# MAINE STATE LEGISLATURE

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# State Of Maine 120th Legislature

# Second Regular Session

### Bill Summaries

# Joint Standing Committee on Labor

May 2002

### Members:

Sen. Betheda G. Edmonds, Chair Sen. Karl W. Turner Sen. W. Tom Sawyer, Jr.

Rep. George H. Bunker, Jr., Chair Rep. Zachary E. Matthews Rep. Deborah J. Hutton Rep. Jacqueline R. Norton Rep. William J. Smith Rep. Frank J. Tarazewich Rep. Russell P. Treadwell Rep. Jay MacDougall Rep. Gerald M. Davis Rep. Philip Cressey, Jr.

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# Maine State Legislature OFFICE OF POLICY AND LEGAL ANALYSIS

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### 120th Legislature Second Regular Session

### Summary Of Legislation Before The Joint Standing Committees May 2002

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CON RES XXX	Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	
DIED BETWEEN BODIES	House & Senate disagree; bill died
DIED IN CONCURRENCEOne b	ody accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASS	AGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY	Ruled out of order by the presiding officers; bill died
INDEF PP	Bill Indefinitely Postponed
ONTP	Ought Not To Pass report accepted
OTP ND	
OTP ND/NT	
P&S XXX	Chapter # of enacted Private & Special Law
	Joint Order passed in both bodies
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED	
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is July 25, 2002.

### **Joint Standing Committee on Labor**

LD 1211

### An Act to Supplement Benefits for State Employees and Teachers Whose Pensions are Subject to Reductions Enacted in 1993

**ONTP** 

Sponsor(s)	Committee Report	Amendments Adopted
MILLS	ONTP	

LD 1211, a carry-over bill from the First Regular Session, was a concept draft pursuant to Joint Rule 208. It proposed to create a new defined contribution retirement plan as a supplemental benefit for those state employees and teachers who are in service under the Maine State Retirement System on or after January 1, 2001.

- 1. The proposed DC plan would not have covered:
  - a. A member who was in service and had 10 years of creditable service on July 1, 1993—it was intended to cover so-called "cliff employees;"
  - b. A member covered by the 1998 Special Plan; or
  - c. A member covered by the plan for Maine State Police officers.
- 2. Contributions to the plan would have been at the rate of 2% of an employee's salary or wages earned after December 31, 2000. The amount would be deducted from the employee's existing required contribution to the Maine State Retirement System but the employee's defined benefits under the Maine State Retirement System would not be diminished.
- 3. The added cost of maintaining the employee's defined benefits would have been allocated to the employer's share of the pension contribution. For state employees, the added cost would have been apportioned across the entire payroll for state employees covered under the Maine State Retirement System whether or not they were also covered by the new plan.
- 4. The Maine State Retirement System would have managed amounts contributed to the plan for the benefit of each employee in a non-lapsing fund. Each employee's share of the fund would have been tax sheltered and portable as provided in Section 457 and other provisions of the Internal Revenue Code.
- 5. Each employee's accumulated contributions and net earnings would have been non-lapsing and could have been withdrawn or rolled over in accordance with the Internal Revenue Code when the employee dies, retires or departs from state service. The employee would have had a range of annuity options for payment of benefits to the employee or the employee's spouse.

See LD 2199, "An Act to Address the Unfunded Liability of the Maine State Retirement System and the Equity of Retirement Benefits for State Employees and Teachers," which was enacted as Public Law 2001, chapter 707.

LD 1258 An Act to Make the Unemployment Insurance Program More Responsive to the Needs of Today's Workforce

VETO SUSTAINED

Sponsor(s)	Committee Report		Amendments Adopted
MATTHEWS	OTP-AM	MAJ	H-1027 BUNKER
<b>EDMONDS</b>	ONTP	MIN	H-839