

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
SECOND REGULAR SESSION



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

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

May 2016

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STATE OF MAINE

127TH LEGISLATURE

SECOND REGULAR SESSION



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 Second Regular Session of the 127th 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. An appendix provides a summary of relevant session statistics.

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 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 127th Legislature is July 29, 2016. 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

Public Law 2015, chapter 480 eliminates one position in the Department of Secretary of State, Administration - Archives program and one position in the Department of Secretary of State, Bureau of Administrative Services and Corporations program. Chapter 480 also authorizes the Department of the Secretary of State to carry forward unexpended All Other funds as of June 30, 2016 in the Department of Secretary of State, Bureau of Administrative Services and Corporations program to be used to upgrade computer software.

Public Law 2015, chapter 480 was enacted as an emergency measure effective April 16, 2016.

LD 1021

An Act To Amend the Laws Pertaining to the Maine Public Employees Retirement System

**PUBLIC 385
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
ROTUNDO M	OTP-AM	H-511

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill does the following.

1. It clarifies that cost-of-living adjustments for benefit recipients from the Governor's Retirement Fund are the same as those paid to benefit recipients from the State Employee and Teacher Retirement Program.
2. It clarifies the authority and responsibilities of the Board of Trustees of the Maine Public Employees Retirement System with respect to eligibility and membership issues that arise in the context of the Participating Local District Retirement Program. In *Kennebec County v. Maine Public Employees Retirement System*, 2014 ME 26 (February 20, 2014), the Maine Supreme Judicial Court held that the retirement system did not have the statutory authority to make final administrative decisions with respect to enrollment election matters when the local employer's employees were not members of the Maine Public Employees Retirement System. This bill provides explicit statutory authority for the retirement system and the board to continue to make such determinations as they had prior to the court's decision. Consistent adherence to federal law is required to ensure that the retirement plan of the Maine Public Employees Retirement System remains a qualified governmental retirement plan entitled to favorable tax treatment under the United States Internal Revenue Code of 1986, as amended.
3. It codifies language enacted in Public Law 2007, chapter 240, Part U, section 8 to make clear that administrative costs and expenses attributable to the administrative operating budget of the Maine Public Employees Retirement System are charged against the assets of applicable funds.
4. It repeals obsolete language pertaining to information included in the retirement system's annual report to the Legislature.
5. It removes the requirement that the Legislature approve collective bargaining agreements between the retirement system and its employees.
6. It amends and repeals existing laws to reflect that the retirement system no longer administers a distinct expense fund, since all administrative expenses are paid out of applicable fund assets.
7. It makes the manner in which the member contribution rate is established for specific members of the Participating Local District Retirement Program consistent with how member contribution rates are established for all other members of the program.

Committee Amendment "A" (H-511)

This amendment removes the provisions in the bill that clarify the authority and responsibilities of the Board of

Joint Standing Committee on Appropriations and Financial Affairs

Trustees of the Maine Public Employees Retirement System with respect to eligibility and membership issues that arise in the context of the Participating Local District Retirement Program. This amendment also corrects errors in Public Law 2015, chapter 267, Part CCCC. The intent of that law was to permit members who were subject to a merit pay and longevity pay freeze in fiscal year 2011-12 and fiscal year 2012-13 to include those lost wages in their retirement benefit calculations by paying the necessary member contributions. The law also inadvertently omitted fiscal year 2011-12. This amendment corrects these errors in that law. This amendment also adds an emergency preamble and emergency clause to the bill.

Enacted Law Summary

Public Law 2015, chapter 385 does the following.

1. It corrects errors in Public Law 2015, chapter 267, Part CCCC: it permits members who were subject to a merit pay and longevity pay freeze in fiscal year 2011-12 and fiscal year 2012-13 to include those lost wages in their retirement benefit calculations by paying the necessary member contributions; it also corrects the omission in that law of fiscal year 2011-12.
2. It clarifies that cost-of-living adjustments for benefit recipients from the Governor's Retirement Fund are the same as those paid to benefit recipients from the State Employee and Teacher Retirement Program.
3. It codifies language enacted in Public Law 2007, chapter 240, Part U, section 8 to make clear that administrative costs and expenses attributable to the administrative operating budget of the Maine Public Employees Retirement System are charged against the assets of applicable funds.
4. It repeals obsolete language pertaining to information included in the retirement system's annual report to the Legislature.
5. It removes the requirement that the Legislature approve collective bargaining agreements between the retirement system and its employees.
6. It amends and repeals existing laws to reflect that the retirement system no longer administers a distinct expense fund, since all administrative expenses are paid out of applicable fund assets.
7. It makes the manner in which the member contribution rate is established for specific members of the Participating Local District Retirement Program consistent with how member contribution rates are established for all other members of the program.

Public Law 2015, chapter 385 was enacted as an emergency measure effective March 6, 2016.

LD 1032 An Act To Implement the Combination Defined Benefit and Defined Contribution Retirement Plan Described in a Report Submitted to the Joint Standing Committee on Appropriations and Financial Affairs in March 2012

Died Between Houses

Sponsor(s)
WINSOR T

Committee Report
ONTP
OTP-AM

Amendments Adopted

This bill was carried over from the First Regular Session of the 127th Legislature.

This bill establishes the Adjustable Pension Plan Program, a combined defined benefit and defined contribution retirement plan, to replace the State Employee and Teacher Retirement Program for state employees and teachers