to his individual account therein.

F. The executive secretary of the retirement system, on or after July 1st of each year, will furnish to each member of the system in service on July 1st of such year a statement showing the amount of accumulated contributions to the member's credit in his individual account in the Members' Contribution Fund.

1957, c. 367, § 7.

3. Retirement Allowance Fund.

A. The Retirement Allowance Fund shall be the fund in which shall be accumulated all reserves required for the payment of benefits under this chapter other than reserves in the Members' Contribution Fund and the Survivors' Benefit Fund.

B. On account of each member there shall be paid annually into the Retirement Allowance Fund by the State for the preceding fiscal year an amount equal to a certain percentage of the annual earnable compensation of such member to be known as the "normal contribution," and an additional amount equal to a percentage of his annual earnable compensation to be known as the "accrued liability contribution." The rates per cent of such contributions shall be fixed on the basis of the liabilities of the retirement system as shown by actuarial valuation.

C. On the basis of regular interest and of such mortality and service tables as shall be adopted by the board of trustees, immediately after making each valuation during the period over which the accrued liability contribution is payable, the actuary shall determine the uniform and constant percentage of the earnable compensation of the average new entrant which, if contributed on the basis of his compensation throughout his entire period of active service, would be sufficient to provide for the payment of any benefit payable on his account that is not provided by his contributions. The rate per cent so determined shall be known as the "normal contribution" rate. After the accrued liability contribution has ceased to be payable, the normal contribution rate shall be determined after each actuarial valuation as the rate per cent of the earnable compensation of all members obtained by deducting from the total liabilities of the Retirement Allowance Fund the amount of the funds on hand to the credit of that fund and dividing the remainder by 1% of the present value of the prospective future compensation of all members, as computed at regular interest on the basis of such mortality and service tables as the board of trustees shall adopt.

D. The total amount payable to the Retirement Allowance Fund in each year shall be not less than the sum of the rates per cent known as the normal contribution rate and the accrued liability contribution rate, of the total compensation earnable, by all members during the preceding fiscal year. The amount of each annual accrued liability contribution shall be at least 3% greater than the preceding annual accrued liability payment. The aggregate payment by the State shall be sufficient, when combined with the amount in the Retirement Allowance Fund, to provide the benefits payable out of the fund during the year then current.

E. The accrued liability contribution shall be discontinued as soon as the accumulated reserves in the Retirement Allowance Fund shall equal the present value, as actuarially computed and approved by the board of trustees, of the total liabilities of the fund less the present value, computed on the basis of the normal contribution rate then in force, of the prospective normal contribution to be received on account of persons who are at that time members.

F. All benefits payable under this chapter shall be paid from the Retirement Allowance Fund except those payable from the Members' Contribution Fund and the Survivors' Benefit Fund, or as otherwise specifically provided in this chapter.

G. All interest and dividends earned on the funds of the retirement system shall be credited to the Retirement Allowance Fund. The board of trustees annually shall allow regular interest on the individual accounts of members in the Members' Contribution Fund and shall transfer such amounts from the Retirement Allowance Fund. The board of trustees annually shall allow regular interest on the mean amount accumulated in the Survivors' Benefit Fund and shall transfer such interest from the Retirement Allowance Fund to the Survivors' Benefit Fund.

H. If the designated beneficiary elects, in accordance with section 1124, subsection 3, to receive the benefits under section 1124, subsection 1, paragraph B, there shall be transferred to the Survivors' Benefit Fund from the Retirement Allowance Fund the amount of reserve actuarially determined for the retirement allowance under section 1124, subsection 3, including the amount provided by the members' contributions.

1957, c. 367, §§ 8-10; c. 440, § 1.

4. Expense Fund. The Expense Fund shall be the fund to which shall be credited all money provided by the State to pay the administration expenses of the retirement system and from which shall be paid all the expenses necessary in connection with the administration and operation of the system. Biennially the board of trustees shall estimate the amount of money which shall be deemed necessary to be paid into the Expense Fund during the ensuing biennium to provide for the expenses of operation of the retirement system, and such amount shall be paid by the State to the Expense Fund for this purpose. Any unexpended balance shall not lapse but shall constitute a continuous carrying account.

5. State contributions. The board of trustees shall submit budget estimates to the State Budget Officer in accordance with section 1665. These estimates shall show the total requirements for the Retirement Allowance Fund, the Survivors' Benefit Fund and the Expense Fund for the ensuing biennium. These amounts shall be broken down in such a way as to permit the proper allocation of cost among the General Fund of the State, the General Highway Fund and such other funds as it may be found practicable by the State Budget Officer to charge with their proportionate share of the cost. The amount determined as due from the General Fund shall be included in the appropriation bill transmitted to the Legislature by the Governor with the budget document. Payments to the retirement system of the amounts appropriated for the Retirement Allowance Fund and for the Expense Fund shall be made in quarterly installments on the first day of July, October, January and April.

1957, c. 340, § 5; 1961, c. 45, § 8.

6. Survivors' Benefit Fund.

A. The Survivors' Benefit Fund shall be the fund in which shall be accumulated all reserves required for the payment of survivors' benefits as set forth in section 1124, subsection 1.

B. Each member shall contribute at the rate of $\frac{1}{4}$ of 1% of his salary to the Survivors' Benefit Fund and such contribution shall be reported and held separately from contributions made to the Members' Contribution Fund. Anything to the contrary notwithstanding, contributions to the Survivors' Benefit Fund shall not be refunded to the member. To facilitate the making of deductions, the board of trustees may adjust the deduction of any member to the next higher nickel.

C. On account of each member there shall be paid annually into the Survivors' Benefit Fund by the State an amount equal to a certain percentage of the annual earnable compensation of such member to be known as the "survivors' contribution." The rate per cent of such contributions shall be fixed on the basis of the liabilities established by section 1124, subsection 1, as shown by actuarial valuation.

D. All benefits payable under section 1124, subsection 1, shall be paid from the Survivors' Benefit Fund except as may be otherwise specifically provided. (1957, c. 367, § 11; c. 429, § 61.)

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 340, § 5; c. 367, §§ 6-11; c. 429, § 61; c. 440, § 1; 1961, c. 45, § 8.

SUBCHAPTER IV

MEMBERSHIP AND CONTRIBUTION

Sec.

- 1091. Membership.
- 1092. Employees of counties, cities and towns entitled to membership.
- 1093. Limitation on membership.
- 1094. Creditable service.
- 1095. Employees' contributions.
- 1096. Return of accumulated contributions.

§ 1091. Membership

The membership of the retirement system shall be as set forth following:

1. Employee; elected officials. Any person who shall become an employee shall become a member of the retirement system as a condition of employment and shall not be entitled to receive any retirement allowance under any other retirement provisions supported wholly or in part by the State, anything to the contrary notwithstanding. Membership shall be optional in the case of any class of elected officials or any class of officials appointed for fixed terms.

2. Waiver; application for membership. Any employee who elected not to become a member by filing a waiver in accordance with the Revised Statutes of 1944, chapter 60, section 3, may at any time apply for and be admitted to membership.

3. Federal employment service. Any person who was an employee on December 31, 1941 and was transferred to the federal employment service and any person employed by said employment service after December 31, 1941, and who subsequently became a state employee when the said employment service was returned to the State of Maine as an operating unit, shall be considered a member of the retirement system if such person makes payments to the State Retirement Fund in the same amounts and during the same periods as the other state employees have made to said fund and any such person shall be permitted to make up any such amounts due to the said fund. Any person to whom this subsection is applicable shall be entitled to all the rights and benefits which he could have accrued had he been employed by the State.

4. Right may be denied to certain class of employees. The board of trustees may, in its discretion, deny the right to become a member to any class of employees whose compensation is only partly paid by the State, with the exception of teachers, or who are serving on a temporary or other than per annum basis.

5. Information from departments. It shall be the duty of the head of each department to submit to the board of trustees a statement showing the name, title, compensation, sex, date of birth and length of service of each member and such information regarding other employees in his department as the board may require. For the effective handling of this subsection, the Commissioner of Education shall furnish this information to the board of trustees for all teachers.

6. Cessation of membership; military service. Should any member withdraw his contributions, or should he become a beneficiary as the result of his own retirement, or die, he shall thereupon cease to be a member. The membership of any employee entering such classes of military or naval service of the United States, as may be approved by resolution of the board of trustees, shall be considered to be continued during such military or naval service if he does not withdraw his contributions. Any employee who enlists in or is inducted or drafted into the service of the Armed Forces of the United States in time of war including World War I between the dates of April 6, 1917 and March 3, 1921 or while Public Law 759, 80th Congress (Selective Service Act of 1948) or any amendment thereto or extension thereof shall be in effect, shall be considered as an employee under this chapter and shall have all the benefits of section 555. The State shall contribute to the Members' Contribution Fund such amounts as the employee would have been required to contribute if he had been serving the State during his service in the said Armed Forces in the same capacity as that in which he was serving at the time he joined the service; regardless of when he entered the United States Armed Forces or when he was released therefrom, provided such entry and release occurs during a time of war including World War I between the dates of April 6, 1917 and March 3, 1921 or while Public Law 759, 80th Congress (Selective Service Act of 1948) or any amendment thereto or extension thereof shall be in effect. Any employee, whose contributions to the Members' Contribution Fund are paid by the State under this section, who withdraws from or ceases to be a member of the retirement system, may not withdraw any of the contributions

made by the State under this subsection. No member who is otherwise entitled to military leave credits shall be deprived of this right if his return to covered employment is delayed beyond the 90 days after his separation under conditions other than dishonorable if the delay is caused by a military service incurred illness or disability. Such credit shall not be allowed to count toward a state retirement benefit beyond the period of first enlistment or induction, but in no event beyond 4 years from the date of his original call to active duty in said Armed Forces except if his return to active duty in said Armed Forces or the extension of his period of service beyond 4 years is required by some mandatory provision and he shall present proof thereto satisfactory to the agency concerned.

1957, c. 26; 1963, c. 329, §§ 2, 3.

7. Maine National Guard. Any person who was an employee on December 31, 1941 and who thereafter transferred to the Maine National Guard and was employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U.S.C., § 42) shall be considered a member of the retirement system if such person makes payments to the State Retirement Fund in the same amounts and during the same periods as the other state employees have made to said fund and any such person shall be permitted to make up any such amounts due to said fund. Any person to whom this subsection is applicable shall be entitled to all the rights and benefits which he could have accrued had he been employed by the State. (1957, c. 143.)

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 26; c. 143; 1963, c. 329, §§ 2, 3.

§ 1092. Employees of counties, cities and towns entitled to membership

1. Participating local districts. The employees of any county, city, town, water district, public library corporation or any other quasi-municipal corporation of the State, the civilian employees of the Maine National Guard, or of Maine Municipal Association, may participate in the retirement system, to the full extent of any and all benefits provided for in this chapter provided the county commissioners, or the city council or corresponding body of a city, or the voters of a town at a duly constituted town meeting, or the trustees of a water district, public library corporation or other quasi-municipal corporation, the Adjutant General, or the active member municipalities of Maine Municipal

Association through its executive committee, approve such participation and file with the board of trustees a duly certified copy of the resolution of the county commissioners or of the city council or such corresponding body approving such participation and the extent of the benefits which shall apply, or a record of the vote of the town voters certified by the clerk of the town meeting. Such county, city, town, water district, public library corporation or other quasi-municipal corporation, Maine National Guard or Maine Municipal Association, approving the participation of its employees in the retirement system shall thereafter be known for the purposes of this chapter as "a participating local district." Such county, city, town, water district, public library corporation or other quasi-municipal corporation, Maine National Guard or Maine Municipal Association, shall designate in their approval any class of employees, otherwise provided for by local pension provisions, who may be exempted from this chapter. The date when the participation of the employees of a participating local district may begin shall be set by the board of trustees not more than 6 months following the date the local district approved the participation of its employees. This date shall be considered as the date of establishment for participating local districts as defined in section 1002.

1961, c. 42, § 1.

2. Retirement allowance. Any participating local district, by filing with the board of trustees a duly certified copy of its action, may provide, in lieu of the retirement allowance provided for elsewhere in this chapter, a retirement allowance equal to $\frac{1}{2}$ average final compensation for members attaining age 60 and having at least 30 years of creditable service. Such retirement allowance may be converted into a retirement allowance of equivalent actuarial value as provided in section 1126.

1957, c. 292, § 2; c. 429, § 62.

3. Retirement benefit for policemen and firemen. Any participating local district, by filing with the board of trustees a duly certified copy of its action, may provide a retirement benefit for policemen and firemen, in lieu of the retirement benefits otherwise provided in this chapter for these employees, of $\frac{1}{2}$ salary after having completed 20 to 25 years of service, which benefit shall be based on the annual rate of salary being paid such individuals at point of retirement. If and when such base annual salary of active policemen and firemen is increased, the retirement benefits of those officers already retired shall be ad-

justed accordingly effective as of the date such increases are granted active officers.

1963, c. 26.

4. Retirement benefit on the straight life plan. Any participating local district, by filing with the board of trustees a duly certified copy of its action, may provide, in lieu of the retirement benefits provided elsewhere in this chapter, a retirement benefit on the straight life plan to be paid to the retirant during his lifetime, and $\frac{1}{2}$ of such benefit shall be paid to his designated beneficiary upon his death and shall continue during the lifetime of such beneficiary if said beneficiary is a spouse or until attainment of age 18 if said beneficiary is a child. The beneficiary shall be limited to a spouse or child. The cost to the district may be paid into the State Retirement System on a funded basis or on a pay-as-you-go basis, whichever plan shall be elected by the governing body of the participating local district involved.

1963, c. 199.

5. Membership. Membership in the retirement system shall be optional with employees in the service of a participating local district on the date when participation of the local district begins, and any employee then in service who elects to join the retirement system thereafter shall be entitled to prior service credits covering such periods of previous service as shall be certified by the participating local district as creditable prior service rendered to such local district, or to the State, for which the participating local district makes accrued liability contributions and all membership service credits for which contributions are paid into the retirement system by such member. Membership shall be compulsory for all employees entering the service of such participating local districts thereafter, except those who are exempted under subsection 1.

6. Chief fiscal officer. The chief fiscal officer of a participating local district shall submit to the board of trustees such information, and shall cause to be performed such duties, in respect to the employees of such local district as shall be prescribed by the board of trustees in order to carry out the retirement system.

