

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
114TH LEGISLATURE  
FIRST REGULAR SESSION**



**BILL SUMMARY  
JOINT STANDING COMMITTEE  
ON  
AGING, RETIREMENT AND VETERANS  
JULY 1989**

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\* Denotes Chair

Staff: John B. Knox, Legislative Analyst

Office of Policy & Legal Analysis  
Room 101, State House Sta. 13  
Augusta, ME 04333  
(207) 289-1670

MARTHA E. FREEMAN, DIRECTOR  
WILLIAM T. GLIDDEN, PRINCIPAL ANALYST  
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JOHN B. KNOX



STATE OF MAINE  
**OFFICE OF POLICY AND LEGAL ANALYSIS**  
ROOM 101/107/135  
STATE HOUSE STATION 13  
AUGUSTA, MAINE 04333  
TEL: (207) 289-1670

ANNIKA E. LANE  
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ONE HUNDRED AND FOURTEENTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE  
BILL SUMMARIES  
AUGUST 1989

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 for each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are abbreviated as follows:

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

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Research Assistant Barbara McGinn, and secretaries: Charlene Brann, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

subdivisions. One of the principal duties of the state agency, until the amendment of the United States Social Security Act as of January 1, 1987, was to collect the social security taxes from the political subdivisions and remit them to the Social Security Administration. During the time between receipt of the funds by the state agency and remittance to the Social Security Administration, the funds were invested as part of the Treasurer of State's cash pool. The interest earned on the Contribution Fund was used to administer the program rather than charging the political subdivisions as permitted by the law; however, due to the efficient manner in which the program was administered, the income to the fund was in excess of that needed to administer the program.

This bill permits the Maine State Retirement System to use the investment earnings to defray part of the expense of administering the retirement system.

Committee Amendment "A" specifies that interest generated on social security taxes collected from political subdivisions are to be used to prepare and, if approved by the Legislature, implement a portable and integrated retirement system for the participating local districts and to defray administrative costs for those districts that participated in the social security system through the State Retirement System.

LD 696	An Act Concerning Out-of-state Service for Members of the Maine State Retirement System	CARRY OVER
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<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
TITCOMB		
HICKEY		

SUMMARY  
The purpose of this bill is to reduce the amount of state service necessary for members of the Maine State Retirement System to obtain credit for out-of-state service.

<b>LD 698</b>	An Act to Clarify Certain Provisions in the Maine State Retirement System Laws	PUBLIC 78
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<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
TITCOMB	OTP	H-63 HICKEY
HICKEY		

SUMMARY  
This bill removes several ambiguities that exist in the present wording of the retirement laws.

House Amendment "A" restores to participating local district members of the Maine State Retirement System a benefit which was inadvertently removed when the Maine state retirement laws were recodified in 1986. This benefit is the right to purchase retirement credit for service in a private or parochial school.