

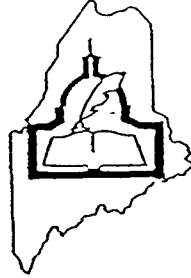
MAINE STATE LEGISLATURE

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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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Sen. Nancy Randall Clark
Sen. Pamela Lee Cahill

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* Denotes Chair

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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.

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
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

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
JALBERT	OTP-AM	H-99
HICKEY		

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.

Committee Amendment "A" accomplishes the following:

1. Adds Vocational-Technical Institute System employees to those persons who may continue to be members of the Maine State Retirement System while on leave of absence to serve in the Legislature; and
2. Eliminates the provision that members of the Maine Judicial Retirement System who have reached 71 years of age may not earn creditable service toward retirement benefits or receive state contributions toward their retirement.

LD 763 An Act Concerning Retirement Benefits for Certain Law Enforcement Positions

LV/WD

SPONSOR(S)
 BUSTIN
 NORTON
 PARADIS P
 CARROLL D

COMMITTEE REPORT
 LV/WD

AMENDMENTS ADOPTED

SUMMARY

State law enforcement officers are eligible for retirement benefits after 25 years of service at age 55. This bill entitles state liquor enforcement officers to the same retirement benefits as other officers.

LD 848 An Act Relating to Ordinary Death Benefits Under the Maine State Retirement System

INDEF PP

SPONSOR(S)
 MANNING
 HICKEY
 DELLERT
 CLARK N

COMMITTEE REPORT
 OTP-AM

AMENDMENTS ADOPTED
 H-103

SUMMARY

This bill makes the "automatic option 2" available to the beneficiaries of all members of the Maine State Retirement System who die while in service, regardless of the number of years of service or age at the time of death of the member. Under the present statute, when a member dies after becoming eligible to retire, certain eligible beneficiaries are given the option of receiving a retirement benefit equal to the amount that the member would have received if the member had retired on the day of death. The change that would be made by this bill is to make that option available to the beneficiary of any deceased member. In many instances a member dies after having earned a benefit in excess of the benefit payable to the member's beneficiary under the survivor's benefits provisions, but the retirement benefit is not available to the beneficiary if the member has not completed 25 years of creditable service or reached normal retirement age.

Committee Amendment "A" adds appropriation and allocation sections to the bill.