7. Contributions. The actuary of the retirement system shall compute the rates of contribution payable by employees, who become members under this section, in the same manner as if they were state employees, and shall compute the contributions which would be payable annually by the participating local dis-

trict on account of such members as though they were state employees, except that each participating local district employing members participating in the retirement system shall make a special accrued liability contribution on account of the participation of its employees in the retirement system, which shall be determined by an actuarial valuation of the accrued liability on account of such of its employees as elected to become members in the same manner as the accrued liability rate was originally determined for state employees. Such special accrued liability contribution, subject to such adjustment as may be necessary on account of any additional prior service credits awarded to employees of such participating local district, shall be payable in lieu of the accrued liability contribution payable on account of state employees who are members of the retirement system. The expense of making such initial valuation shall be assessed against and paid by the participating local district on whose account it is made. The contributions so computed, together with a pro rata share of the cost of the administration of the retirement system, based upon the payroll of the employees, and the cost of each annual valuation shall be certified by the board of trustees to the chief fiscal officer of the participating local district, and the amounts so certified shall be a charge against the participating local district. The chief fiscal officer of each such participating local district shall pay to the Treasurer of State the amount certified by the board of trustees as payable under this section, and the Treasurer of State shall credit such amounts to the appropriate funds of the retirement system. Separate accounts shall be kept of the amounts so credited. Upon the retirement of any member of a participating local district the required reserves shall be transferred, as soon as accumulated, to the appropriate fund of the retirement system and become the property of the State Retirement System.

8. Benefits as if State employees. Employees who become members under this section and on behalf of whom contributions are paid as provided in this section shall be entitled to benefits under the retirement system for which such contributions are made as though they were state employees.

9. Liability of retirement system. Notwithstanding anything to the contrary, the retirement system shall not be liable for the payment of any benefits on account of the employees or pensioners of any participating local district for which reserves have not been previously created from funds contributed by such participating local district, or its employees for such benefits. If,

when the contributions of a participating local district are determined for any fiscal year in accordance with subsection 7, any of the reserve funds of the participating local district are less than the liabilities of such reserve fund then the amount of such contributions to be paid shall be increased either by the total amount of all such deficits or, at the option of the participating local district, by the total amount of benefits payable during the fiscal year from such reserve funds that have a deficit. The retirement system shall be liable for payment of survivor benefits to beneficiaries of members of participating local districts if such participating local districts have elected survivor benefits.

1957, c. 440, § 2.

10. Educational institutions. Any educational institution in the State teaching courses equivalent to or higher than secondary institutions may become a participating local district to the full extent of any and all benefits provided for in this chapter, provided the appropriate governing body of such educational institution approves such participation and files with the board of trustees a duly certified copy of the resolution approving such participation and the extent of the benefits which shall apply.

11. Re-employment with new employer. Any member of the retirement system whose service is terminated as an employee, either as defined in section 1001 or as an employee of a participating local district, shall, upon subsequent re-employment as such an employee but with a new employer, provided he shall not have previously withdrawn his accumulated contributions, thereupon have his membership transferred to his account with his new employer, and shall be entitled to all creditable service resulting from his previous employment. The new employer shall make such contributions, from time to time, as may be necessary to provide the benefits under the retirement system for the member as have accrued to him by reason of his previous employment and may accrue to him by reason of his new employment. All funds in the retirement system contributed by his former employer on account of his previous employment shall be transferred to the account of the new employer and shall be used to liquidate the liability incurred by reason of such previous employment.

12. Benefits by statutory amendments. Any amendments to this chapter enacted by the Legislature, the benefits of which could apply to employees of participating local districts, shall be made effective only in the event any such district elects to adopt

such benefits and agrees to pay into the system the required costs as developed by the actuary.

1957, c. 429, § 63; 1959, c. 363, § 38.

13. Survivor benefits. Before electing survivor benefits as provided by section 1124, subsections 1 and 3, the chief fiscal officer of a participating local district shall submit to the board of trustees such information as shall be prescribed by the board of trustees in order to determine, on such actuarial basis as may be adopted by the board of trustees, the cost of the initial survivor's contribution of such participating local district. The expense of making such initial determination shall be assessed against and paid by the participating local district on whose account it is made.

The survivor's contribution of a participating local district which has elected such survivor benefits shall be actuarially determined annually by the board of trustees on the basis of such information which it may prescribe.

The board of trustees may increase by not more than 25% in any year the survivor's contribution of a participating local district so determined if, in the opinion of the board of trustees, the actual experience as to benefits paid on behalf of beneficiaries of members of the participating local district is greater than the experience expected on the actuarial basis.

The contributions so computed, together with a pro rata share of the cost of the administration of the survivor's benefit program, based upon the gross payroll of employees and the expense of determining the annual survivor's contribution shall be certified by the board of trustees to the chief fiscal officer of the participating local district, and the amounts so certified shall be a charge against the participating local district.

The participating local district may require each of its members to make a contribution, not to exceed $\frac{1}{4}$ of 1% of earnable compensation, to the Survivors' Benefit Fund as long as he is employed.

All contributions for survivor benefits by members of all participating local districts which have elected survivor benefits and all survivor contributions by such participating local districts shall be paid into the Survivors' Benefit Fund. (1957, c. 440, § 3.)

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 292, § 2; c. 429, §§ 62, 63; c. 440, §§ 2, 3; 1959, c. 363, § 38; 1961, c. 42, § 1; 1963, c. 26; c. 199.

§ 1093. Limitation on membership

No other law in any other statute, which provides wholly or partly at the expense of the State or of any subdivision thereof for retirement benefits for employees of the State, their widows, or other dependents, shall apply to members or beneficiaries of the retirement system established by this chapter, or the widows or other dependents of such members or beneficiaries.

R.S. 1954, c. 64; 1955, c. 417, § 1.

§ 1094. Creditable service

1. Membership and prior service. Creditable service at retirement on which the retirement allowance of a member shall be based shall consist of his membership service, and, if he has a prior service certificate which is in full force and effect, the period of the service certified on his prior certificate.

2. Membership service. All service of a member on account of which contributions are made shall be credited as membership service and none other.

3. Statement of service. Under such rules and regulations as the board of trustees shall adopt, each member shall file a detailed statement, on forms provided by the board of all service rendered by him both before and after the applicable date of establishment for which he claims credit. Any person formerly employed by the State and who is re-employed by the State at any time shall, upon becoming a member, be allowed the appropriate credit.

4. Amount of service per year. The board of trustees shall fix and determine by appropriate rules and regulations how much service in any year is equivalent to one year of service, but in no case shall it allow credit for a period of absence without pay of more than a month's duration if a full-time position, nor shall more than one year of service be creditable for all service in one calendar year. Service rendered for the full normal working time in any year shall be equivalent to one year's service. For the purpose of determining prior service credits, actual time worked in any year shall be deemed to be the normal working time. For evening school credits, any teacher who teaches a full accredited year in any evening school duly accepted and approved by the Department of Education shall be allowed not more than $\frac{1}{2}$ a year's credit toward retirement for each school year so taught. Any period of time during which an evening school teacher

teaches less than a full so-called accredited year shall be allowed toward retirement on a pro rata basis only.

5. Verification of service. Subject to the above restrictions and to such other rules and regulations as the board may adopt, the board shall verify, as soon as practicable after the filing of such statements of service, the service therein claimed. Those members who have already filed such statements under the Revised Statutes of 1954, chapter 64, section 4, as in effect immediately prior to August 20, 1955, need not again file.

6. Prior service certificate. Upon verification of the statements of service, the board of trustees shall issue prior service certificates certifying to each member the length of service rendered prior to the applicable date of establishment with which he is credited on the basis of his statement of service. So long as membership continues, a prior service certificate shall be final and conclusive for retirement purposes as to such service. Whenever any error is discovered in a prior service certificate already issued, the proper correction shall be made by the board of trustees and a revised certificate issued to the member involved.

7. Prior service credit. Prior service credit will be granted to those members formerly subject to the Revised Statutes of 1944, chapter 37, sections 221 to 241, for service rendered prior to their attaining age 25 or during the period from July 1, 1924 to July 1, 1930, provided such members pay into the Members' Contribution Fund 5% of the salary received during such service, and provided for each year of such service such payments shall not be less than \$20 or more than \$100.

8. Back contributions from July 1, 1942. Any member for whom the date of establishment of the retirement system is July 1, 1942 may, if he so elects, pay into the Members' Contribution Fund any or all back contributions covering any or all of the period from July 1, 1942 to the date when such member first began to make contributions to the retirement system, and receive therefor the proper membership credit for the period for which such back contributions are made.

9. Back contributions from July 1, 1947. Any member who was an employee on July 1, 1947 but became a member as of a date thereafter, may, if he so elects, pay into the Members' Contribution Fund back contributions for the period from the date of establishment of the retirement system so far as he is concerned to the date he became a member and receive the

proper service credits. Payments made after July 1, 1957 of any such back contributions shall include regular interest thereon for the period from July 1, 1957 to the date of payment.

10. Former members. Any former member who withdrew his contributions after termination of service may, upon later restoration to membership 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 regular interest thereon from the date of withdrawal to the date the deposit payment or payments are made. 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 regular interest from the date of payment to the date the retirement allowance becomes effective.

11. Federal employment service. Any employee 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.

12. Out-of-state service credit

A. Out-of-state service rendered prior to July 1, 1955 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, 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, no more than 10 years of such out-of-state service shall be allowed as creditable service, and years of out-of-state service prior to the date of establishment of the retirement system so far as he is concerned shall be allowed as creditable service only if the member makes contributions into the Members' Contribution Fund for such years of out-of-state service on the basis set forth in paragraph B in lieu of the basis set forth preceding.

B. Out-of-state service, rendered after July 1, 1955 or rendered prior thereto if not allowed as creditable service under paragraph A, shall be allowed as additional creditable service for any member in the determination of his retirement allowance under any provision of this chapter provided the member, prior to the date any retirement allowance becomes effective for him, deposits in the Members' Contribution Fund by a single payment or by an increased rate of contribution such amount as together with regular interest credited thereon will be the actuarial equivalent, at the effective date of his retirement allowance, of the portion of his retirement allowance based on such additional creditable service. Such additional amounts so deposited shall become a part of the member's accumulated contributions. 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 such additional creditable service which the total amount of deposit payments actually made, together with regular interest thereon to the date the retirement allowance becomes effective, bears

to the actuarial equivalent of the total portion of the retirement allowance based on such additional creditable service.

R.S.1954, c. 64; 1955, c. 417, § 1.

§ 1095. Employees' contributions

Each member shall, after July 1, 1955, make a 5% contribution of earnable compensation to the retirement system as long as he is employed, any excess of contributions that have ever been made shall be used to increase the retirement allowance or may be refunded at point of retirement. Anything to the contrary notwithstanding each member of the State Police, including the chief thereof, who became a member of that department subsequent to July 9, 1943, shall, beginning with the first full week after September 21, 1963, make an 8% contribution of earnable compensation to the retirement system as long as he is employed.

Each member shall, as soon after July 1, 1957 as the board of trustees determines is practicable, make a contribution of $\frac{1}{4}$ of 1% of earnable compensation to the Survivors' Benefit Fund as long as he is employed.

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 367, § 3; c. 422, § 1; 1963, c. 377, § 1.

§ 1096. Return of accumulated contributions

If the service of any member has terminated, except by death or by retirement under this chapter, he shall be paid, at any time thereafter upon proper application therefor, the amount of his contributions together with such interest thereon, not less than $\frac{3}{4}$ of accumulated regular interest, as the board of trustees shall allow, provided no interest shall be included for any period beyond the 5th anniversary of the date of such termination of service if the member has less than 10 years of creditable service.

R.S.1954, c. 64; 1955, c. 417, § 1.

SUBCHAPTER V

PAYMENT OF BENEFITS

Sec.

- 1121. Service retirement.
- 1122. Disability retirement.
- 1123. Restoration to service.
- 1124. Ordinary death benefits before retirement.
- 1125. Accidental death benefits.
- 1126. Payment of retirement allowances.
- 1127. Benefits to employees retired prior to date of establishment.

§ 1121. Service retirement**1. Age 60; age 70.**

A. Any member who at the attainment of age 60 is in service may retire at any time then 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. Any member not in service may retire at age 60 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 he has at least 10 years of creditable service, 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 of Maine, provided further at the effective date of the retirement allowance, his contributions are on deposit in the Members' Contribution Fund.

B. Any member specified in paragraph A who attains age 70 shall be retired forthwith on a service retirement allowance on the first day of the next calendar month; except that any member who is an elected official of the State or an official appointed for a term of years may remain in service until the end of the term of his office for which he was elected or appointed. Notwithstanding the foregoing, on the request of the Governor with the approval of the Council, the board of trustees may permit the continuation for periods of one year, as the result of each such request, of the service of any member who has attained the age of 70 and who desires to remain in service. Requests for extension of service for employees in participating local dis-

tricts shall be filed directly with the board of trustees by the proper municipal officers and such requests shall not be referred to the Governor and Council.

C. Any member of the State Police who became a member of that department subsequent to July 9, 1943 must retire at attained age 50 or upon completion of 25 years of total creditable service as a State Police officer, whichever is the later. Except that any member of the Maine State Police who was employed as a State Police officer on or after July 9, 1943 and who is a State Police officer on September 21, 1963, shall be permitted to retire upon completion of 25 years of creditable service, regardless of age. Notwithstanding anything to the contrary, the chief and the deputy chief shall be permitted to continue in said position beyond attained age 50 or after completion of 25 years of creditable service until the end of the term for which he was appointed, and the chief or the deputy chief may be appointed or reappointed regardless of attained age or length of creditable service. The total amount of the service retirement allowance of a member retired in accordance with this paragraph shall be equal to $\frac{1}{2}$ of his current annual salary.

1963, c. 377, § 2.

2. Amount.

A. The total amount of the service retirement allowance of a member retired in accordance with subsection 1 shall be equal to the sum of subparagraphs (1) and (2), subject to paragraphs B and C and subsection 4:

(1) $\frac{1}{30}$ of his average final compensation multiplied by the number of years of his membership service, and

(2) If he has a prior service certificate in full force and effect, $\frac{1}{30}$ of his average final compensation multiplied by the number of years, not to exceed 25, of his prior service or, if the member was formerly subject to the Revised Statutes of 1944, chapter 37; sections 212 to 241, $\frac{1}{30}$ of his average final compensation multiplied by the number of years of his prior service.

B. The total amount of the service retirement allowance of any member retired in accordance with subsection 1 who became a member prior to July 1, 1947 and for whom the date of establishment of the retirement system is July 1, 1942, shall be at least equal to $\frac{1}{2}$ of his average final compensation, provided

(1) He has at least 25 years of total creditable service which includes at least 22 years of prior service credit if he retires prior to the attainment of age 60 or includes at least 13 years of prior service credit if he retires on or after the attainment of age 65, or

(2) He has at least 20 years of total creditable service including at least 13 years of prior service if he retires on or after the attainment of age 70.

