## MAINE STATE LEGISLATURE

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#### STATE OF MAINE

### ONE HUNDRED AND THIRTEENTH LEGISLATURE FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON AGING, RETIREMENT & VETERANS

BILL SUMMARY



JUNE 1987

#### PREPARED BY: -

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### ONE HUNDRED AND THIRTEENTH LEGISLATURE FIRST REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP Ought to Pass
OTP-ND Ought to Pass in New Draft
OTP-ND-NT Ought to Pass in New Draft, New Title
OTP-A Ought to Pass as Amended
ONTP Ought Not to Pass
LVWD Leave to Withdraw
INDEF PP Indefinitely Postponed

Sponsor: DUFFY, Richard,

Committee Report: New Draft of LD 1252

Amendments Adopted:

H-142 HICKEY H-166 HICKEY

SUMMARY: Present statute allows members of the retirement system to purchase service credit for up to four years of military service. Individuals who are eligible to receive another pension for that military service are not eligible to purchase service time. The purpose of the original bill was to add bad conduct as a reason for disallowing an individual the right to purchase service time. It also proposed correcting a problem national guard members had. If while they were state employees they earned enough ser ice credit in the National Guard to be eligible for a military pension, they lost the right to purchase service credit for military service time before becoming a member of the State Retirement System. The original bill limited the exclusion to those individuals who were eligible for a pension based on their military service before they became members of the Retirement System.

The new draft retains the intent of the original bill but limits the exclusion for bad conduct to those entering state service after September 16, 1987. It also makes it clear that an individual could not earn retirement credit for National Guard service for any day he/she receive state retirement credits.

House Amendment A (H-142) repeals a section of the statute which had been recodified in the previous session but not repealed-concerning purchase of service time.

House Amendment B (H-166) adds a fiscal note indicating their would be possible future costs from the bill starting in the year 1990-91.

LD AN ACT TO PROVIDE AN ACCIDENT AND SICKNESS OR PL 1987 HEALTH INSURANCE PROGRAM TO RETIRED TEACHERS 1637 c. 450

Sponsor: BUSTIN, Randall, Matthews Z, Gould R, Committee Report: New Draft of LD 843 Amendments Adopted:

S-77 BERUBE S-255 PEARSON

SUMMARY: The intent of both the original bill and the new draft is to provide state support for the payment of health

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insurance for retired teachers. The major difference between the original and the new draft is that the latter places the authority in the the education statutes and reduces the state's share to 10% of the premiums. The new draft also makes it clear that retired teachers' participation in a health insurance program cannot be contingent on their membership in any organization. Both the original and the new draft make the state support available only to those retired teachers who are members of the Maine State Retirement System and who continued to participate in the group health insurance plan which their school unit offered at the time they retired.

The committee amendment (S-77) makes the bill effective on October 1, 1987.

House Amendment A (H-194) would have allowed any retired teachers who is a member of the Maine State Retirement System to join one of the group health insurance plans for teachers and receive the state support. The effect would have been to all w for an open enrollment in the group health insurance plans. This would have increased the number of participating retired teachers. Increasing the number of retired teacher participants would have increased the basic premium rate for for all participants, retired and active. The result would have been to increase the direct costs of the program and also to increase the indirect costs through the Education Finance Act.

Senate Amendment B (S-107) would have added the same provisions as House Amendment A.

Senate Amendment A to Senate Amendment A (S-255) repeals the appropriations note to the bill. The bill was funded in the Part II Budget.

LD AN ACT TO CLARIFY THE DEFINITION AND APPLICATION PL 1987 1640 OF ACTIVE STATE SERVICE IN THE DEFENSE LAWS c. 230

Sponsor: LEBOWITZ, Perry, Hickey, Stevens A, Committee Report: New Draft of LD 1520

SUMMARY: Both the original and the new draft clarifies that the definitions of "active service" and "military forces" are general definitions and not just definitions applicable to the Maine Code of Military Justice. The difference between the two drafts is in the location of the definitions in the statutes.