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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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.

LD 735

An Act to Improve the Cost-of-living Adjustment Under the Maine State Retirement System

PUBLIC 557

SPONSOR(S) COMMITTEE REPORT AMENDMENTS ADOPTED

HICKEY OTP-AM H - 140

BRANNIGAN H-205 HICKEY

CAHILL P STROUT D

SUMMARY

The current retirement system law limits cost-of-living adjustments to a maximum of 4% per year. This bill removes the 4% cap under the Maine State Retirement System and bases future cost-of-living adjustments on the Consumer Price Index.

Committee Amendment "A" requires that whenever the Consumer Price Index, CPI, rises more than 4% in a year, the Board of Trustees of the Maine State Retirement System will have the system's actuary determine the cost of granting an additional cost-of-living adjustment reflecting the difference between 4% and the actual increase in the CPI, after which they would submit a budget request for the required funds. If the Legislature appropriates the entire amount requested, the board would grant an additional increase equal to the difference between 4% and the actual increase in the CPI. If a smaller amount is appropriated, an additional increase, based upon the amount appropriated, would be granted. The additional cost-of-living adjustments will become a part of each retiree's base upon which future increases would be calculated.

House Amendment "A" to Committee Amendment "A" clarifies the procedures to be followed in requesting this adjustment.

LD 754 An Act to Amend Certain Portions of the Maine Legislative Retirement System and the Maine Judicial Retirement System to Make Them Comparable to Similar Portions of the Maine State Retirement System Statutes

PUBLIC 133

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

JALBERT HICKEY

OTP-AM

H-99

SUMMARY

The Maine Judicial Retirement System and the Maine Legislative Retirement System provided retirement benefits for judges, justices and legislators comparable to the benefits provided for state employees in the Maine State Retirement System. The principal purpose of this bill is to incorporate into the MJRS and MLRS changes that have been made to the MSRS since the enactment of the MJRS and the MLRS.

The most notable change to the MLRS is the addition of the Maine Revised Statutes, Title 3, section 859, which allows a retiree who remarries after the death of a spouse to name a new spouse as a beneficiary if an original beneficiary was the retiree's deceased spouse.

The 2 most notable changes to the MJRS relate to survivor's benefits and change of beneficiary after the death of a spouse and remarriage of the retiree.