C. The total amount of the annual service retirement allowance of any member retired in accordance with subsection 1 who has taught in the public schools shall be at least equal to the following:

(1) \$1,465, if the member has at least 35 years of creditable service as a teacher;

(2) \$1,365, if the member has at least 30 but less than 35 years of creditable service as a teacher; or

(3) \$1,265, if the member has at least 25 but less than 30 years of creditable service as a teacher.

D. The total amount of the annual service retirement allowance of any member retired in accordance with subsections 1 and 5 who has taught in the public schools shall be at least equal to the following:

(1) \$600, if the member has at least 20 but less than 25 years of creditable service as a teacher.

E. Any teacher now or hereafter retired who is receiving a veterans administration benefit may elect to receive, or not receive, any additional benefit under this chapter if it affects the receiving of any such veterans administration benefit.

F. Paragraph C shall apply to all teachers who have theretofore or shall hereafter retire under this chapter, or any amendment thereto.

1957, c. 420, § 1; 1961, c. 396; 1963, c. 365.

3. Creditable service of 30 years. Any member who has completed 30 or more years of creditable service may retire any time prior to the attainment of age 60 and receive a service retirement allowance upon written application to the board of trustees setting forth at what time he desires to be retired. The retirement allowance shall be determined in accordance with subsection 2, paragraph A, but shall be at a reduced amount determined by applying to the retirement allowance the percen-

tage that a life annuity due at age 60 bears to the life annuity due at the age of retirement, subject to subsection 4. For this purpose the tables of annuities as approved by the board of trustees at the date of retirement shall be used.

4. Wardens; State Police; airplane pilots; firemen and policemen; sheriffs.

A. Any member who

(1) Was a member on July 1, 1947 and is the deputy warden, the captain of the guard, or a guard of the State Prison; or a warden in the Department of Inland Fisheries and Game, or a warden of the Department of Sea and Shore Fisheries, or

(2) Is an airplane pilot employed by the State of Maine; or a member of a fire or police department including the chiefs thereof and sheriffs and deputy sheriffs, and, in any case, who has at least 25 years of creditable service in his respective capacity, may be retired on or after the attainment of age 55 on a service retirement allowance.

B. The retirement of any member in accordance with paragraph A may be requested either by the member or, except in the case of a member of a fire or police department, by the head of his department. Retirement shall be compulsory at the attainment of age 60 except that on the request of the Governor with the approval of the Council, the board of trustees may permit the continuation for periods of one year, as the result of each such request, of the service of such member.

C. The total amount of the service retirement allowance of a member retired in accordance with paragraph A shall be equal to $\frac{1}{2}$ of his average final compensation, or, if retirement occurs at or after the attainment of age 60, equal to the amount of his total service retirement allowance as determined in accordance with subsection 2, if greater.

1963, c. 377, § 3.

5. Teachers. Any teacher who began to teach in the public schools of Maine prior to July 1, 1947 and has attained 60 years of age shall, upon proper application and verification of at least 15 years of such teaching service, be granted a minimum monthly benefit of \$25. If, by virtue of length of teaching service in Maine and using the formula of $\frac{1}{10}$ of average final compensation times the years so taught and verified, a greater monthly benefit is

developed, then the greater amount shall be paid. Proper adjustments in benefits already being paid under this section shall be made, in those cases affected, on the first monthly pension payroll subsequent to March 3, 1962.

1957, c. 156; c. 422, § 2; 1959, c. 366; 1961, c. 414, § 1.

6. Political subdivisions. Notwithstanding any provisions in this chapter to the contrary, there is provided an option in the political subdivisions of this State which are participating members in the Maine State Retirement System to allow its employees to retire at age 60 after 30 years of creditable service at $\frac{1}{2}$ their average final compensation.

1957, c. 429, § 57.

7. Widows and children of sheriffs. If a sheriff or deputy sheriff shall die as a result of injury received in line of duty, except while engaged in the duty of serving civil process, his widow, or, if none, his minor child or children, shall receive a pension equal to $\frac{1}{2}$ of the pay of such sheriff or deputy sheriff at the time of his death, but in no case shall such pension be less than \$1,000. Such pension shall be paid to the widow until she dies or remarries and to a child or children until they die or reach the age of 18 years. (1957, c. 429, § 59.)

R.S.1954, c. 64; 1953, c. 428, §§ 1-3; 1955, c. 417, § 1; c. 405, §§ 36, 48; 1957, c. 156; c. 292, § 1; c. 316, § 1; c. 420, § 1; c. 422, § 2; c. 429, §§ 56-59; 1959, c. 366; 1961, c. 396, §§ 1, 2; c. 414, § 1; 1963, c. 377, §§ 2, 3; c. 365.

§ 1122. Disability retirement

1. Ordinary disability.

A. Upon the filing, with the board of trustees, of an application by a member in service or by his department head, any member who has had 10 or more years of creditable service, and has not attained age 60, may be retired on a disability retirement allowance, provided the medical board, after a medical examination of such member, shall certify that the member is mentally or physically incapacitated for further performance of duty, that such incapacity is likely to be permanent and that he should be retired. Except that any member who has had 10 or more years of creditable service, and has not attained age 60, and who has separated from service due to illness or injury may apply for a disability retirement allowance and may become entitled to such benefits if the medical board and the board of trustees are supplied

with evidence that the cause of the disability originated while the member was in service. Benefits shall become effective no earlier than the date the board of trustees receives written notification of said disability. The effect of this paragraph shall be retroactive.

B. 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 $\frac{1}{60}$ 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 $\frac{1}{60}$ 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. At the death of the member after retirement the excess, if any, of his accumulated contributions at the time of his retirement over the portion of the total retirement allowance payments, actually made to him during his lifetime, which is the actuarial equivalent of such accumulated contributions, shall be paid in a lump sum to such person, if any, as he has nominated by written designation duly acknowledged and filed with the board of trustees, otherwise his estate.

C. Any person who attains age 60 while a recipient of a disability retirement allowance in accordance with paragraph A shall be entitled to a recomputation of benefits as provided in section 1121 and shall be paid that amount which is greater. Further, if the amount of the service retirement allowance is greater than that being paid as the ordinary disability retirement allowance, the recipient shall no longer be considered as receiving a disability retirement allowance. 1961, c. 126 ; 1963, c. 361.

2. Occupational disability.

A. Upon the filing, with the board of trustees, of an application by a member in service or by his department head, and upon the determination by the board of trustees that he has incurred disability as the result of injuries received in the line of duty, any member may be retired on a disability retirement allowance, determined in accordance with paragraph B in lieu of any benefits determined in ac-

cordance with subsection 1, paragraph B, provided the medical board, after a medical examination of such member, shall certify that the member is mentally or physically incapacitated for further performance of duty, that such incapacity is likely to be permanent and that he should be retired. The board of trustees shall determine upon receipt of proper proof that the injury received in the line of duty occurred while in actual performance of duty at some definite time and place and was not caused by the willful negligence of the member.

B. Upon retirement in accordance with paragraph A a member shall receive a retirement allowance equal to $66\frac{2}{3}\%$ the average final compensation of the member.

1957, c. 316, § 2.

3. Medical examinations. Once each year during the first 5 years following the retirement of a member on a disability retirement allowance, and once in every 3-year period thereafter, the board of trustees may, and upon his application shall, require any disability beneficiary who has not attained age 60 to undergo a medical examination by the medical board or by a physician or physicians designated by the medical board, such examination to be made at the place of residence of such beneficiary or other place mutually agreed upon. Should any disability beneficiary who has not attained age 60 refuse to submit to such medical examination, his allowance may be discontinued until his withdrawal of such refusal, and should his refusal continue for one year, all his rights in and to his pension may be revoked by the board of trustees.

4. Earnings. Should the medical board report and certify to the board of trustees that any disability beneficiary is engaged in or is able to engage in a gainful occupation paying more than the difference between his retirement allowance and his average final compensation at retirement, and should the board of trustees concur in such report, then his retirement allowance shall be reduced to such an amount which, together with the amount earnable by him, shall equal his average final compensation at retirement. Should his earning capacity be later changed, his retirement allowance may be further modified, provided the new retirement allowance shall not exceed the amount of the retirement allowance originally granted. For the purpose of this section, "retirement allowance" shall mean the allowance payable without optional modification as provided in section 1126.

5. Disability payments under other laws. Any amounts which may be paid or payable by the State under any workmen's compensation or similar law except amounts which may be paid or payable under Title 39, section 56, to or on account of any member or retired member on account of any disability shall be offset against the amount of any retirement allowance payable under this section on account of the same disability.

6. Limit of reduction. Anything in this section to the contrary notwithstanding, no reduction in the amount of a member's retirement allowance made in accordance with this section shall reduce the amount of the retirement allowance to less than the portion of the retirement allowance which is the actuarial equivalent of his accumulated contributions at the time of his retirement.

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 316, § 2; 1961, c. 126; 1963, c. 361.

§ 1123. Restoration to service

Should a disability beneficiary be restored to service and should his annual earnable compensation then or at any time thereafter be equal to or greater than his average final compensation at retirement, his retirement allowance shall cease, the beneficiary shall again become a member of the retirement system, and he shall contribute thereafter at the same rate he paid prior to his retirement. Anything in this chapter to the contrary notwithstanding, any prior service certificate on the basis of which his service was computed at the time of his former retirement shall be restored to full force and effect, and in addition, upon his subsequent retirement he shall be credited with all the service as a member creditable to him at the time of his former retirement; but should he be restored to membership, his retirement allowance upon subsequent retirement shall not exceed the sum of the retirement allowance which he was receiving immediately prior to his last restoration to membership and the retirement allowance that may have accrued to him on account of membership service since his last restoration to membership, except that if he has accrued at least 2 years of membership service since his last restoration to membership his subsequent retirement allowance shall be as provided in section 1121. Should any recipient of benefits other than disability benefits be restored to service, the same general limitations with respect to whether or not the benefits should be suspended will be as outlined above, except that in the event benefits are suspended during such period

of employment and such member subsequently again retires, he shall receive such combined benefits as may be computed on his entire creditable service and in accordance with the then existing law. Any retired person who so returned to active service since July 1, 1947 and who subsequently again retired shall have his benefit recomputed in accordance with the foregoing sentence, such adjusted benefit to be effective as of the date of last retirement except any such adjustment shall not be made effective unless the new benefit amount arrived at exceeds the amount of benefit already being paid to such retired person.

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 130; 1963, c. 372.

§ 1124. Ordinary death benefits before retirement

1. Death before eligibility for retirement. Should a member die any time before attaining eligibility for retirement, one of the following payments shall be made.

A. 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 and filed with the board prior to his death. The last nomination of any beneficiary revokes all previous nominations. If a member dies before retirement, and is not survived by a designated beneficiary, the first of the following listed persons, if any, alive at the death of the member shall qualify as beneficiary in the following order of precedence with all attendant rights and privileges: The spouse of the member; the children of the member, share and share alike; the older parent of the member; the estate of the member. 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.

B. 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. Such designated beneficiary shall be a spouse, child or children of the member, mother

or father, mother and father, or if no designation was made, the first of the following listed persons, if any, alive at the death of the member, spouse, child or children, mother or father, mother and father of the deceased.

(1) General eligibility provision for non-service-connected death. The deceased member must have had at least 18 months of creditable service within the 42 months prior to date of death, or be under 60 years of age and receiving at the time of death an ordinary disability allowance as provided in section 1122 and any lump sum due under section 1122 shall be paid into the Survivors' Benefit Fund, except that any member who has been restored to service after having been a recipient of a disability retirement allowance or a service incurred disability retirement allowance shall be exempted from the requirement that the member must have had at least 18 months of creditable service prior to date of death.

(a) A spouse, alive and not remarried at the time of the death of the member, shall be paid \$75 a month, commencing the first month after such death occurs, and continuing until the date of his death or remarriage, whichever happens first, providing that the deceased member had 10 years of creditable service at the time of his death. Such spouse may qualify for this benefit in addition to any payments received as provided by division (b), but shall not receive this benefit simultaneously with that provided by division (b).

(b) A spouse, alive and not remarried at the time of the death of the member who has the care of unmarried children of the deceased member under 18 years of age, or any other progeny of the deceased who is considered to be mentally incompetent under the general statutes pertaining thereto, or who is certified to be mentally incompetent by the Medical Board of the Maine State Retirement System, or who is certified by the Medical Board of the Maine State Retirement System to be physically and permanently incapacitated, shall be paid \$75 a month, commencing the first month after such death occurs and continuing during his lifetime for such time as such children or progeny are in his care and he has not remarried.

(c) The unmarried child or children under 18 years, or any other progeny of the deceased who is adjudged mentally incompetent by a probate court in the State of Maine or who is certified by the Medical Board of the Maine State Retirement System to be physically and permanently incapacitated at the time of the death of the member, shall receive benefits as follows:

One child shall be paid \$75 per month.

Two children shall be paid \$100 per month, which shall be divided equally between them.

Three children or more shall be paid \$125 per month, which shall be divided equally among them.

The benefits shall commence the first month after the death of the member and be payable to each child until he reaches his 18th birthday or prior death, whichever occurs first. In the event of the marriage or death of any such child prior to his 18th birthday, subsequent benefits to the other children, if any, shall be payable as if he had never lived.

(d) A spouse living at the time of the death of the member and not remarried subsequent to the death of the member shall be paid \$75 a month, commencing the first month after the attainment of 60 years of age and continuing until the date of his death or remarriage, whichever happens first. Such spouse may qualify for this benefit in addition to any payments received as provided by division (b) but shall not receive this benefit simultaneously with that provided by division (a) or division (b).

(e) A parent, if living at the time of the death of the member, and at least 60 years of age or when that age is attained shall be paid \$75 per month. If both parents are eligible to benefits under this section and the older parent elects benefits under this subsection, the younger parent shall receive \$50 per month if at least 60 years of age or when that age is attained. Upon the death of either parent, the survivor shall receive \$75 per month. Such payments to any parent shall commence the first month after the death of the member occurs

and continue until death or remarriage, whichever happens first. Benefits are only payable under this provision in the event no other benefits have been received in accordance with divisions (a), (b), (c) or (d).

(2) Service-connected death. Should a member die as the result of illness or injury received in line of duty while in the service of the State of Maine, irrespective of the number of years of creditable service, divisions (a), (b), (c) or (e) shall be payable if applicable. If the member died on or after March 1, 1952 as a result of illness or injury received in line of duty while in the service of the State of Maine, divisions (a), (b), (c) or (e) shall be payable if applicable, except that the payments shall begin on the first day of the month following September 16, 1961 and shall not be retroactive to the date of death if the death occurred before July 1, 1957.

