

# 2002 Legislative Update

## Legislation Enacted in the Second Regular Session of the 120th Legislature

### An Act to Authorize Certain Former Members of the Maine State Retirement System to Rejoin the Maine State Retirement System

**PL 2001, Chapter 545 [LD 1884]**  
**Amending: 20-A M.R.S.A. §12722**  
**Effective Date: July 25, 2002**  
**Members Affected: Some State Employees**

This bill permits certain employees of the Maine Technical College System (MTCS) to become members of and/or reinitiate the making of contributions to the MSRS. Those MTCS employees who are covered by this provision are those who previously made an election to either terminate contributions to the Maine State Retirement System (MSRS) or to not contribute to the MSRS upon date of hire, and to instead make contributions to the defined contribution plan provided by MTCS. Employees who choose to again contribute to MSRS may repay any previously withdrawn MSRS contributions, plus applicable interest, to reinstate service credit. Additionally, service credit for the period during which contributions were not made to the MSRS can be purchased at its full actuarial cost.

### An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government...for the Fiscal Years Ending June 30, 2002 and June 30, 2003

**PL 2001, Chapter 559 [LD 2080]**  
**Members Affected: Retired Teacher Members and Some State Employees**

This bill is the State supplemental budget bill. Included in this bill are provisions to amend the changes to special plan coverage for Inland Fisheries and Wildlife Officers and Marine Resource Officers that were enacted during the First Regular Session of the 120th Legislature. The current bill places those officers into an unreduced 25-year special retirement plan effective September 1, 2002, for service earned on and after that date. The inclusion of service in those capacities earned prior to September 1, 2002 is contingent upon additional funding of the new plan. Until full funding is reached, service that was earned by those officers prior to September 1, 2002 remains as service in the 1998 Special Plan.

### An Act to Provide Retirement Equity for Capital Security Officers

**PL 2001, Chapter 646 [LD 2028]**  
**Amending: 5 M.R.S.A. §17851-A**  
**Effective Date: July 1, 2002**  
**Members Affected: Some State Employees**

This bill extends coverage in the 1998 Special Plan to Capital Security Officers in the employment of the Department of Public Safety, Bureau of Capital Security on July 1, 2002, or hired thereafter. Service earned by these officers on and after July 1, 2002 will be under the new plan. Effective July 1, 2002, the employee contribution rate for this group of State employees is 8.65% of earnable compensation.

## **An Act to Protect Retirement Income**

**PL 2001, Chapter 657 [LD 2006]**  
**Amending: 3 M.R.S.A. §§801, 806, 5 M.R.S.A. §17701**  
**Effective Date: July 1, 2002**  
**Members Affected: Some Legislators**

This bill applies to teachers and employees of the Maine Technical College System (MTCS) who are on a leave of absence in order to serve in the Legislature. This bill provides that in situations when a member's earnable compensation as a legislator is less than the earnable compensation that would have been earned in the teacher or MTCS position, absent the leave, the member may pay contributions on the difference between the two levels of earnable compensation. A legislator who chooses to pay contributions under this law must enter into an agreement with the Retirement System as to both the amount due and the method of payment.

## **An Act to Amend Maine State Retirement System Statutes**

**PL 2001, Chapter 699 [LD 2185]**  
**Effective Date: July 25, 2002**  
**Members Affected: Some Teachers and PLD members\***

This bill amends the definition of teacher to include duties related to a school computer system that a certified teacher might perform in addition to the duties performed in the certified position. Earnable compensation and creditable service applicable to those additional duties will now be included in the total earnable compensation and creditable service of the teacher.

This bill also repeals the restoration to service provision currently in effect for certain retired participating local district members. Those members will no longer be limited in the amount that may be earned if restored to service after retirement.

\* NOTE: The repeal of the restoration to service provision does not apply to members who have retired from the Consolidated Plan for Participating Local Districts until such time as the Advisory Committee that is responsible for the design of the Consolidated Plan elects to modify the plan accordingly.

## **An Act Concerning Disability Retirement Benefits Under the Maine State Retirement System**

**PL 2001, Chapter 701 [LD 2197]**  
**Members Affected: Disability Retired State, Teacher and PLD**

This bill extends until February 15, 2004 the suspension of the implementation of the permanent reduction to disability retirement benefits for "section 1122" disability recipients enacted in the First Regular Session of the 120th Legislature.

## **An Act to Address the Unfunded Liability of the Maine State Retirement System and the Equity of Retirement Benefits for State Employees and Teachers**

**PL 2001, Chapter 707 [LD 2199]**

This bill establishes the minimum level of employer contributions that may be made to the State employee/teacher retirement plan. The bill also establishes a Task Force to study the benefits applicable to members of those plans. See lead article on page 1 of this issue of *Retirement News*.