MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)

STATE OF MAINE

123RD LEGISLATURE SECOND REGULAR AND FIRST SPECIAL SESSIONS



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular or First Special Sessions of the 123rd Maine Legislature coming from the

JOINT STANDING COMMITTEE ON LABOR

May 2008

MEMBERS:

SEN. ETHAN STRIMLING, CHAIR SEN. NANCY B. SULLIVAN SEN. DANA L. DOW

REP. JOHN L. TUTTLE, JR., CHAIR
REP. TROY DALE JACKSON
REP. HERBERT E. CLARK
REP. TIMOTHY E. DRISCOLL
REP. ANNE M. HASKELL
REP. RICHARD JOHN BURNS
REP. BRIAN M. DUPREY
REP. JAMES M. HAMPER
REP. DOUGLAS A. THOMAS
REP. PETER B. JOHNSON

STAFF:

CAROLYN RUSSO, LEGISLATIVE ANALYST OFFICE OF POLICY AND LEGAL ANALYSIS 13 STATE HOUSE STATION AUGUSTA, ME 04333 (207) 287-1670

STATE OF MAINE

 123^{RD} Legislature Second Regular & First Special Sessions



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This Legislative Digest of Bill Summaries and Enacted Laws summarizes all bills and adopted amendments and all laws enacted or finally passed during the Second Regular or First Special Sessions of the 123rd Maine Legislature.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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 Chapt	er # 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 CONCURRENCE One body accept	ots ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT	
EMERGENCY	Enacted law takes effect sooner than 90 days
	SAGEEmergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
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; bill died
ONTP (or Accepted ONTP report)	Ought Not To Pass report accepted; bill died
P&S XXX	
PUBLIC XXX	
RESOLVE XXX	
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

The effective date for non-emergency legislation enacted in the Second Regular Session (R2) is June 30, 2008. The effective date for non-emergency legislation enacted in the First Special Session (S1) is July 18, 2008. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills. Any bill summarized in this document having an LD number less than 1932 was a bill carried over from the First Regular Session of the 123rd Legislature.

¹ The session in which each law was enacted or finally passed (R2 or S1) is included in Appendix C.

Joint Standing Committee on Labor

all sworn law enforcement officers are eligible to receive so-called "line of duty" death benefits.

Committee Amendment "B" (S-394)

This amendment replaces the bill but preserves an altered version of that portion of the bill relating to death benefits for certain law enforcement officers.

Under current law, a state benefit of \$50,000 is paid to the family of an eligible law enforcement officer who has died in the line of duty. Funding for the benefit comes from the Maine Budget Stabilization Fund. This amendment expands the list of eligible law enforcement officers to include forest rangers, Baxter State Park rangers, detectives employed by the Office of the Attorney General, investigative officers employed by the Department of Corrections, juvenile community corrections officers, probation officers, certain security officers appointed by the Commissioner of Public Safety, and motor vehicle investigators appointed by the Secretary of State. This amendment also removes an obsolete reference to liquor enforcement officers.

LD 1693

An Act To Restore Equity to the Maine Public Employees Retirement System

DIED ON ADJOURNMENT

Sponsor(s)	Committee Report	Amendments Adopted
EDMONDS	OTP-AM MAJ ONTP MIN	S-451
		S-621 RAYE
		S-652 MILLS P

The Maine State Retirement System currently contains two separate benefit structures based upon the status of participants on July 1, 1993. This bill addresses one of the major benefit reductions imposed upon employees with less than ten years of service on July 1, 1993 by reducing the penalty for retiring earlier than 62 years of age from 6% per year to 3% per year.

Committee Amendment "A" (S-451)

This amendment does the following:

- 1. It reduces the early retirement reduction factor from 6% to 3% for members of the legislative retirement program and the judicial retirement program who are currently subject to the 6% reduction factor. This ensures consistency with the same reduction that is provided to members of the state employee and teacher retirement program under the bill;
- 2. It allows the Board of Trustees of the Maine Public Employees Retirement System to reduce the payment in fiscal year 2007-08 toward the unfunded actuarial liability of the state employee and teacher retirement program and, if such a reduction is made, to apply the balance of the amount appropriated for that purpose to fund the past service liabilities created by the benefits provided under the amended bill, the increase in normal cost in fiscal year 2008-09 associated with the benefits provided under the amended bill, and any increased unfunded liability payments required in fiscal year 2008-09 resulting from the reduced unfunded liability contribution in fiscal year 2007-08; and
- 3. It provides that the substantive changes to the Maine Public Employees Retirement System accomplished by this legislation take effect only if the Board of Trustees of the Maine Public Employees Retirement System determine that the reduction in the required unfunded liability payment in fiscal year 2007-08 is consistent with sound actuarial practice.

Senate Amendment "E" (S-621)

The bill, as amended by Committee Amendment "A," reduces the penalty for early retirement from 6% to 3% for

Joint Standing Committee on Labor

members of the state employee and teacher retirement plan, the legislative retirement plan and the judicial retirement plan. This amendment limits the reduction in penalty to only those employees who were already employed in a position that is covered under the State Employee and Teacher Retirement Program, the Legislative Retirement Program or the Judicial Retirement Program prior to the time the penalty was increased from 2.25% to 6% per year and only those employees who do not have the option to retire at 55 years of age under a special plan.

Senate Amendment "G" (S-652)

This amendment directs the Maine Public Employees Retirement System, the Commissioner of Administrative and Financial Services and the State Employee Health Commission, within their existing resources, to design a unified pension and benefit plan to apply to all state employees and teachers that are first hired after December 31, 2009.

This unified pension and benefit plan would include the following provisions:

- 1. In order to enhance portability of benefits and eliminate the issues associated with the government pension offset and the windfall elimination provision of the federal Social Security Act, every state employee and teacher subject to the plan will be covered under Social Security;
- 2. All new employees will be members of a common health plan with benefits that are identical to those paid for in accordance with current law and collective bargaining contracts;
- 3. In addition to Medicare and Social Security, each member will be entitled to a supplemental defined pension and retiree health benefit;
- 4. The present actuarial cost of retiree benefits under the plan will be limited to 6% of payroll to be divided equally between the employee and the employer;
- 5. Continuing health coverage will be offered to retirees and their dependents;
- 6. A retired member may receive a subsidy of up to 90% of the cost for the retiree's own insurance and up to 45% of the cost of a spouse or dependent. The level of subsidy will be graduated to reflect length of service;
- 7. The future cost of retiree health benefits will be paid into an existing dedicated revenue account by assessing the current payroll of active members a percentage that is divided equally between the member and the member's employer;
- 8. Each member's supplemental defined pension will be calculated as a percentage of base year compensation times years of service. The percentage, rounded to the nearest tenth, will be calculated based on funding available after deducting the cost of the retiree health benefit from the 6% total benefit cost; and
- 9. A vested member may retire after 30 years of service or at 62 years of age, whichever occurs first. A member who retires early may recover 1.5% of the member's own contribution plus 6% interest if benefits are withdrawn as cash.

The amendment directs the Maine Public Employees Retirement System, the Commissioner of Administrative and Financial Services and the State Employee Health Commission to submit their report on the design of the unified pension and benefit plan, together with proposed implementing legislation, to the joint standing committee of the Legislature having jurisdiction over labor matters no later than December 10, 2008 and authorizes the committee to report out a bill to the First Regular Session of the 124th Legislature.