Notwithstanding anything to the contrary, benefits payable hereunder shall be in lieu of any benefits payable under section 1125, provided that the beneficiary specified in this section may elect to receive the benefits under section 1125 instead of any benefits under this section. The board of trustees shall determine upon receipt of proper proof that the illness or injury received in line of duty occurred while in actual performance of duty at some definite time or place, and was not caused by the willful negligence of the member.

(3) Transfer of accumulated contributions. If benefits are paid under paragraph B, subparagraph (1) the amount of deceased member's accumulated contributions in the Members' Contribution Fund shall be transferred to the Survivors' Benefits Fund. If benefits are paid under paragraph B, subparagraph (2) the amount of the deceased member's contributions in the Members' Contribution Fund, together with such interest thereon, not less than $\frac{3}{4}$ of accumulated regular interest, as the board of trustees shall allow shall also be paid to the specified beneficiary.

(4) Death of beneficiary before payment. In the event that any beneficiary becomes entitled to any of the provisions of this section and dies before either the refund check or the initial survivor benefit check shall be endorsed and presented to a holder in due course then it

shall be considered as if the beneficiary had predeceased the member. Any beneficiary of this section shall have the right to change his choice of payment at any time up to the point of endorsement and presentation to a holder in due course of either the refund check or the initial survivor benefit payment.

1957, c. 367, § 4; c. 422, § 3; c. 429, § 60; 1961, c. 45, §§ 1-3; c. 378; 1963, c. 76, §§ 2, 3.

2. Death after eligibility for retirement. Should a member die any time after attaining eligibility for retirement under any of the provisions of this chapter but before any election in accordance with section 1126 becomes effective, the following benefits shall be payable:

A. Such amounts as may be due under an election of Option 4 of section 1126; otherwise

B. A retirement allowance equal to the reduced retirement allowance determined in accordance with Option 2 of section 1126 on the assumption that retirement of the member had taken place on the date of his death, which will be continued during the lifetime of the first of the following listed persons, if any, alive at the death of the member; designated beneficiary, wife, husband, mother, father. If the monthly amount of such retirement allowance is less than \$10, any such first listed person may, prior to the commencement of such retirement allowance payments, elect to receive, in lieu of such payments, a lump sum which is the actuarial equivalent at the date of death of the member of such retirement allowance payments. Any such first listed person, other than a designated beneficiary, may, prior to the commencement of such retirement allowance payments, elect to receive, in lieu of such payments, a lump sum equal to the accumulated contributions of the member; otherwise

C. The accumulated contributions of the member which will be paid to the estate of the member.

3. Election of designated beneficiary. Should a member die any time after attaining eligibility for retirement under any of the provisions of this chapter, but before any election in accordance with section 1126 becomes effective, the designated beneficiary if a spouse, child or children, mother or father may elect to receive either the benefits provided under subsection 1 or those

provided under subsection 2, paragraph A or B but not both. (1957, c. 367, § 5.)

R.S.1954, c. 64; 1955, c. 417, § 1; 1957, c. 367, §§ 4, 5; c. 422, § 3; c. 429, § 60; 1961, c. 45, §§ 1-3; c. 378; 1963, c. 76, §§ 2, 3.

§ 1125. Accidental death benefits

1. Firemen, policemen and State Police who are members.

If a member of the retirement system who is a member of a fire or police department or a member of the State Police shall die as the result of injury received in line of duty, his widow, or, if none, his child or children under age 18, jointly, shall receive an annual sum equal $\frac{1}{2}$ the average final compensation of such member at time of his death. In addition to the foregoing payments the amount of his contributions together with such interest thereon, not less than $\frac{3}{4}$ of 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 and filed with the board, otherwise to his estate.

2. State Police who are not members. If a member of the State Police who is not a member of the retirement system shall die as the result of injury received in line of duty, his widow, or, if none, his child or children under age 18, jointly, shall receive an annual sum equal to $\frac{1}{2}$ the annual salary of such officer at the time of his death; such payments shall be made from the appropriation of the State Police.

3. Termination of payment. Each annual sum provided for in subsections 1 and 2 shall be paid to the widow until she dies or remarries and to a child or children until they die or reach the age of 18 years. If the widow dies without remarrying and leaves a child or children, the payment shall continue until such child or children die or reach the age of 18 years.

4. Benefits in lieu of section 1124. The benefits provided under this section shall be in lieu of any benefits otherwise payable under section 1124.

R.S.1954, c. 64; 1955, c. 417, § 1.

§ 1126. Payment of retirement allowances

All retirement allowances shall be payable for life in equal monthly installments including any fraction of a month up to the date of death. Upon attainment of eligibility for retirement

the member may at any time within 30 days from the date he elects to make his benefits effective, if the written application is in the possession of the board of trustees on or before said effective date, or, at any time within 30 days of the actual receipt by the board of trustees of the written request for benefits, change his selection of option to retirement allowance, from retirement allowance to an option or from one of the options to another. After 30 days have expired from the applicable effective date, or after the first payment has been made, whichever is earlier, there may be no change in the selection.

Option 1. A reduced retirement allowance payable during his life, with the provision that at his death the excess, if any, of his accumulated contributions at the time of his retirement over the portion of the total retirement allowance payments, actually made to him during his lifetime, which is the actuarial equivalent of such accumulated contributions, shall be paid in a lump sum to such person, if any, as he has nominated by written designation duly acknowledged and filed with the board of trustees, otherwise to his estate. No contributions deducted from the compensation of a teacher prior to July 1, 1947 or required of a teacher for service credit prior thereto shall be included in such accumulated contributions; or

Option 2. A reduced retirement allowance payable during his life, with the provision that it shall continue after his death for the life of the beneficiary nominated by him by written designation duly acknowledged and filed with the board of trustees at the time of retirement should such beneficiary survive him; or

Option 3. A reduced retirement allowance payable during his life, with the provision that it shall continue after his death at $\frac{1}{2}$ of the rate paid to him and be paid for the life of the beneficiary nominated by him by written designation duly acknowledged and filed with the board of trustees at the time of retirement should such beneficiary survive him; or

Option 4. A reduced retirement allowance payable during his life with some other benefit payable after his death, provided the total value of the allowance during his life and of the succeeding benefit shall be computed to be of equivalent actuarial value to the allowance which he would receive without optional modifications, and provided the benefit shall be approved by the board of trustees.

R.S.1954, c. 64; 1955, c. 417, § 1; 1961, c. 45, § 4.

§ 1127. Benefits to employees retired prior to date of establishment

All benefits payable to former employees retired under the public laws of 1933, chapter 1, sections 227 to 233, as they existed immediately prior to July 1, 1942 shall be continued and paid hereafter from the Retirement Allowance Fund at the full amounts stipulated under said sections prior to such effective date. Any additional amounts required to continue such benefits shall be provided by an increase in the accrued liability contribution otherwise payable to the Retirement Allowance Fund.

R.S.1954, c. 64; 1955, c. 417, § 1.

SUBCHAPTER VI

GROUP LIFE INSURANCE

Sec.

1151. Group life insurance for state employees and teachers.

1152. Administration.

1153. Participating local districts.

§ 1151. Group life insurance for state employees and teachers

Group life insurance shall be made available to state employees and teachers, subject to the following provisions:

1. Eligibility. Except as provided herein, each appointive officer or employee of the State of Maine, or teacher, who is eligible for membership in the Maine State Retirement System, or each member of the State Police who is a member of the State Police Retirement System, including those members of that system who have retired since September 5, 1955 and are living on March 18, 1957, shall at such time and under the conditions of eligibility as the board of trustees may by regulation prescribe, come within the purview of this section. Notwithstanding anything to the contrary, the amount of group life insurance for said retired members of the State Police Retirement System shall be as set forth in Table A and shall be based upon the gross salary of each member at date of his retirement and shall reduce at the rate of 15% per year from date of retirement as provided in subsection 9, paragraph A. Such regulations may provide for the exclusion of employees on the basis of nature and type of employ-

ment or conditions pertaining thereto, such as, but not limited to, emergency, temporary or project employment and employment of like nature; which regulation shall be issued only after consultation with the appointing authority concerned, provided no employee or group of employees shall be excluded solely on the basis of the hazardous nature of employment.

1957, c. 38; c. 429, § 64.

2. Amount. Each eligible state employee or teacher to whom this section applies shall be eligible to be insured for an amount of group life insurance approximating his annual compensation and an equal amount of group accidental death and dismemberment insurance in accordance with the following schedule. The board of trustees may, upon recommendation of the advisory council, permit eligible state employees or teachers to purchase up to double the amounts shown in Table A; provided that any additional life insurance coverage authorized shall be in force only during the active service of the state employee or teacher and upon retirement the maximum coverage shall be in accordance with Table A and subject to subsection 9, paragraph A. The board of trustees in consultation with the Advisory Council on Group Insurance shall by regulation prescribe the conditions of eligibility for this additional insurance.

TABLE A

If annual compensation is		Group Life Insurance	Group Accidental Death and Dismemberment Insurance
Greater than	but not greater than	The maximum amount of group life insurance shall be	The maximum amount of group accidental death and dismemberment insurance shall be
0	\$1,000	\$1,000	\$1,000
\$1,000	2,000	2,000	2,000
2,000	3,000	3,000	3,000
3,000	4,000	4,000	4,000
4,000	5,000	5,000	5,000
5,000	6,000	6,000	6,000
6,000	7,000	7,000	7,000
7,000	8,000	8,000	8,000
8,000	9,000	9,000	9,000
9,000	—	10,000	10,000

Subject to the conditions and limitations of the policy purchased by the board of trustees under this section, the group accidental death and dismemberment insurance shall provide payments as follows:

TABLE B

Loss	Amount Payable
Loss of life from natural causes.	The full amount shown in the column of Table A entitled "Group Life Insurance."
Loss of life by accident.	The full amount shown in the column of Table A entitled "Group Life Insurance" plus the amount shown in the column entitled "Group Accidental Death and Dismemberment Insurance."
Loss of one hand or one foot or sight of one eye.	One-half the amount shown in the column of Table A entitled "Group Accidental Death and Dismemberment Insurance."
Loss of 2 or more limbs or loss of sight of both eyes or loss of one limb and loss of sight of one eye.	The full amount shown in the column of Table A entitled "Group Accidental Death and Dismemberment Insurance."

For any one accident, the aggregate amount of group accidental death and dismemberment insurance that may be paid shall not exceed the amount shown in Table A.

1961, c. 373, § 1.

3. Payments on death. Any amount of group life insurance and group accidental death insurance in force on any employee at the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

First, to the beneficiary or beneficiaries as the employee may have designated by a writing received in the employing office prior to death;

Second, if there be no such beneficiary to the widow or widower of such employee;

Third, if none of the above, to the child or children of such employee and descendants of deceased children by representation;

Fourth, if none of the above, to the parents of such employee or the survivor of them;

Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such employee;

Sixth, if none of the above, to other next of kin of such employee entitled under the laws of domicile of such employee at the time of his death.

4. Employee automatically insured; procedure if desire not to be insured. All employees eligible under the terms of this section will be automatically insured for the maximum amounts ap-

plicable thereunder, commencing on the date they first become so eligible. Any employee desiring not to be insured shall, on appropriate form, give written notice to his employing officer that he desires not to be insured. If such notice is received before the employee shall have become insured under such policy, he shall not be so insured; if it is received after he shall have become insured, his insurance under the policy will cease, effective with the end of the pay period during which the notice is received by the employing office. Any person who desires not to be insured may subsequently apply for insurance, but may be required to produce evidence of insurability at his own expense and in accordance with the requirements of the board of trustees.

5. Change in coverage. An employee insured under this policy shall be automatically covered for any change in such maximum due to a change in annual compensation. Such change in coverage shall coincide with the effective date of the change in annual compensation rate.

6. Payroll deduction. During any period in which an employee or teacher is insured under a policy of insurance in conformity with this section, there shall be withheld by payroll deduction or deductions as his share of the cost of his group life and accidental death and dismemberment insurance, an amount determined by the board of trustees, but not to exceed 65¢ per month for each \$1,000 of such insurance. Any employee who is paid on other than a 52-week a year basis shall have such amounts withheld as may be determined by the board of trustees and the participating insurance underwriters to be proper to guarantee insured status for a full year, but in no instance shall such deduction exceed \$7.80 per year for each \$1,000 of coverage. Anything to the contrary notwithstanding, the deduction for any additional insurance specified in subsection 2, shall be on a basis determined by the board of trustees, from time to time, to be actuarially sufficient to meet the increased liability.

1961, c. 373, § 2.

7. Group Life Insurance Fund. The State Controller shall open on the books of the State an account to be known as the "Group Life Insurance Fund." For each period in which an employee is insured under a policy of insurance purchased by the board, there shall be contributed from such fund a sum computed at a rate determined by the board to be sufficient to pay the balance of the premiums of such policy or policies purchased in conformity with this section. The income from any dividends or premium rate adjustments shall constitute a part of said fund.

There is appropriated from the Unappropriated Surplus of the General Fund the sum of \$50,000 to be a revolving fund for the use of the board in carrying out the purposes stipulated herein. Not later than 90 days after the close of each fiscal year there shall be transferred from Unappropriated Surplus an amount sufficient to restore the "Group Life Insurance Fund" to \$50,000. If and when the board determines that such fund has attained an amount estimated by it to be more than sufficient for the purposes for which established, any excess may be returned to the Unappropriated Surplus of the General Fund.

8. Purchase of policies. The board of trustees is authorized to purchase from one or more life insurance companies a policy or policies of group life and accidental death and dismemberment insurance to provide the benefits specified by this section. Such company or companies must be licensed under the laws of the State of Maine. The initial premium rate shall be the minimum rate permitted an insurance company authorized to do business in all states. The policy provisions shall be subject to and as provided for by the insurance laws of this State except as modified by this section.

9. Policy provisions. Each policy purchased under sections 1151 to 1153 shall contain a provision to the effect that any insurance thereunder on any employee shall cease upon his separation from the service subject to provisions which shall be contained in the policy for waiver of premiums in the event of total and permanent disability, and temporary extension of coverage and conversion to an individual policy of life insurance, except that if upon such date as the insurance would otherwise cease, the employee retires in accordance with this chapter, his life insurance only shall be continued without cost to him and in the amounts provided in paragraphs A and B:

A. On retirement for reasons other than occupational disability, the average amount of insurance in force for the last 5 years prior to retirement shall be continued in force at no cost to the state employee or teacher. Said average amount shall be reduced at the rate of 15% per year to a minimum of 25% of said average amount, and the maximum amount of insurance in force on a retired member after attaining age 70 shall be 25% of the average amount of insurance in force for the last 5 years prior to retirement.

