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An Act To Allow Service Credit for Teachers in the Retirement System for Certain Educational Development

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §17767 is enacted to read:

§ 17767. Service credit for teachers for educational development activities

A member who is a teacher may purchase up to one year of service credit for leave taken for educational development activities related to the member's employment or other approved purposes under the following conditions.

1. Payment. The member must, before any retirement benefit becomes effective, pay into the Members' Contribution Fund by a single payment or annual direct payments to the retirement system an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional service credit purchased under this section. Payments must be made as provided in section 17701, subsection 4.

If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

2. Limitation on use of purchased service credit. Notwithstanding any other provision of law, service credit purchased under this section may be used only for the purpose of increasing the amount of a member's service retirement benefit by inclusion of the purchased service credit and may not be used to establish a member's qualification for a service retirement benefit except that until January 1, 2009 service credit for leave taken for educational development activities prior to July 1, 1993 and purchased under this section may be used for the purpose of completing the 10-year requirement pursuant to section 17851, subsection 1-B.

3. Return to employment. The member must have returned to employment as a teacher after completion of the leave taken for educational development activities.

Sec. 2. 5 MRSA §17851, sub-§1-B, as amended by PL 1999, c. 756, §10, is further amended to read:

1-B. Member in service at retirement; 10 years of creditable service on July 1, 1993. A member who on July 1, 1993, had 10 years of creditable service and who is in service at retirement, or a member who on July 1, 1993 had reached 60 years of age and had been in service for a minimum of one year immediately before July 1, 1993 and has been in service for a minimum

of one year immediately before retirement, qualifies for a service retirement benefit if the member retires upon or after reaching 60 years of age. For the purpose of determining completion of the 10-year requirement, the 10 years of creditable service may include creditable service as a member of the Maine Legislative Retirement System under Title 3, section 701, subsection 8 or creditable service for leave taken for educational development activities prior to July 1, 1993 and purchased under section 17767 before January 1, 2009.

A. Effective October 1, 1999, the creditable service and age requirements of this subsection may not be increased for a member who on or before October 1, 1999 met either of the requirements for eligibility for service retirement benefits under this subsection, whether or not the member is in service on October 1, 1999.

B. For the purpose of calculating creditable service under this subsection only, creditable service includes time during which a member participated in the voluntary cost savings plan or the voluntary employee incentive program, authorized by Public Law 1989, chapter 702, Part F, section 6 and Public Law 1991, chapter 591, Part BB and chapter 780, Part VV, or 10 years of combined creditable service under this Part and Title 3, chapter 29, or creditable service available to a member that the member was eligible to purchase on June 30, 1993 and that the member does purchase in accordance with rules adopted by the board or creditable service available to a member for leave taken for educational development activities prior to July 1, 1993 and that the member purchases under section 17767 before January 1, 2009.

SUMMARY

This bill provides that teachers covered under the Maine State Retirement System may purchase service credit for educational development activities. It also allows teachers with creditable service for leave taken for educational development activities prior to July 1, 1993 to use that service time for the purpose of completing the 10-year requirement pursuant to the Maine Revised Statutes, Title 5, section 17851, subsection 1-B if the member purchases that creditable service under Title 5, section 17767 before January 1, 2009.