MAINE STATE LEGISLATURE

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State Of Maine 121st Legislature

First Regular Session

Bill Summaries

Joint Standing Committee on Labor

July 2003

Members:

Sen. Betheda G. Edmonds, Chair Sen. Steven S. Stanley Sen. Kenneth Blais

> Rep. William J. Smith, Chair Rep. Deborah J. Hutton Rep. Paul R. Hatch Rep. John L. Patrick Rep. Thomas R. Watson Rep. Russell P. Treadwell Rep. Philip Cressey, Jr. Rep. Robert W. Nutting Rep. Theodore H. Heidrich Rep. Troy D. Jackson

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Maine State Legislature



Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

121st Maine Legislature First Regular Session

Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint 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:

CARRIED OVER PURSUANT TO HP 1212	Bills carried over to the 2 nd Regular Session
CON RES XXX	Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	Committee of Conference unable to agree; bill died
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 PASSAGE	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill failed to get majority voteBill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY	
INDEF PP	Bill Indefinitely Postponed
ONTP	Ought Not To Pass report accepted
OTP-ND	
P&S XXX	
PASSED	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 that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

Joint Standing Committee on Labor

LD 1501

An Act To Amend the Laws Relating to the Maine State Retirement System

PUBLIC 387

Sponsor(s)	Committee Report	Amendments Adopted
EDMONDS	OTP-AM	S-179
SMITH W		

LD 1501, which was a Maine State Retirement System bill, proposed to make several changes in the laws of the retirement system. The bill proposed to amend the definition of Consumer Price Index as applied to judges' retirement benefits, change the length of time a member may earn creditable service while on active military duty, extend rehabilitation services to more disability retirees and make those services optional, make withdrawal of membership contributions optional in certain circumstances, and make changes in the way the Participating Local District Advisory Committee conducts its business.

Committee Amendment "A" (S-179) proposed to clarify the changes in rehabilitation services made in the bill. Under this amendment, rehabilitation services for state employee, teacher and participating local district disability retirees under the Maine Revised Statutes, Title 5, chapter 421, subchapter 5, Article 3 and Article 3-A disability plans would be optional and must be agreed to by both the Executive Director of the Maine State Retirement System and the retiree.

The amendment also proposed to make changes to the recently enacted law allowing state employees, teachers and participating local district members of the retirement system to retire and return to covered employment without a limitation on earnings. First, to comply with federal age discrimination law, the amendment proposed to provide that retirees who take advantage of the new state law and exercise their choice to retire without a cap on their earnings while retired but also without the ability to accrue additional service credit for retirement purposes do so willingly and knowingly. Second, the amendment proposed to direct the retirement system to adopt rules regarding termination of employment to comply with federal tax law and regulations. Third, the amendment proposed to provide the retirement system the ability to collect the necessary information from employers to determine the impact of the new law on the costs of the plan.

Enacted Law Summary

Public Law 2003, chapter 387 makes several changes in the laws of the Maine State Retirement System. Chapter 387 does the following:

- 1. Amends the definition of Consumer Price Index that applies to judges for cost of living adjustments and other purposes to make it consistent with the definition that applies to all other Maine State Retirement System members.
- 2. Brings state law into compliance with federal law with respect to the period of time that a member may continue to earn creditable service while on a leave of absence in order to serve in the military.
- 3. Extends rehabilitation services to additional disability retirement recipients and makes participation in rehabilitation services designed to assist their return to substantially gainful activity optional—an activity that must be mutually agreed to by the Executive Director of the Maine State Retirement System and the retiree. The law also repeals the discontinuance of disability retirement benefits to recipients who decline to participate in the rehabilitation services program.

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- 4. Makes the withdrawal of contributions from the Maine State Retirement System optional when a member who is covered by the Social Security Act elects to cease contributing to Maine State Retirement System and when a member who is covered by an employer-provided retirement plan elects to cease contributing to the Maine State Retirement System.
- 5. Changes the attendance and voting requirements under which the Participating Local District Advisory Committee transacts business and adds the retirement system staff to those permitted to make rule amendment proposals regarding the consolidated retirement plan for local district employees to the Board of Trustees of the Maine State Retirement System. The Participating Local District Advisory Committee was previously the sole entity permitted to make such proposals.
- 6. Makes changes to the recently enacted law (Public Law 2001, chapter 442) allowing state employees, teachers and participating local district members of the retirement system to retire and return to covered employment without a limitation on earnings. First, to comply with federal age discrimination law, chapter 387 provides that retirees who take advantage of the new state law and exercise their choice to retire without a cap on their earnings while retired but also without the ability to accrue additional service credit for retirement purposes do so willingly and knowingly. Second, it directs the retirement system to adopt rules regarding termination of employment to comply with federal tax law and regulations. Third, the law provides the retirement system the ability to collect the necessary information from employers to determine the impact of the new law on the costs of the plan.

LD 1532 An Act To Raise the Threshold under the Fair Minimum Wage Rate on Construction Projects Law

PUBLIC 197

<u>Sponsor(s)</u> <u>Committee Report</u> <u>Amendments Adopted</u>

PATRICK OTP

LD 1532 proposed to increase the threshold for requiring a wage and benefit determination on a state construction project from \$10,000 to \$50,000.

Enacted Law Summary

Public Law 2003, chapter 197 increases the threshold for requiring a wage and benefit determination on a state construction project from \$10,000 to \$50,000.

LD 1535 An Act To Authorize Certain Former Members of the Maine State Retirement System To Rejoin the Maine State Retirement System

PUBLIC 324 EMERGENCY

Sponsor(s)Committee ReportAmendments AdoptedGAGNONOTP-AMS-152

Public Law 2001, chapter 442 removed the earning cap for retirees under the Maine State Retirement System who returned to covered service and, at the same time, precluded those retirees from being restored to membership in the Maine State Retirement System. LD 1535 proposed to allow a recipient of retirement benefits under the Maine State Retirement System at the time the law was changed who had returned to covered service to rejoin the system in certain circumstances, which would permit the member potentially to increase retirement benefits.