In determining benefits under this section the 15% reductions shall become effective at 12:01 A. M. of the day following the first year anniversary of the date of retirement and

each succeeding retirement anniversary thereafter until the minimum has been reached.

The average amount of insurance for any employee who retires before he was eligible for 5 years of such coverage shall be determined by adding the amount of coverage he had in each year prior to retirement and dividing by the number of years he was eligible. If he was eligible for coverage less than one year prior to retirement, the amount of coverage shall be equal to the amount in force at the first day he became insured.

B. On retirement for occupational disability, the amount of insurance in force at the time of retirement shall be continued in force at no cost to the state employee or teacher until attainment of the age of 60, after which said amount shall be reduced at the rate of 15% per year to a minimum of 25% of said amount and the maximum amount of insurance in force after attaining age 70 shall be 25% of the amount in force at time of retirement.

10. Master policy and certificates. The insurance company shall furnish the usual master policy and certificates and shall arrange to have each employee insured under such policy or policies receive a certificate setting forth the benefits to which the employee is entitled thereunder, to whom such benefits shall be payable, to whom claims shall be submitted, and summarizing the provisions of the policy principally affecting the employee.

1955, c. 451; 1957, c. 38; c. 429, § 64; 1961, c. 373, §§ 1, 2.

§ 1152. Administration

1. Board of trustees; regulations. The board of trustees shall administer this group life insurance program and except as otherwise provided is authorized to promulgate and publish such regulations as may be necessary and proper to give effect to the intent, purposes and provisions of this section.

2. Advisory Council on Group Insurance. An Advisory Council on Group Insurance, as heretofore established, shall consist of 6 members, being the Insurance Commissioner, the deputy insurance commissioner and the Commissioner of Finance and Administration ex officio and the Maine Teachers Association, the Maine Municipal Association and the Maine State Employees Association shall each elect for a 2-year term one representative to serve on such advisory council. All members of the advisory council shall serve without compensation, but any expenses in-

curred in performance of their duties shall be reimbursed. The council shall meet once a year, or oftener, and shall review the operations of sections 1151 to 1153, and advise the board of trustees on matters of policy relating to the activities thereunder.

3. Selection of insurance company; consulting actuary.

The board of trustees, with the approval of the advisory council, shall select an insurance company as the result of competitive bidding. The board and the advisory council shall employ an independent actuary at a total cost not to exceed \$2,500 on a consulting basis who shall review the bids for the purpose of selecting the insurance carrier or insurance carriers.

4. Effective date. The insurance provided by sections 1151 to 1153 and the withholding and contributions for that purpose, shall become effective when directed by the board.

1955, c. 451.

§ 1153. Participating local districts

The employees of any county, city, town, water district, public library corporation or any other quasi-municipal corporation of the State, the civilian employees of the Maine National Guard or of Maine Municipal Association may participate in this group life insurance program to the full extent of any and all benefits provided for in this chapter, provided the county commissioners, or the city council or corresponding body of a city, or the voters of a town at a duly constituted town meeting, or the trustees of water districts or public library corporations or other quasi-municipal corporation, the Adjutant General or the active member municipalities of Maine Municipal Association through its executive committee, approve such participation and file with the board of trustees a duly certified copy of the resolution 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 approving such participation and the extent of the benefits which shall apply. Such county, city, town, water district, public library corporation or other quasi-municipal corporation, Maine National Guard or Maine Municipal Association approving the participation of its employees in this group life insurance program shall thereafter be known for the purposes of this chapter as a "participating local district." Such county, city, town, water districts or public library corporations or other quasi-municipal corporations, Maine

National Guard or Maine Municipal Association shall designate in their approval any class of employees who may be exempted from this chapter. Seventy-five percent of the eligible employees of each participating district shall be the minimum number permissible as a coverage group. The date when the participation of the employees of a participating local district may begin shall be set by the board of trustees not more than 6 months following the date the local district approved the participation of its employees.

Employees of a participating local district who are covered under the basic group life insurance plan shall also be eligible for the additional group life insurance coverage as provided for in section 1151 if the local district involved elects to adopt such benefits.

The chief fiscal officer of a participating local district shall submit to the board of trustees such information, and shall cause to be performed such duties, in respect to the employees of such local district as shall be prescribed by the board of trustees in order to carry out this chapter, and shall pay such pro rata cost of premiums and expenses as may be levied by the board of trustees.

1955, c. 451; 1961, c. 42, § 2; 1963, c. 76, § 4.

SUBCHAPTER VII

APPEALS

Sec.

1181. Procedure.

§ 1181. Procedure

Any person aggrieved by any decision or ruling of the board of trustees shall have the right of appeal from such decisions or ruling to the Superior Court in the County of Kennebec, within 30 days after notice of such decision or ruling. Any decision or ruling of the board of trustees issued under this section shall be delivered to the litigant within 3 months after the establishment of such a decision or ruling by the board. The appellant shall file a written notice of his appeal from said decision or ruling with the board of trustees and with the clerk of the said Superior Court. Certified copies of the ruling or decision, together with a copy of the appeal, shall be forwarded to the clerk of the said Su-

5 § 1181 ADMINISTRATIVE PROCEDURES

Title 5

perior Court. The Attorney General or the assistant designated by him shall appear for and in behalf of the board of trustees. The procedure in the said court shall be the same as that in appeal from decisions of the District Court.

R.S.1954, c. 64; 1955, c. 417, § 1; 1959, c. 317, § 33; 1963, c. 402, § 102.

CHAPTER 103

**SOCIAL SECURITY FOR STATE AND
MUNICIPAL EMPLOYEES**

Sec.

- 1221. Declaration of policy.
- 1222. Definitions.
- 1223. Federal-state agreement.
- 1224. Coverage of employees of political subdivisions.
- 1225. Contribution fund.
- 1226. Rules and regulations.
- 1227. Cost of administration.

§ 1221. Declaration of policy

In order to extend to employees of the political subdivisions of the State of Maine, and to the civilian employees of the Maine National Guard who are employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U.S.C., sec. 42), whether members of existing retirement or pension systems or not, the benefits of social security, provided under the Federal Social Security Act enacted by the Congress of the United States, it is declared to be the policy of the Legislature, subject to the limitations of this chapter, that such steps be taken as to provide such protection to such employees on as broad a basis as is permitted under the Social Security Act. This chapter shall apply to employees of Maine Maritime Academy who are members of an existing retirement or pension system. This chapter shall not apply to teachers and firemen who are under a state or local government pension or retirement plan, except teachers at the Maine Maritime Academy. For the purposes of bringing sheriffs and their deputies under social security, these law enforcement officers shall be deemed policemen.

R.S.1954, c. 65, § 1; 1957, c. 150, § 1; c. 288; c. 338; c. 429, § 65; 1961, c. 38; 1963, c. 322.

§ 1222. Definitions

For the purposes of this chapter:

1. Civilian employees of the Maine National Guard. The phrase "the civilian employees of the Maine National Guard who are employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U.S.C., Sec. 42)" means the civilian employees

of the Maine National Guard who are employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U.S.C., Sec. 42) and paid from funds allotted to the Maine National Guard by the Department of Defense and such employees shall, for the purpose of this chapter, be deemed to be employees of the State of Maine; provided that this chapter shall apply to the Maine National Guard, with respect to such employees, as if it constituted a "political subdivision" within the meaning of this section.

1957, c. 150, § 2.

2. Employee. The term "employee" includes an officer of a political subdivision of the State.

3. Employment. The term "employment" means any service performed by an employee in the employ of any political subdivision of the State, for such employer, except service which in the absence of an agreement entered into under this chapter would constitute "employment" as defined in the Social Security Act; or service which under the Social Security Act may not be included in an agreement between the State and the Federal Security Administrator entered into under this chapter. Employment in positions covered by any retirement system supported wholly or in part by the State or any of its subdivisions may not be included in such agreement.

4. Federal Insurance Contributions Act. The term "Federal Insurance Contributions Act" means subchapter A of chapter 9 of the Federal Internal Revenue Code as such code has been and may from time to time be amended.

5. Federal Security Administrator. The term "Federal Security Administrator" includes any individual to whom the Federal Security Administrator has delegated any of his functions under the Social Security Act with respect to coverage under such act of employees of states and their political subdivisions.

6. Political subdivision. The term "political subdivision" includes an instrumentality of the State of Maine, of one or more of its political subdivisions, the University of Maine, academies, water, sewer and school districts and associations of municipalities, or an instrumentality of the State and one or more of its political subdivisions, but only if such instrumentality is a juristic entity which is legally separate and distinct from the State or subdivision and only if its employees are not by virtue of their relation to such juristic entity employees of the State or subdivision.

7. Social Security Act. The term "Social Security Act" means the act of Congress approved August 14, 1935, chapter 531, 49 Stat. 620 officially cited as the "Social Security Act," including regulations and requirements issued pursuant thereto, as such act has been and may from time to time be amended.

8. State agency. The term "state agency" means the Maine State Retirement System.

9. Wages. The term "wages" means all remuneration for employment as defined, including the cash value of all remuneration paid in any medium other than cash, except that such term shall not include that part of such remuneration which, even if it were for "employment" within the meaning of the Federal Insurance Contributions Act, would not constitute "wages" within the meaning of that act.

R.S.1954, c. 65, § 2; 1957, c. 150, § 2.

§ 1223. Federal-state agreement

The state agency, with the approval of the Governor, is authorized to enter on behalf of the State into an agreement with the Federal Security Administrator, consistent with the terms and provisions of this chapter, for the purpose of extending the benefits of the Federal Old Age and Survivors Insurance System to employees of any political subdivision of the State and to the civilian employees of the Maine National Guard who are employed pursuant to section 90 of the National Defense Act of June 3, 1916 (32 U.S.C., Sec. 42), with respect to services specified in such agreement which constitute "employment" as defined in section 1222. Such agreement may contain such provisions relating to coverage, benefits, contributions, effective date, modification and termination of the agreement, administration and other appropriate provisions as the state agency and Federal Security Administrator shall agree upon, but, except as may be otherwise required by or under the Social Security Act as to the services to be covered, such agreement shall provide in effect that:

1. Benefits. Benefits shall be provided for employees whose services are covered by the agreement, and their dependents and survivors, on the same basis as though such services constituted employment within the meaning of Title II of the Social Security Act;

2. Contributions. The State shall pay to the Secretary of the Treasury, at such time or times as may be prescribed under the Social Security Act, contributions with respect to wages, as defined in section 1222, equal to the sum of the taxes which would

be imposed by sections 1400 and 1410 of the Federal Insurance Contributions Act if the services covered by the agreement constituted employment within the meaning of that act;

3. Effective date. Such agreement shall be effective with respect to services in employment covered by the agreement performed after a date specified therein, but in no event may it be effective with respect to any such services performed prior to the first day of January, 1951; and

4. Services covered. All services, which constitute employment as defined in section 1222, are performed in the employ of a political subdivision of the State, and are covered by a plan which is in conformity with the terms of the agreement and has been approved by the state agency under section 1225, shall be covered by the agreement.

R.S.1954, c. 65, § 3; 1957, c. 150, § 3.

§ 1224. Coverage of employees of political subdivisions

1. Plan. Each political subdivision of the State following the approval of the town meeting of a town or the governing body of a city, district or other instrumentality is authorized to submit for approval by the state agency a plan for extending the benefits of Title II of the Social Security Act, in conformity with applicable provisions of such act, to employees of such political subdivision. Each such plan and any amendment thereof shall be approved by the state agency if it finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the state agency, except that no such plan shall be approved unless:

A. It is in conformity with the requirements of the Social Security Act, and with the agreement entered into under section 1223;

B. It specifies the source or sources from which the funds necessary to make the payments required by subsection 3, paragraph A, and by subsection 4 are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

C. It provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration of the plan;

D. It provides that the political subdivision will make such reports, in such form and containing such information, as the

state agency may from time to time require, and comply with such provisions as the state agency or the Federal Security Administrator may from time to time find necessary to assure the correctness and verification of such reports; and

E. It authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been a failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency and may be consistent with the Social Security Act.

2. Hearing. The state agency shall not finally refuse to approve a plan submitted by a political subdivision under subsection 1 and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

3. Contributions.

A. Each political subdivision as to which a plan has been approved under this section shall pay into the Contribution Fund, with respect to wages, as defined in section 1222, at such time or times as the state agency may by regulation prescribe, contributions in the amounts and at the rate specified in the applicable agreement entered into by the state agency under section 1223.

B. Each political subdivision required to make payments under paragraph A is authorized, in consideration of the employee's retention in, or entry upon, employment after enactment of this chapter, to impose upon each of its employees, as to services which are covered by an approved plan, a contribution with respect to his wages, as defined in section 1222, not exceeding the amount of tax which would be imposed by section 1400 of the Federal Insurance Contributions Act if such services constituted employment within the meaning of that act, and to deduct the amount of such contribution from his wages as and when paid. Contributions so collected shall be paid into the Contribution Fund in partial discharge of the liability of such political subdivision or instrumentality under paragraph A. Failure to deduct such contribution shall not relieve the employee or employer of liability therefor.

4. Delinquent payments. Delinquent payments due under subsection 3, paragraph A, may, with interest at the rate of 6% per year, be recovered by action in a court of competent juris-

diction against the political subdivision liable therefor or may, at the request of the state agency, be deducted from any other moneys payable to such subdivision by any department or agency of the State.

R.S.1954, c. 65, § 4.

§ 1225. Contribution fund

The "Contribution Fund", as heretofore established, shall consist of and there shall be deposited in such fund: All contributions, interest and penalties collected under section 1224; all moneys appropriated thereto under this chapter; any property or securities and earnings thereof acquired through the use of moneys belonging to the fund; interest earned upon any moneys in the fund; and all sums recovered upon the bond of the custodian or otherwise for losses sustained by the fund and all other moneys received for the fund from any other source. All moneys in the fund shall be mingled and undivided. Subject to this chapter, the state agency is vested with full power, authority and jurisdiction over the fund, including all moneys and property or securities belonging thereto, and may perform any and all acts whether or not specifically designated, which are necessary to the administration thereof and are consistent with this chapter.

The Contribution Fund shall be established and held separate and apart from any other funds or moneys of the State and shall be used and administered exclusively for the purpose of this chapter. Withdrawals from such fund shall be made for, and solely for, payment of amounts required to be paid to the Secretary of the Treasury pursuant to an agreement entered into under section 1223; and refunds of overpayments, not otherwise adjustable, made by a political subdivision or instrumentality.

From the Contribution Fund the custodian of the fund shall pay to the Secretary of the Treasury such amounts and at such time or times as may be directed by the state agency in accordance with any agreement entered into under section 1223 and the Social Security Act.

