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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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, <u>History and Final Disposition of Legislative Documents</u>, 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	
CONF CMTE UNABLE TO AGREE	
	House & Senate disagree; bill died
DIED IN CONCURRENCE	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL	PASSAGE 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	Committee report Ought To Pass In New Draft
OTP ND/NT	
P&S XXX	Chapter # of enacted Private & Special Law
PASSED	Joint Order passed in both bodies
PUBLIC XXX	
RESOLVE XXX	
UNSIGNED	Bill held by Governor
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 2197 An Act Concerning Disability Retirement Benefits under the Maine State Retirement System

PUBLIC 701

Sponsor(s) Committee Report Amendments Adopted

LD 2197 proposed to extend the rollback of disability retirement benefit reductions based on increased earnings capacity by the Maine State Retirement System under Public Law 2001, chapter 443 from January 1, 2003 to February 15, 2004.

Enacted law summary

Public Law 2001, chapter 701 extends the rollback of disability retirement benefit reductions based on increased earnings capacity by the Maine State Retirement System under Public Law 2001, chapter 443 from January 1, 2003 to February 15, 2004.

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

PUBLIC 707

Sponsor(s)
MICHAUD MH
SAXL

Committee Report
OTP-AM

Amendments Adopted
S-521

S-618 GOLDTHWAIT

LD 2199 proposed to:

- 1. Require the State to retire the unfunded liabilities of the Maine State Retirement System at a specific rate that is no less than the rate paid during fiscal year 2001-02; and
- 2. Establish the Task Force to Study Methods of Addressing Inequities in the Retirement Benefits of State Employees and Teachers to study the impact of the changes made to the law that treat state employees and teachers who did not have 10 years of creditable service on July 1, 1993 less favorably than those with 10 years of creditable service before July 1, 1993.

Committee Amendment "A" (S-521) proposed to clarify that the floor established in the bill for the rate of retirement of the unfunded liabilities of the Maine State Retirement System applies whether the unfunded liabilities are retired within the time period required by the Constitution of Maine or some shorter period of time. The amendment also proposed to clarify the membership of the task force established in section 2 of the bill. It proposed to remove the executive director and a member of the Board of Trustees of the Maine State Retirement System from the task force and provide for 2 of the 3 legislators to be appointed by the Speaker of the House. The executive director or a designee would be made an adjunct nonvoting member of the task force. It proposed to change the process for convening the first meeting. The amendment also proposed to limit the task force to 4 meetings and provide for staffing services by the Office of Policy and Legal Analysis. Non legislative members could be reimbursed for expenses only. The amendment proposed to change the reporting date of the task force to November 6th and the joint standing committee of the Legislature having jurisdiction over retirement matters would

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be authorized to report out a bill to the First Regular Session of the 121st Legislature. This amendment proposed to add a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-618) proposed that the portion of the employer contribution may not be less than the amount paid during the immediately preceding fiscal year. If the unfunded liability amount would be less than the amount paid in the immediately preceding year, the amendment proposed that the Board of Trustees of the Maine State Retirement System be directed to recommend a methodology to adjust plan funding in order to realize payment of the required amount. If no such methodology can be identified, then a General Fund appropriation in the amount of the difference between the General Fund portions of the unfunded liability payment in the 2 years in question must be sought. This amendment also proposed to remove the emergency preamble and clause.

Enacted law summary

Public Law 2001, chapter 707 requires the State to retire the unfunded liabilities of the Maine State Retirement System at a specific rate that is not less than the amount paid during the immediately preceding fiscal year. If the unfunded liability payment which is actuarially determined would be less than the amount paid in the immediately preceding year, the Board of Trustees of the Maine State Retirement System is directed to recommend a methodology to adjust plan funding in order to realize payment of the required amount; if no such methodology can be identified, then a General Fund appropriation in the amount of the difference between the General Fund portions of the unfunded liability payment in the 2 years in question must be sought.

Chapter 707 also establishes the Task Force to Study Methods of Addressing Inequities in the Retirement Benefits of State Employees and Teachers to study the impact of the changes made to the law that treat state employees and teachers who did not have 10 years of creditable service on July 1, 1993 less favorably than those with 10 years of creditable service before July 1, 1993. The Task Force is to report to the Labor Committee which is authorized to introduce legislation to the First Regular Session of the 121st Legislature.

LD 2202

An Act to Ensure that 25% of Workers' Compensation Cases with Permanent Impairment Remain Eligible for Duration-of-disability Benefits in Accordance With the Workers' Compensation Act

PUBLIC 712

Sponsor(s)	Committee Report		Amendments Adopted
KILKELLY	OTP-AM	MAJ	S-623 KILKELLY
TREADWELL	OTP-AM	MIN	

LD 2202 proposed to amend a provision in section 213 of the Workers' Compensation Act of 1992 that determines whether a person with permanent impairment from a work injury is entitled to receive benefits for the duration of his or her incapacity to work, or is subject to a durational limit, which is currently 7 years. A person is entitled to benefits for the duration of incapacity if his or her permanent impairment, expressed as a percentage of impairment to the whole body, exceeds a threshold percentage established by the Workers Compensation Board. The law requires the Board to set the threshold at a percentage level so that 25% of cases with permanent impairment fall above the threshold and 75% fall below.

The bill proposed to set clear standards for the Board to use in determining whether impairment resulting from prior injuries or conditions are taken into account in determining an individual's permanent impairment percentage and in setting the threshold.