

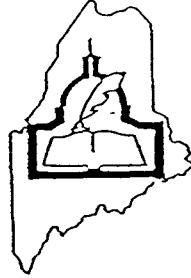
# MAINE STATE LEGISLATURE

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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. 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.

The amendment further provides that the local system shall notify the Maine State Retirement System of any plan changes and that the Maine State Retirement System shall notify the individuals affected, as it maintains an up-to-date list of addresses.

**LD 977**      **An Act to Establish Disability Retirement Benefits for  
Members of the Maine State Retirement System**

**PUBLIC 409**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
HICKEY CLARK N JALBERT BUSTIN	OTP-AM	H-400

SUMMARY

This bill establishes a new disability retirement plan for members of the Maine State Retirement System. This new plan will be applicable to state employees, teachers and employees of participating local districts that have adopted as part of their retirement plan the disability retirement plan set forth in the Maine Revised Statutes, Title 5, chapter 425, subchapter V, article 3. Subsequent to its enactment, other participating local districts may adopt this new plan.

The principal difference between the existing disability retirement plan and the plan contained in this bill is that under this plan the Maine State Retirement System may provide rehabilitation services to recipients of disability retirement benefits upon recommendation of the Maine State Retirement System's medical board. Any person who returns to employment with that person's previous employer or any other employer whose employees are covered by this plan would have no reduction in disability retirement benefits until combined earnings on the new job and disability retirement benefit exceed the amount that would have been earned had that person continued to be employed on the previous job. A person who becomes employed by an employer whose employees are not covered by this plan would have that person's earnings limited to the difference between the average final compensation, plus cost-of-living adjustments and the disability retirement benefit.

Committee Amendment "A":

1. Eliminates the emergency status of the Act and makes it effective October 1, 1989;
2. States that in determining the disability contributions the actuary is to take into consideration other factors that influence cost;
3. States that a submission of a false health statement may result in the loss of the right to apply for disability benefits;
4. Gives the executive director authority to submit the results of a required yearly examination of disability retirees to the medical board for a recommendation regarding rehabilitation;
5. States that persons receiving disability compensation, before adjustments are required to their retirement benefit, may earn the greater of \$10,000 or the difference between the retirement benefit and the person's earnings at the time of retirement. The original bill contained only the second of these provisions; and
6. This amendment clarifies the section on rehabilitation to make explicit the reemployment rights of a person who has successfully completed a rehabilitation program. It also ensures that a

person's disability benefits are not terminated due to refusing a job which is not consistent with the person's prior compensation and benefits, training, education, experience and rehabilitation programs.

**LD 980      An Act Regarding Retirement Benefits for Confidential State Employees      LV/WD**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
WEYMOUTH DELLERT MARSH HICKEY	LV/WD	

SUMMARY

This bill will increase the adjustment in retirement benefits provided to persons in confidential employment status with state-paid contributions who retired after June 30, 1983.

**LD 1330      An Act to Increase the Percentage of State Payment for Accident and Sickness or Health Insurance for Retired Teachers      LV/WD  
EMERGENCY**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
PEARSON O'DEA CLARK N	LV/WD	

SUMMARY

This bill provides for funds to increase the State's contribution for the group accident, sickness or health insurance on behalf of eligible retired teachers. The State presently provides 100% payment of group accident and sickness or health insurance on behalf of state employees. This bill provides parity between retired teachers and retired state employees by increasing the percentage of state payment of health insurance for retired teachers from 15% to 100%.

**LD 1367      An Act to Equalize State Retiree Health Benefits      INDEF PP**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
CLARK N PERKINS CARROLL D LISNIK	OTP-AM	S-186

SUMMARY

State retirees who meet statutory criteria have been covered under the state health insurance plan for many years. An increasing number have been required to enroll under Medicare in recent years. This has resulted in less coverage for these retirees because the Medicare plan has greater out-of-pocket expenses. This bill requires the State to pay Medicare premiums and provide supplemental insurance to equalize Medicare benefits with the state plan.