The Treasurer of State shall be ex officio treasurer and custodian of the Contribution Fund and shall administer such fund in accordance with this chapter and the directions of the state agency and shall pay all warrants drawn upon it in accordance with this section and with such regulations as the state agency may prescribe pursuant thereto.

There are authorized to be appropriated biannually to the Contribution Fund, in addition to the contributions collected and

paid into the Contribution Fund under section 1224, to be available for the purposes of the 2nd and 3rd paragraphs of this section until expended, such additional sums as are found to be necessary in order to make the payments to the Secretary of the Treasury which the State is obligated to make pursuant to an agreement entered into under section 1223.

The state agency shall submit to each regular session of the Legislature, at least 90 days in advance of the beginning of each session, an estimate of the amounts authorized to be appropriated to the Contribution Fund by the preceding paragraph of this section for the next appropriation period.

R.S.1954, c. 65, § 5.

§ 1226. Rules and regulations

The state agency shall make and publish such rules and regulations, not inconsistent with this chapter, as it finds necessary or appropriate to the efficient administration of the functions with which it is charged under this chapter.

R.S.1954, c. 65, § 6.

§ 1227. Cost of administration

Any cost of administering this chapter may be prorated among the political subdivisions joining this plan. A revolving fund of \$10,000 is appropriated from the Unappropriated Surplus of the General Fund of the State from which costs of administration shall be paid and to which shall be credited the amounts billed to and received from the political subdivisions in the plan.

R.S.1954, c. 65, § 7.

**PART 4
FINANCE**

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**CHAPTER 141
GENERAL PROVISIONS**

- Sec.**
- 1501. Uniform fiscal year.
 - 1502. Federal funds.
 - 1503. Allocations from the Construction Reserve Fund; balance.
 - 1504. Charging off accounts due State.
 - 1505. Petty Cash Funds.
 - 1506. Return of working capital advances.
 - 1507. Contingent account.
 - 1508. State funds eliminated.

§ 1501. Uniform fiscal year

The fiscal year of the State Government shall commence on the first day of July and end on the 30th day of June each year. The fiscal year shall be followed in making appropriations and in financial reporting, and shall be uniformly adopted by all departments and agencies of the State Government.

R.S.1954, c. 16, § 5; 1957, c. 340, § 1.

§ 1502. Federal funds

The Governor and every state officer and department head who shall be intrusted with the expenditure of federal funds in this State shall file in the office of the State Controller a detailed

report of all disbursements, including the purposes for which such disbursements were made and the persons to whom any money was paid, supported by proper vouchers, said report to be filed within 30 days after the entire fund has been disbursed.

Any state officer excepting the Governor, whether elected or appointed, and any department head who shall fail or neglect to file such report as provided shall be subject to removal from office by authority of the Governor, and if the Governor of the State shall fail or neglect to file such report, he shall be subject to impeachment in the manner provided in the Constitution of Maine, Article IX, section 5.

R.S.1954, c. 16, § 34; 1957, c. 340, § 1.

§ 1503. Allocations from the Construction Reserve Fund; balance

Funds appropriated by the Legislature to the Construction Reserve Fund may be allocated by the Governor, with the advice and consent of the Council, for construction, repairs, equipment, supplies and furnishings, whenever:

1. Legislative recommendations. The Legislature makes specific recommendations for the use of funds appropriated to the Construction Reserve Fund;

2. Increased costs. An increase in construction or equipment costs results in a project cost in excess of the amount appropriated therefor by the Legislature;

3. Plan changes. A condition arises during the course of a project which necessitates a change in plans, specifications or equipment resulting in a project cost in excess of funds previously made available therefor;

4. Acquiring real estate. It appears to be in the best interests of the State to acquire real estate or to have estimates, plans or specifications prepared for a project in advance of the date on which funds may be made available therefor by the Legislature, except that with respect to allocations from the Construction Reserve Fund, no allocations shall be made for the purpose of acquiring real estate in any municipality until such time as the acquisition has been approved by the governing body of that municipality;

5. Construction in best interests of State. It appears to be necessary and in the best interests of the State to proceed with the construction of, or the purchase of equipment for, a project

for which funds were not otherwise made available by the Legislature.

Any allocation of funds made by the Governor and Council under this section shall constitute a continuous carrying account for the purposes designated by the Governor and Council. The State Controller is authorized to carry forward all such allocations to the succeeding fiscal year, provided work shall have begun by the letting of a contract or contracts or by actually starting the work during the year in which the allocation was made. Any balance remaining after the completion of the object of the allocation shall revert to the Construction Reserve Fund.

Any balance in the Construction Reserve Fund shall not lapse but shall be carried forward from year to year to be expended for the purposes set forth in this section.

1957, c. 429, § 14; 1959, c. 58.

§ 1504. Charging off accounts due State

The State Controller shall charge off the books of account of the State or any department, institution or agency thereof, such accounts receivable, including all taxes for the assessment or collection of which the State is responsible, and all impounded bank accounts, as shall be certified to him as impractical of realization by or for said State, department, institution or agency. Such certification shall be by the Attorney General, the Commissioner of Finance and Administration and the Treasurer of State, subject to the approval of the Governor and Council. In each such case, the charging off of such accounts shall be recommended by the head of the department, institution or agency originally responsible for such account.

R.S.1954, c. 16, § 32; 1957, c. 340, § 1.

§ 1505. Petty Cash Funds

A Petty Cash Fund shall be allowed by the Commissioner of Finance and Administration to each state department or agency, which shall in his opinion require such a fund. Said fund so established shall be reimbursed only upon statements and bills audited by the State Controller.

R.S.1954, c. 16, § 19; 1957, c. 340, § 1.

§ 1506. Return of working capital advances

Whenever a working capital advance, or any part thereof, is no longer required for the purpose for which it was made, such

amount shall be returned to the state fund from which the advance was made. Such return shall be made only on the recommendation of the department or agency head having jurisdiction over the advance and with the approval of the Commissioner of Finance and Administration and the Governor and Council.

1957, c. 340, § 1.

§ 1507. Contingent account

The Governor, with the advice and consent of the Council, may allocate from the State Contingent Account amounts not to exceed in total the sum of \$450,000 in any fiscal year. Such allocations may be made to meet any expense necessarily incurred under any requirement of law, or for the maintenance of government within the scope existing at the time of the previous session of the Legislature or contemplated by laws enacted thereat, or to pay bills arising out of some emergency requiring an expenditure of money not provided by the Legislature. The Governor and Council shall determine the necessity for such allocations. All such allocations shall be supported by a statement of facts setting forth the necessity for the allocations. At the close of each fiscal year there shall be transferred from the Unappropriated Surplus of the General Fund an amount sufficient to restore the State Contingent Account to \$450,000.

The State Controller shall include in his official annual financial report at the close of each fiscal year, a statement showing all transfers made from the State Contingent Account for the fiscal period.

R.S.1954, c. 16, §§ 26, 27; 1957, c. 340, § 1.

§ 1508. State funds eliminated

Unless the Legislature shall otherwise direct, the Commissioner of Finance and Administration, with the approval of the Governor and Council, shall have authority to discontinue any or all special expendable state funds with the exception of the sinking funds and trust funds, and to merge the balance or balances of such fund or funds so discontinued with the General Fund.

R.S.1954, c. 16, § 24; 1957, c. 340, § 1.

CHAPTER 143
ACCOUNTS AND CONTROL

Sec.

- 1541. Powers and duties relating to accounting.
- 1542. Signature of outgoing Controller valid.
- 1543. Disbursements; exceptions.
- 1544. Unappropriated Surplus; report; purchase of real estate adjacent to State House.
- 1545. Reproduction of certain documents authorized.
- 1546. Records open to public inspection.
- 1547. Annual financial report.
- 1548. Claims and accounts against State or municipalities must be verified.

§ 1541. Powers and duties relating to accounting

The Department of Finance and Administration, through the Bureau of Accounts and Control, shall have authority:

1. Official system of general accounts. To maintain an official system of general accounts, unless otherwise provided by law, embracing all the financial transactions of the State Government;

2. Approve contracts and orders. To examine and approve all contracts, orders and other documents, the purpose of which is to incur financial obligations against the State Government, to ascertain that moneys have been duly appropriated and allotted to meet such obligations and will be available when such obligations will become due and payable;

3. Audit. To audit and approve all bills, invoices, accounts, payrolls and all other evidences of claims, demands or charges against the State Government; and to determine the regularity, legality and correctness of such claims, demands or charges;

4. Inspect materials and labor. To inquire into and cause an inspection to be made of articles and materials furnished, or work and labor performed, for the purpose of ascertaining that the prices, quality and amount of such articles or materials are fair, just and reasonable, and that all the requirements expressed or implied pertaining thereto have been complied with, and to reject or disallow any excess;

5. Reports. To make monthly reports on all receipts and expenditures of the State Government to the Governor and the

State Auditor; to make monthly reports on appropriations, allotments, encumbrances and authorized payments to the Governor, to the State Auditor and to the head of the department or agency directly concerned;

6. Forms. To prescribe the forms of receipts, vouchers, bills or claims to be filed by any and all departments and agencies with the Department of Finance and Administration;

7. Subsidiary accounts. To prescribe such subsidiary accounts, including cost accounts, for the various departments and agencies as may be desired for the purposes of administration, supervision and financial control;

8. Examine accounts. To examine the accounts of every department or agency receiving appropriations from the State;

9. Illegality of expenditures. To report to the Attorney General for such action, civil or criminal, as he may deem necessary, all facts showing illegality in the expenditure of public moneys or the misappropriation of public properties;

10. Other rights, powers and duties. To exercise the rights, powers and duties conferred and imposed by law upon the State Auditor which were effective November 9, 1931 insofar as these relate to financial administration and general accounting control of the State Government, involving the keeping of general accounts, the auditing before payment of all bills or vouchers and the authorizing of all claims against the State for which appropriations have been made. The State Controller shall set up and maintain special accounts with respect to moneys received for designated purposes from the Federal Government. (1961, c. 101, § 5.)

R.S.1954, c. 16, § 16; 1957, c. 340, § 1; 1961, c. 101, § 5.

§ 1542. Signature of outgoing Controller valid

The facsimile signature of the State Controller who is leaving office shall be valid until new signature plates for the signing of checks have been obtained for his successor.

R.S.1954, c. 16, § 17; 1957, c. 340, § 1.

§ 1543. Disbursements; exceptions

No money shall be drawn from the State Treasury except in accordance with appropriations duly authorized by law. Every

disbursement from the treasury shall be upon the authorization of the State Controller and the Treasurer of State, as evidenced by their facsimile signatures, which authorization shall be in the form of a warrant drawn in favor of the payee, and said warrant shall, upon being delivered by the Treasurer of State to the payee, become a check against a designated bank or trust company acting as a depository of the State Government.

Notwithstanding the foregoing paragraph, the Chairman of the Maine Employment Security Commission is authorized to prepare and sign warrants for the payment of benefits to eligible unemployed persons, which warrants shall, upon being countersigned by the remaining 2 members of the commission and delivered to the payee, become a check against a designated bank or trust company acting as a depository of the State Government. The authority of the chairman to prepare and sign such warrants is limited solely to the payment of benefits to eligible unemployed persons. The facsimile signatures of the chairman of the commission and the remaining 2 members of the commission who are leaving office shall be valid until new signature plates for the signatures authorized have been obtained for their successors.

R.S.1954, c. 16, § 29; 1955, c. 312, § 1; 1957, c. 340, § 1; c. 429, § 9; 1961, c. 83.

§ 1544. Unappropriated Surplus; report; purchase of real estate adjacent to State House

The State Controller shall maintain on the books of the State an account to be known as "Unappropriated Surplus." The balances of all revenue and appropriation accounts not otherwise provided for by law, together with any other necessary adjustments of balances previously closed to the Unappropriated Surplus Account, shall be closed to this account at the end of each fiscal year. Any amounts authorized for allocation by the Governor and Council or representing permanent working capital advances shall be removed from Unappropriated Surplus and set up in separate accounts so that the balance of the Unappropriated Surplus Account shall be the amount of free and unencumbered surplus according to generally accepted accounting principles.

The State Controller shall include in his official annual financial report a statement of the Unappropriated Surplus Account reflecting all changes in this account during the fiscal year and the balance of this account at the close of the fiscal period.

The Governor and Council may allocate from the Unappropriated Surplus amounts not to exceed \$700,000 for the purchase of real estate in accordance with Title 1, section 814.

R.S.1954, c. 16, §§ 25, 27; 1957, c. 340, § 1; c. 429, § 10; 1961, c. 381.

§ 1545. **Reproduction of certain documents authorized**

The State Controller is authorized to cause to be made, at the expense of the State, by any photostatic, photographic, microfilm or other mechanical process which produces a clear, accurate and permanent copy or reproduction thereof, copies of any part or all of the state cancelled checks, vouchers and other documents on file in the Bureau of Accounts and Control.

R.S.1954, c. 16, § 20; 1957, c. 340, § 1.

§ 1546. **Records open to public inspection**

The books, accounts, vouchers, affidavits and other records and papers in the office of the State Controller relating to the public business shall be open for inspection to the citizens of this State at all reasonable times and for all proper purposes.

R.S.1954, c. 16, § 18; 1957, c. 340, § 1.

§ 1547. **Annual financial report**

The State Controller shall prepare as soon as possible after the close of each fiscal year an explanatory report in pamphlet form of the financial condition of the State together with such supporting figures for such fiscal year as may be necessary to furnish a comprehensive and concise report. This report shall be the official annual financial report of the State Government.

The State Controller shall publish a condensed summary of such report on or before September 5th of each year in all daily newspapers and in all weekly newspapers published in the State which are entered as second-class matter with the United States Post-Office Department and which are published regularly at least 52 times a year. Monthly newspapers may be used for this purpose on authorization of the Governor and Council. Such condensed summary shall not require newspaper space in excess of a 6-column page or its equivalent. Such condensed summary may be published in the English language in a foreign language newspaper.

R.S.1954, c. 16, § 33; 1955, c. 398; 1957, c. 340, § 1; c. 429, § 11.

§ 1548. Claims and accounts against State or municipalities must be verified

A person, presenting an account or claim against any town, village, corporation, city, county or the State for services rendered, articles furnished or expenses incurred, shall cause said account or claim to be verified by oath, if required by any person whose duty it is to audit the same. If said claimant refuses so to verify, his claim shall be rejected.

R.S.1954, c. 119, § 11.

CHAPTER 145

APPROPRIATIONS

Sec.

- 1581. Form of appropriation bill.
- 1582. Handling appropriations.
- 1583. Exceeding appropriations prohibited.
- 1584. Construction and improvement appropriations carried over.
- 1585. Transfer of unexpended appropriations.
- 1586. Transfer of funds generally.

