

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
126<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON APPROPRIATIONS AND  
FINANCIAL AFFAIRS**

July 2013

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# STATE OF MAINE

126<sup>TH</sup> LEGISLATURE

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## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126<sup>th</sup> Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

*CARRIED OVER* ..... carried over to a subsequent session of the Legislature  
*CON RES XXX*..... chapter # of constitutional resolution passed by both houses  
*CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; legislation died  
*DIED BETWEEN HOUSES*.....House & Senate disagreed; legislation died  
*DIED IN CONCURRENCE*.....defeated in each house, but on different motions; legislation died  
*DIED ON ADJOURNMENT*..... action incomplete when session ended; legislation died  
*EMERGENCY*..... enacted law takes effect sooner than 90 days after session adjournment  
*FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE* ..... emergency failed to receive required 2/3 vote  
*FAILED, ENACTMENT or FINAL PASSAGE*..... failed to receive final majority vote  
*FAILED, MANDATE ENACTMENT* ..... legislation proposing local mandate failed required 2/3 vote  
*HELD BY GOVERNOR*..... Governor has not signed; final disposition to be determined at subsequent session  
*LEAVE TO WITHDRAW*..... sponsor's request to withdraw legislation granted  
*NOT PROPERLY BEFORE THE BODY* ..... ruled out of order by the presiding officer; legislation died  
*INDEF PP*..... indefinitely postponed; legislation died  
*ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X*... ought-not-to-pass report accepted; legislation died  
*P&S XXX*..... chapter # of enacted private & special law  
*PUBLIC XXX*.....chapter # of enacted public Law  
*RESOLVE XXX*..... chapter # of finally passed resolve  
*VETO SUSTAINED*..... Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the First Regular Session of the 126<sup>th</sup> Legislature is October 9, 2013. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

*Joint Standing Committee on Appropriations and Financial Affairs*

- 4. Raises the normal retirement age from 60 to 65 years of age for new hires.
- 5. Increases the early retirement reduction from 2 1/4% to 6% for new hires.

**Committee Amendment "A" (H-568)**

This amendment directs the Maine Public Employees Retirement System to review the statutory provisions governing the Participating Local District Retirement Program and the Participating Local District Consolidated Retirement Plan and report to the Joint Standing Committee on Appropriations and Financial Affairs no later than January 15, 2014. This amendment also provides that the committee may submit a bill to the Second Regular Session of the 126th Legislature upon receipt and review of the report.

**Enacted Law Summary**

Public Law 2013, chapter 391 amends specific defined benefit plan provisions that apply to members of the Participating Local District Consolidated Retirement Plan administered by the Maine Public Employees Retirement System as a result of recommendations of the Participating Local District Advisory Committee, a committee established by statute that represents both the labor and management interests of participating local districts.

- 1. It allows the Board of Trustees of the Maine Public Employees Retirement System to establish by rule the rate at which plan members contribute.
- 2. It reduces the cost-of-living adjustment cap from 4% to 3%.
- 3. It increases from 6 to 12 months the length of time that a retiree must be retired in order to receive a cost-of-living increase.
- 4. It raises the normal retirement age from 60 to 65 years of age for new hires.
- 5. It increases the early retirement reduction from 2 1/4% to 6% for new hires.

In addition, the law directs the Maine Public Employees Retirement System to review the statutory provisions governing the Participating Local District Retirement Program and the Participating Local District Consolidated Retirement Plan and report to the Joint Standing Committee on Appropriations and Financial Affairs no later than January 15, 2014.

**LD 1455**

**An Act To Authorize a General Fund Bond Issue To Ensure Clean Water and Safe Communities**

**CARRIED OVER**

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

This bill authorizes a bond issue in the amount of \$50,000,000 in order to make cost-effective investments in natural and built infrastructure to reduce threats to the State's water resources and provide a host of benefits for communities across Maine, including ensuring an abundant and high-quality drinking water supply, allowing communities to more effectively prepare for storms and flood events, conserving habitat for recreational fisheries, waterfowl and aquatic and wildlife species and strengthening the State's long-term economic base and competitive advantage. The bill establishes the Water Resources Commission and the Fund To Ensure Clean Water and Safe Communities. The commission is charged with assessing the State's water resource infrastructure needs and with allocating funds for resource conservation and development projects.

This bill was carried over to any special or regular session of the 126th Legislature by joint order, H.P. 1145, as

***Joint Standing Committee on Appropriations and Financial Affairs***

amended by H-B (H-580) and H-C (H-582).

**LD 1461 An Act To Require the State To Divest Itself of Assets Invested in the Fossil Fuel Industry**

**CARRIED OVER**

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

This bill requires the State to divest itself of assets invested in the fossil fuel industry.

This bill was carried over to any special or regular session of the 126th Legislature by joint order, H.P. 1145, as amended by H-B (H-580) and H-C (H-582).

**LD 1473 An Act To Create a Public Option Pension System**

**CARRIED OVER**

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

This bill establishes the Maine Secure Choice Retirement Savings Trust within the Department of Labor and does the following.

1. It requires eligible employers to offer a payroll deduction retirement savings arrangement so that eligible employees can contribute a portion of their salary or wages to a retirement savings program account in the Maine Secure Choice Retirement Savings Program, also created by the bill.
2. It requires an eligible employee to participate in the Maine Secure Choice Retirement Savings Program, unless the employee specifically opts out of the program. The Bureau of Labor Standards is required to provide forms to employers for employees to opt out of the program.
3. The bill creates the 7-member Maine Secure Choice Retirement Savings Investment Board to administer the trust.
4. It specifies risk management and investment policies that the board must follow in administering the program.
5. The bill requires a specific percentage of the annual salary or wages of an eligible employee participating in the program to be deposited in the trust, which is divided into a program fund and an administrative fund. It authorizes the board to establish a gain and loss revenue account within the program fund.
6. The bill, contingent upon sufficient interest and funding by vendors, requires the board to establish a retirement investment clearinghouse on the Internet and a vendor registration process through which information about employer-sponsored retirement plans and payroll deduction individual retirement accounts and annuities offered by private sector providers is available for consideration by eligible employers.
7. It requires the Bureau of Labor Standards to assess a penalty on an eligible employer that fails to make the program available to eligible employees.
8. It provides that the State has no liability for the payment of benefits under the program.
9. The bill directs the board to conduct a market analysis to determine whether the necessary conditions needed to implement the provisions of the trust can be achieved. The analysis may be conducted only when sufficient funding