§ 1581. Form of appropriation bill

The general fund appropriation bill provided for in section 1664 shall be drawn so as to authorize the appropriation to be made to each department or agency of the State Government for each fiscal year of the biennium. Such appropriation shall provide specific amounts for personal services, capital expenditures and amounts for all other departmental expenses. Appropriations for the acquisition of property shall be in such detail under each department or agency as the Governor-elect or the Governor shall determine. Such appropriations shall not be segregated in greater detail than the major classes or projects for which they are expendable during each fiscal year of the biennium.

R.S.1954, c. 16, § 13; 1955, c. 130, § 1; 1957, c. 340, § 1; 1959, c. 33, § 9.

§ 1582. Handling appropriations

No appropriations to any state department or agency shall become available for expenditure until allotted upon the basis of the work program duly approved by the Governor and Council as provided.

R.S.1954, c. 16, § 19; 1957, c. 340, § 1.

§ 1583. Exceeding appropriations prohibited

No agent or officer of the State or any department or agency thereof, whose duty it is to expend money under an appropriation by the Legislature, shall contract any obligation on behalf of the State in excess of the appropriation. Whoever exceeds in his expenditure said appropriation shall not have any claim for reimbursement.

Any such agent or officer who shall violate this section shall be guilty of a misdemeanor and, upon conviction, be fined a sum

equal to such excess of appropriation by him expended, and imprisoned for no longer than 11 months in the discretion of the court. All prosecutions under this section shall be by indictment and the fines inure to the State.

R.S.1954, c. 16, § 28; 1957, c. 340, § 1.

§ 1584. Construction and improvement appropriations carried over

All appropriations by the Legislature for the construction of buildings, structures, highways and bridges shall constitute continuous carrying accounts for the purposes designated by the Legislature in such appropriations. The State Controller is authorized to carry forward all such appropriations to the succeeding fiscal year, provided the construction shall have been begun by the letting of a contract or contracts or by actually starting the work during the year for which the appropriations were made. Any balance remaining after the completion of the object of the appropriations shall revert to the General Fund in the State Treasury or to the fund from which it was apportioned under existing provisions of law.

R.S.1954, c. 16, § 23; 1957, c. 340, § 1.

§ 1585. Transfer of unexpended appropriations

Any balance of any appropriation or subdivision of an appropriation made by the Legislature for any state department or agency, which at any time may not be required for the purposes named in such appropriation or subdivision, may, upon the recommendation of the department or agency head concerned and the State Budget Officer, be transferred by the Governor and Council, at any time prior to the closing of the books, to any other appropriation or subdivision of an appropriation made by the Legislature for the use of the same department or agency for the same fiscal year.

R.S.1954, c. 16, § 22; 1957, c. 340, § 1.

§ 1586. Transfer of funds generally

Whenever the Governor and Council shall find that the State or any of its departments, divisions or bureaus is incurring expense and using funds of the State in connection with the carrying on of the work of any board or commission which collects fees from the persons so supervised and licensed, including sala-

ries, travel and the expense of office equipment and supplies, they are authorized and empowered to transfer from any funds now or hereafter held by any such board or commission, such sums of money as shall reimburse the State or any department or bureau thereof for such expense so incurred, including a reasonable charge for office space, light and heat. Such sums so transferred shall be added to and become a part of the funds of the department, bureau or division incurring such expense.

R.S.1954, c. 78, § 2.

CHAPTER 147

AUDITING

Sec.

1621. Authorization of audit.

§ 1621. Authorization of audit

Whenever it seems advisable to the Governor and Council, they may cause the books and accounts of the State or any department or agency thereof to be audited, and for that purpose may employ auditors other than those employed by the State Department of Audit. In any event, the Governor and Council shall cause an audit of the books of the State to be made at least once in every 4 years by auditors other than those employed by the State Department of Audit.

R.S.1954, c. 11, § 17.

CHAPTER 149

BUDGET

Sec.

- 1661. Definition.
- 1662. Powers and duties.
- 1663. Scope of budget.
- 1664. Form of budget document.
- 1665. Budget estimates.
- 1666. Review and revision of estimates.
- 1667. Work program and allotments.

§ 1661. Definition

The words "Governor-elect," whenever used in chapters 145 and 149, shall be held to mean the candidate most recently elected to the office of Governor of the State of Maine in the November election for choice of Governor, or his successor.

1957, c. 340; § 1; 1959, c. 33, § 3.

§ 1662. Powers and duties

The Department of Finance and Administration, through the Bureau of the Budget, shall have the duty and authority:

1. State budget document. To prepare and submit to the Governor-elect, or the Governor, biennially, a state budget document in accordance with chapters 141 to 155;

1959, c. 33, § 4.

2. Work program and allotments. To examine and recommend for approval the work program and quarterly allotments of each department and agency of the State Government, before the appropriations or other funds of such department or agency shall become available for expenditure;

1961, c. 101, § 1.

3. Changes. To examine and recommend for approval any changes in the work program and quarterly allotments of any department or agency of the State Government during the fiscal year;

4. Review, plans and report. To constantly review the administrative activities of other departments and agencies of the State, study organization and administration, investigate duplication of work and to formulate plans for better and more effi-

cient management, and report periodically to the Governor and on request to the Legislature;

1959, c. 33, § 4.

5. Rules and regulations. To make rules and regulations, subject to the approval of the Commissioner of Finance and Administration, for the carrying out of chapters 145 and 149.

R.S.1954, c. 16, § 7; 1957, c. 340, § 1; 1959, c. 33, § 4; 1961, c. 101, § 1.

§ 1663. Scope of budget

The budget of the State Government shall present a complete financial plan for each fiscal year of the ensuing biennium. It shall set forth all proposed expenditures for the administration, operation and maintenance of the departments and agencies of the State Government; all interest and debt redemption charges during each fiscal year and all expenditures for capital projects to be undertaken and executed during each fiscal year of the biennium. In addition thereto, the state budget shall set forth the anticipated revenues of the State Government and any other additional means of financing expenditures proposed for each fiscal year of the biennium.

R.S.1954, c. 16, § 8; 1957, c. 340, § 1.

§ 1664. Form of budget document

The state budget document, setting forth a financial plan for the State Government for each fiscal year of the ensuing biennium, shall be set up in 3 parts, the nature and contents of which shall be as follows:

Part 1 shall consist of a budget message by the Governor-elect, or the Governor, which shall outline the financial policy of the State Government for the ensuing biennium, describing in connection therewith the important features of the financial plan. It shall embrace a general budget summary setting forth the aggregate figures of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated revenues together with the other means of financing the budget for each fiscal year of the ensuing biennium, contrasted with the corresponding figures for the last completed fiscal year and the fiscal year in progress. The general budget summary shall be supported by explanatory schedules or statements, classifying the expenditures contained therein by organi-

zation units, objects and funds, and the income by organization units, sources and funds.

Part 2 shall embrace the detailed budget estimates both of expenditures and revenues as provided. It shall include statements of the bonded indebtedness of the State Government showing the debt redemption requirements, the debt authorized and unissued and the condition of the sinking funds. It shall contain any statements relative to the financial plan which the Governor-elect, or the Governor, may deem desirable, or which may be required by the Legislature.

Part 3 shall embrace complete drafts or summaries of the budget bills, that is, the legislative measures required to give legal sanction to the financial plan when adopted by the Legislature. These bills shall include an appropriation bill, authorizing by departments and agencies, and by funds, all expenditures of the State Government for each fiscal year of the ensuing biennium, and such other bills as may be required to provide the income necessary to finance the budget.

R.S.1954, c. 16, § 9; 1957, c. 340, § 1; 1959, c. 33, §§ 5, 6.

§ 1665. Budget estimates

On or before September 1st of the even-numbered years, all departments and other agencies of the State Government and corporations and associations receiving or desiring to receive state funds under the provisions of law shall prepare, in the manner prescribed by and on blanks furnished them by the State Budget Officer, and submit to said officer estimates of their expenditure and appropriation requirements for each fiscal year of the ensuing biennium contrasted with the corresponding figures of the last completed fiscal year and the estimated figures for the current fiscal year. The expenditure estimates shall be classified to set forth the data by funds, organization units, character and objects of expenditure. The organization units may be sub-classified by functions and activities, or in any other manner, at the discretion of the State Budget Officer.

Tentative revenue estimates prepared by the State Budget Officer during the month of September of the even-numbered years shall be revised by this officer during the following November for inclusion in the budget. The revenue estimates shall be classified so as to show the income by organization units, sources and funds, or in any other manner, at the discretion of the State Budget Officer.

Upon receipt of the budget estimates submitted in accordance with this section, the State Budget Officer may require the heads of departments and other agencies of the State Government and officers of organizations and associations receiving or desiring to receive state funds under the provisions of law to appear before said officer and present such additional data in support of their budget estimates as said officer may deem necessary.

R.S.1954, c. 16, § 10; 1957, c. 340, § 1; 1959, c. 33, § 7; 1961, c. 101, § 2; 1963, c. 237.

§ 1666. Review and revision of estimates

The Governor-elect or the Governor, with the assistance of the State Budget Officer, shall review the budget estimates, altering, revising, increasing or decreasing the items of said estimates as may be deemed necessary in view of the needs of the various departments and agencies and the total anticipated income of the State Government during the ensuing biennium. The State Budget Officer, at the direction of the Governor-elect or the Governor shall then prepare a state budget document in the form required by law. The Governor-elect or the Governor shall be fully responsible for all budgetary recommendations made to the Legislature. The Governor shall transmit said budget document to the Legislature not later than the close of the 2nd week of the regular legislative session.

R.S.1954, c. 16, § 11; 1957, c. 340, § 1; 1959, c. 33, § 8.

§ 1667. Work program and allotments

Not later than June 1st of each year, the Governor shall require the head of each department and agency of the State Government to submit to the Bureau of the Budget a work program for the ensuing fiscal year. Such work program shall include all appropriations, revenues, transfers and other funds, made available to said department or agency for its operation and maintenance and for the acquisition of property, and it shall show the requested allotments of said sums by quarters for the entire fiscal year, classified to show allotments requested for specific amounts for personal services, capital expenditures and amounts for all other departmental expenses. The Governor and Council, with the assistance of the State Budget Officer, shall review the requested allotments with respect to the work program of each department or agency and shall, if they deem it necessary, revise,

alter or change such allotments before approving the same. The aggregate of such allotments shall not exceed the total sums made available to said department or agency for the fiscal year in question. The State Budget Officer shall transmit a copy of the allotments as approved by the Governor and Council to the head of the department or agency concerned and also a copy to the State Controller. The State Controller shall thereupon authorize all expenditures to be made from the sums available on the basis of such allotments and not otherwise.

The head of any department or agency of the State Government, whenever he shall deem it necessary by reason of changed conditions, may revise the work program of his department or agency at the beginning of any quarter during the fiscal year, and submit such revised program to the Bureau of the Budget with his request for a revision of the allotments of the remaining quarters of that fiscal year. If, upon such re-examination of the work program, the State Budget Officer, with the approval of the Governor and Council, shall decide to grant the request for the revision of the allotments, the same procedure, so far as it relates to review, approval and control shall be followed as in the making of the original allotments.

In order to provide some degree of flexibility to meet emergencies arising during each fiscal year in the expenditures for operation and maintenance of the various departments and agencies of the State Government, the State Budget Officer, with the approval of the Governor and Council, may require the head of each department and agency in requesting original allotments, to set aside a reserve, the exact amount of which shall be determined by the State Budget Officer, of the total amount appropriated to the department or agency. At any time during the fiscal year this reserve or any portion of it may be returned to the appropriation to which it belongs and may be added to any one or more of the allotments, provided the State Budget Officer shall deem such action necessary and shall notify the State Controller of such action. Any unused portion of such reserve shall remain at the end of the fiscal year as an unexpended balance of appropriation. Any unexpended and unencumbered balance of allotment at the end of each quarter shall be credited to a reserve set up for the fiscal year.

R.S.1954, c. 16, § 14; 1955, c. 130, § 2; 1957, c. 340, § 1; 1961, c. 101, §§ 3, 4.

CHAPTER 151

INSURANCE ON PUBLIC BUILDINGS

Sec.

1701. Authorization; deposit of policies.

1702. Insurance money available for replacement.

§ 1701. Authorization; deposit of policies

All fire and liability insurance upon public buildings and other property belonging to the State shall be placed thereon by the several heads of departments having said property in charge, subject to the approval of the Governor and Council, or by the Governor and Council, and all expense therefor shall be paid from the several appropriations for insurance on said property. The policies for all insurance so placed shall be deposited with the Insurance Commissioner, and a record thereof kept by the Governor and Council and said commissioner.

R.S.1954, c. 11, § 13.

§ 1702. Insurance money available for replacement

Whenever any officer or department of the State has taken out fire insurance on property owned by the State, or for which the State is responsible, and the property has been destroyed, the money paid by the insurance companies on the loss shall, with the approval of the Governor and Council, be made immediately available for the use of such office or department in replacing the destroyed property, or otherwise, as may be needed in the work of the office or department.

R.S.1954, c. 11, § 14.

CHAPTER 153

PUBLIC IMPROVEMENTS

Subch.	Sec.
I. Powers; Bids and Contracts Generally	1741
II. Public Ways and Parking Areas	1771

SUBCHAPTER I

POWERS; BIDS AND CONTRACTS GENERALLY

Sec.
1741. Definitions.
1742. Powers and duties.
1743. Competitive bids.
1744. Preference for Maine granite.
1745. Advertisements for sealed proposals; bond.
1746. Retention of part of contract price.
1747. Questionnaire as pre-bid qualification.
1748. Procedure if answers unsatisfactory.
1749. Procedure for contractor.
1750. Penalties.

§ 1741. Definitions

Whenever the words "public improvement" or "public improvements" shall appear in chapters 141 to 155 they shall be held to mean and include the construction, major alteration or repair of buildings or public works now owned or leased or hereafter constructed, acquired or leased by the State of Maine or any department, officer, board, commission or agency thereof, or constructed, acquired or leased, in whole or in part with state funds. Nothing in this section shall apply to the construction, improvement or repair of any and all ways, roads or bridges with appurtenances which, by law, are under the supervision of the State Highway Commission.

The word "person" as used in section 1741 and sections 1745 to 1750 shall mean and include any individual, copartnership, association, corporation or joint stock company, their lessees, trustees or receivers appointed by any court whatsoever.

R.S.1954, c. 16, § 49; 1957, c. 340, § 1.

§ 1742. Powers and duties

The Department of Finance and Administration, through the Bureau of Public Improvements, shall have authority:

1. Programs. To require the development of over-all long range public improvement programs for all departments and agencies of the State Government and to coordinate and present recommendations pertaining thereto to the Governor, the Governor-elect, the State Budget Officer and the Legislature;

1961, c. 101, § 6.

2. Inspection. To regularly inspect state owned and leased buildings in the State and report to the controlling department head whatever construction, repairs, alterations and improvements are deemed necessary. If the Commissioner of Finance and Administration considers it advisable, he shall make a similar report to the Governor and Council;

3. Advise. Upon request to advise all state departments and agencies in connection with engineering and architectural questions and matters pertaining to any and all public improvements;

1959, c. 299, § 1.

4. Review. To review the operation and maintenance of state owned and leased buildings and property and to make recommendations with respect thereto to the Commissioner of Finance and Administration and controlling department or agency head concerned;

5. Data. To prepare, at the request of the Governor and Council or the Legislature, data pertaining to existing or proposed public improvements;

6. Approve selection of architects and engineers. To approve the selection of qualified practicing Maine registered architects and engineers in the planning and supervision of construction and public improvements;

1959, c. 299, § 2.

7. Approve plans for public improvements. To approve all proposals, plans, specifications and contracts for public improvements which require their submission to the Governor and Council for their final approval and acceptance;

8. Inspection. To inspect materials, equipment, methods used and changes in plans in making public improvements, and

inspect public improvements during the course of construction or repair, and make such recommendations as may be indicated to the architect or engineer, when employed, and to the controlling department or agency head. The architect or engineer when employed shall provide adequate inspection of materials, equipment, methods and changes in plans on all projects under his supervision;

1961, c. 234, § 1.

9. Recommendations. To require prompt inspection upon the completion of any public improvement and to make recommendations promptly for the acceptance or rejection thereof to the authority which approved the execution of the project;

1959, c. 122, § 1.

10. Inventory. To make or require an inventory of all removable equipment belonging to the State Government and keep it current;

11. Listing of real estate. To require the listing of real estate belonging to or under lease to the State Government, showing controlling agency, location, metes and bounds, cost or rental rate and when acquired or rented;

12. Demolish obsolete buildings. To demolish or otherwise dispose of buildings and appurtenances, excluding land, belonging to the State that have become hazards, obsolete or are unjustifiably expensive to maintain. Such demolition or other disposal shall be on the recommendation of the department or agency head having jurisdiction over the buildings and appurtenances concerned and under such terms and conditions as deemed by the Governor and Council to be in the best interests of the State;

1963, c. 283.

13. File of plans. To collect and maintain a complete and accurate file of drawings showing plans of location and situation of all public improvements;

14. Records. To collect and maintain records of construction costs and progress of all public improvements;

15. Supervision of State House and grounds. To have general supervision of the State House and the public grounds, buildings and property connected with the State House, and to make repairs and alterations in and about such grounds and buildings;

1959, c. 299, § 4.

16. Control public park in Augusta. To control and maintain all that portion of the State lands situated in the City of Augusta and lying between State Street on the west and the location of the Maine Central Railroad Company on the east which is now or hereafter may be designated as a public park;

17. Food service. To provide, with the consent of the Governor and Council, food service in the State office buildings located at the seat of government and elsewhere in the State as may be determined by the Governor and Council;

18. Assign rooms. To assign rooms in all buildings used by the State for offices and determine the occupancy thereof in such manner as the public service may require;

19. Facilities required by State. To lease or approve the leasing of grounds, buildings, facilities and office space required by departments and agencies of the State Government. No lease shall be for a period of more than 10 years;

1961, c. 82.

20. Utility services. To purchase or contract or approve the purchasing or contracting for telephone, telegraph, electric, water, sewage and gas services for any and all departments and agencies of the State Government;

21. Rules and regulations. To make rules and regulations, subject to the approval of the Commissioner of Finance and Administration for the purposes of carrying out this subchapter.

The head of any agency, board, commission or department of the State Government, not otherwise exempted by law, who contemplates any public improvement, shall first obtain the approval of the State Director of Public Improvements for such work. This paragraph is not intended to restrict the head of any agency, board, commission or department of the State Government from making emergency repairs to any State owned building, public work or property or any property under lease to the State Government which is under his supervision and control whenever it appears that such repairs are immediately necessary to prevent injury to persons or further damage to such buildings or property.

R.S.1954, c. 16, §§ 1, 16, 35; c. 62, §§ 4, 5; 1955, c. 456, § 1; 1957, c. 340, § 1; 1959, c. 122, § 1; c. 299, §§ 1-4; 1961, c. 82; c. 101, § 6; c. 234, § 1; 1963, c. 283.

§ 1743. Competitive bids

Any contract for any public improvement involving a total cost of more than \$3,000, except contracts for professional, architectural and engineering services, shall be awarded by a system of competitive bidding in accordance with chapters 141 to 155 and such other conditions and restrictions as the Governor and Council may from time to time prescribe.

No agency of the State shall enter into any contract for a public improvement, nor shall any of its instrumentalities enter into any contract for buildings or public works, with a general contractor unless the contract shall provide that the prime contractor shall not subcontract more than 80% of the total bid price.

R.S.1954, c. 16, § 43; 1957, c. 340, § 1; 1961, c. 234, § 2; 1963, cc. 118, 164.

§ 1744. Preference for Maine granite

Whenever any public work is to be undertaken or repaired by contract by the State or any county or municipality, or any public building is to be erected or repaired, not under contract by the State or any county or municipality, in which concrete may be used, Maine granite shall be set up as an alternative construction material and the officials of the State, county or municipality shall require alternate bids to be offered, one based on the use of concrete, and the other on the use of Maine granite on all or such part of the building or other project as may be deemed expedient from an engineering standpoint.

R.S.1954, c. 16, § 51; 1957, c. 340, § 1.

§ 1745. Advertisements for sealed proposals; bond

The trustees, commissioners or other persons in charge of any public improvement which is subject to chapters 141 to 155 shall, after consultation with the State Purchasing Agent and the State Director of Public Improvements, advertise for sealed proposals not less than 2 weeks in such papers as the Governor and Council may direct. The last advertisement shall be at least one week before the time named therein for the closing of such bids. Sealed proposals submitted in accordance with such advertisements shall be addressed to the trustees, commissioners or such other persons having the construction in charge and shall remain sealed until opened in the presence of a committee of the

Executive Council at such time as the Governor and Council may direct.

No contract shall be awarded unless the faithful performance thereof shall be secured by a bond in the penal sum of not less than 20% of the amount of the contract, payable to the State, and deposited with the Treasurer of State.

R.S.1954, c. 16, § 44; 1957, c. 340, § 1.

§ 1746. Retention of part of contract price

In any contract awarded for any public improvement the State shall withhold 5% of the money due the contractor until the project under the contract has been accepted by or for the State, except that when the contract has been substantially completed the State may, upon request, further reduce the amounts withheld if it deems it desirable and prudent.

1959, c. 122, § 2.

§ 1747. Questionnaire as pre-bid qualification

In order to facilitate the work of any public official, it shall be lawful for said official to require, from any person proposing to bid on public work duly advertised, a standard form of questionnaire and financial statement, containing a complete statement of the person's financial ability and experience in performing public work, before furnishing such person with plans and specifications for the proposed public work advertised.

R.S.1954, c. 16, § 45; 1957, c. 340, § 1.

§ 1748. Procedure if answers unsatisfactory

Whenever the public official is not satisfied with the sufficiency of the answers contained in such standard questionnaire and the financial statement of such persons, he may refuse to furnish such persons with plans and specifications on public work duly advertised, and the bid of any person to whom plans and specifications have not been issued may be disregarded.

R.S.1954, c. 16, § 46; 1957, c. 340, § 1.

§ 1749. Procedure for contractor

Any contractor, after being notified of his classification by the public official and being dissatisfied therewith, may request a hearing before the public official and present such further evi-

dence with respect to his financial responsibility, plant and equipment or experience as might tend to justify in his opinion a higher classification. After hearing the additional evidence, the public official may in his discretion change the classification of the contractor.

R.S.1954, c. 16, § 47; 1957, c. 340, § 1.

§ 1750. Penalties

Any contractor who makes or causes to be made any incomplete, false or fraudulent statement in the documents required by section 1747 shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than \$100 nor more than \$1,000; or in the case of an individual or officer or employee charged with the duty of preparing such documents for a person, firm, copartnership, association or corporation, by imprisonment for not more than 6 months, or by both.

R.S.1954, c. 16, § 48; 1957, c. 340, § 1.

SUBCHAPTER II

PUBLIC WAYS AND PARKING AREAS

Sec.

1771. Definitions.

1772. Rules and regulations.

1773. Special officers; powers and duties; cooperation.

1774. Jurisdiction.

1775. Fines and costs of court.

1776. Offenses not covered by rules and regulations.

§ 1771. Definitions

The words "public way" or "public ways," when used in this subchapter, shall be held to mean all roads and driveways on lands maintained by the State at the seat of government.

The words "parking area" or "parking areas," when used in this subchapter, shall be held to mean all lands maintained by the State at the seat of government which may be designated as parking areas by the State Director of Public Improvements.

1959, c. 33, § 13.

§ 1772. Rules and regulations

The State Director of Public Improvements is authorized and empowered to make and enforce rules and regulations, subject to the approval of the Governor and the Commissioner of Finance and Administration, governing the use of public ways and parking areas maintained by the State at the seat of government. Said rules and regulations shall become effective upon deposit of a copy thereof with the Secretary of State, who shall forward a copy thereof attested under the Great Seal of the State to the District Court for Southern Kennebec.

1959, c. 33, § 13; 1963, c. 402, § 9.

§ 1773. Special officers; powers and duties; cooperation

The State Director of Public Improvements is authorized and empowered to appoint and employ, subject to the Personnel Law, special police officers for the purpose of enforcing rules and regulations made pursuant to section 1772.

The powers and duties of the special police officers so appointed and employed shall be to patrol all of the public ways and parking areas subject to this subchapter, enforce rules and regulations made under section 1772, arrest any violator thereof and prosecute any offender against the same.

The State Police, sheriffs and deputy sheriffs, constables and police officers of the City of Augusta shall, so far as possible, cooperate with the special police officers appointed and employed under this section in the enforcement of rules and regulations made pursuant to section 1772.

1959, c. 33, § 13.

§ 1774. Jurisdiction

The District Court for Southern Kennebec shall have jurisdiction in all proceedings brought under this subchapter, which court shall take judicial notice of all rules and regulations adopted pursuant to section 1772. In any prosecution for violation of any rule and regulation, the complaint may allege the offense as in prosecutions under a general statute and need not recite the rule or regulation.

1959, c. 33, § 13; 1963, c. 402, § 10.

§ 1775. Fines and costs of court

Any person found guilty of violating any rule or regulation made pursuant to section 1772 shall, upon conviction, pay a fine and costs of court as follows:

1. **First offense.** For the first offense in any calendar year, a fine of \$1 plus the costs of court;

2. **Second offense.** For the 2nd offense in any calendar year, a fine of \$2 plus the costs of court;

3. **Subsequent offense.** For each offense in excess of 2 in any calendar year, a fine of \$5 plus the costs of court.

Notwithstanding any other law, the fines and costs of court paid under this section shall inure to the City of Augusta.

1959, c. 33, § 13

§ 1776. Offenses not covered by rules and regulations

Offenses not covered by the rules and regulations made under section 1772 shall be dealt with as otherwise provided by law.

1959, c. 33, § 13.

CHAPTER 155

PURCHASES

Sec.

- 1811. Powers and duties.
- 1812. Scope of purchasing authority.
- 1813. Rules and regulations.
- 1814. Standardization Committee.
- 1815. Requisitions required.
- 1816. Bids, awards and contracts.
- 1817. Printing of laws.
- 1818. Deliveries.
- 1819. Unlawful purchases.
- 1820. Motor vehicles sold by State.

§ 1811. **Powers and duties.** The Department of Finance and Administration, through the Bureau of Purchases, shall have authority:

1. **Purchases.** To purchase all services, supplies, materials and equipment required by the State Government or by any department or agency thereof, subject to chapters 141 to 155;

2. **Specifications.** To adopt and enforce, subject to chapters 141 to 155, specifications which shall apply to services, supplies, materials and equipment purchased for the use of the State Government or any department or agency thereof;

3. **Postal service.** To purchase or contract for all postal service required for the use of the State Government or any department or agency thereof;

4. **Central duplicating service.** To establish and conduct a central duplicating service at the seat of government. Such duplicating service shall be available to all departments and agencies of the State Government. The State Purchasing Agent is empowered to make charges to those departments and agencies of the State Government making use of the facilities and supplies of the central duplicating service;

1959, c. 33, § 10.

5. **Storerooms.** To establish and operate, with the approval of the Commissioner of Finance and Administration, such storerooms which, in the judgment of the State Purchasing Agent, are deemed necessary for the storage and distribution of supplies,

materials and equipment required for use by the State Government or any department or agency thereof;

6. Surplus property. To transfer to or between state departments and agencies, or sell supplies, materials and equipment which are surplus, obsolete or unused;

7. Central mailing room. To establish and conduct a central mailing room for the state departments and agencies at the seat of government.

R.S.1954, c. 16, § 35; 1957, c. 340, § 1; 1959, c. 33, § 10.

§ 1812. Scope of purchasing authority

The terms "services," "supplies," "materials" and "equipment" as used in this chapter, shall be held to mean any and all services, articles or things which shall be used by or furnished to the State or any department or agency thereof, and any and all printing, binding, publication of laws, journals and reports. Except as provided in chapters 141 to 155, any and all services, supplies, materials and equipment needed by one or more departments or agencies of the State Government shall be directly purchased or contracted for by the State Purchasing Agent, as may be determined from time to time by rules adopted pursuant to chapters 141 to 155, which rules the Department of Finance and Administration is authorized and empowered to make. It is the intent and purpose of this chapter, that the State Purchasing Agent shall purchase collectively all services, supplies, materials and equipment for the State or any department or agency thereof in a manner that will best secure the greatest possible economy consistent with the grade or quality of the services, supplies, materials and equipment best adapted for the purposes for which they are needed.

The trustees of the University of Maine, the State Board of Education and the directors of the Maine Port Authority may authorize the Department of Finance and Administration to act for them in any purchases.

The word "services," when used in this chapter, shall be held to mean any and all window cleaning services, elevator repair and maintenance services, laundry service, linen supply service, dry cleaning service, janitor service, floor maintenance service, rubbish and garbage disposal service, tree surgeon service, all types of office machine repair and maintenance service, exterminator service, refrigerator repair and maintenance service and oil burner repair and maintenance service when any such service