

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Improve the Codification of Retirement Plans Administered by the Maine Public Employees Retirement System**

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

**Sec. 1. 2 MRSA §1-A, sub-§2, ¶B**, as enacted by PL 1985, c. 801, §§1 and 7 and amended by PL 2007, c. 58, §3, is further amended to read:

B. A Governor may become or continue to be a member of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program and is entitled to all benefits, except that the benefit provided under this section ~~shall be~~ is in lieu of, and not in addition to, all benefits provided under Title 5, Part 20.

**Sec. 2. 2 MRSA §1-A, sub-§2, ¶C**, as enacted by PL 1985, c. 801, §§1 and 7 and amended by PL 2007, c. 58, §3, is further amended to read:

C. When a retirement allowance under this section becomes effective:

(1) Any accumulated contributions of a Governor who is or was a member of the State Employee and Teacher Retirement Program or was a member of the ~~Maine Public Employees Retirement System~~former Maine State Retirement System ~~shall~~ must be transferred from the Members' Contribution Fund to the Governor's Retirement Fund; and

(2) An amount ~~shall~~ must be transferred from the Retirement Allowance Fund to the Governor's Retirement Fund equal to the accrued benefit reserve minus the accumulated contributions under subparagraph (1), which would have been required to pay the benefits to which the Governor or surviving spouse would have been entitled under Title 5, chapter 423, subchapter ~~5~~.

**Sec. 3. 3 MRSA §701, sub-§8**, as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**8. Creditable service.** "Creditable service" means service rendered while a member of the ~~former Maine Legislative Retirement System or, the Legislative Retirement Program, the Maine Public Employees Retirement System~~former Maine State Retirement System or the State and Teacher Retirement Program for which credit is allowed under section 802.

**Sec. 4. 3 MRSA §701, sub-§12**, as enacted by PL 1985, c. 507, §1, is amended to read:

**12. Member.** "Member" means a Legislator who is included in the membership of the ~~Maine Legislative Retirement System~~Program, as provided in section 801.

**Sec. 5. 3 MRSA §702**, as enacted by PL 1985, c. 507, §1, is amended to read:

## § 702. Name, establishment and purpose

There is established the Maine Legislative Retirement SystemProgram, which ~~shall have~~has the powers and privileges of a corporation.

The purpose of the Maine Legislative Retirement SystemProgram is to provide retirement allowances and other benefits under this chapter for Legislators.

**Sec. 6. 3 MRSA §731, first ¶**, as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

The Board of Trustees of the Maine Legislative Retirement SystemProgram ~~shall consist~~consists of those persons who are members of the Board of Trustees of the Maine Public Employees Retirement System. The Board of Trustees of the Maine Legislative Retirement SystemProgram is responsible for the proper operation and implementation of the Maine Legislative Retirement SystemProgram under this chapter.

**Sec. 7. 3 MRSA §731, sub-§1**, as amended by PL 1989, c. 133, §4 and PL 2007, c. 58, §3, is further amended to read:

**1. Duties.** The board ~~shall have~~of trustees has the same duties with respect to the Maine Legislative Retirement SystemProgram as the ~~Board of Trustees of the Maine Public Employees Retirement System~~ has with other programs of the Maine Public Employees Retirement System, including, but not limited to, those powers and duties enumerated in Title 5, chapter 421, subchapters ~~III, IV and V~~3, 4 and 5.

**Sec. 8. 3 MRSA §731, sub-§2**, as enacted by PL 1985, c. 507, §1, is amended to read:

**2. Administration of Legislative Retirement Program.** The board of trustees shall administer the Maine Legislative Retirement SystemProgram and may ~~promulgate~~adopt and publish, in accordance with the ~~Maine Administrative Procedure Act~~, Title 5, chapter 375, subchapter ~~H~~2, any rules necessary and proper to give effect to the intent, purposes and provisions of this chapter.

**Sec. 9. 3 MRSA §731, sub-§3**, as enacted by PL 1985, c. 507, §1, is amended to read:

**3. Expenses.** The trustees ~~shall be compensated~~are entitled to compensation as provided in Title 5, chapter 379; from the funds of the ~~Maine Legislative Retirement System~~Maine Public Employees Retirement System.

**Sec. 10. 3 MRSA §732**, as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

## § 732. Executive director

The Executive Director of the Maine Public Employees Retirement System ~~shall be~~is the Executive Director of the Maine Legislative Retirement SystemProgram. The executive director ~~shall have~~has the same powers and duties with respect to the Maine Legislative Retirement SystemProgram as ~~he does~~ with other programs of the Maine Public Employees Retirement System, except as provided in this chapter.

**Sec. 11. 3 MRSA §733**, as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**§ 733. Actuary**

The ~~Actuary~~actuary of the other programs of the Maine Public Employees Retirement System shall ~~be~~is the Actuary of the Maine Legislative Retirement SystemProgram.

**Sec. 12. 3 MRSA §734**, as amended by PL 1995, c. 643, §1 and PL 2007, c. 58, §3, is further amended to read:

**§ 734. Medical board**

A medical board of the other programs of the Maine Public Employees Retirement System established in Title 5, section 17106, subsection 1 is the medical board of the Maine Legislative Retirement SystemProgram. The medical board shall arrange for and pass upon all medical examinations required under this chapter with respect to disability retirements and shall report in writing to the executive director its conclusions and recommendations upon all the matters referred to it. The board of trustees may designate other physicians to provide medical consultation on legislative disability cases.

**Sec. 13. 3 MRSA §735**, as amended by PL 1989, c. 133, §5 and PL 2007, c. 58, §3, is further amended to read:

**§ 735. Administrative procedures**

Appeal from the executive director's decision shall ~~be~~is the same as provided for other programs of the Maine Public Employees Retirement System in Title 5, section 17451.

**Sec. 14. 3 MRSA §736**, as enacted by PL 1985, c. 507, §1, is amended to read:

**§ 736. Legal adviser**

The Attorney General or an assistant designated by ~~him~~shall ~~be~~the Attorney General is the legal adviser of the Board of Trustees of the Maine Legislative Retirement SystemProgram.

**Sec. 15. 3 MRSA §751**, as amended by PL 1989, c. 133, §6 and PL 2007, c. 58, §3, is further amended to read:

**§ 751. Control of funds**

The board of trustees shall ~~be~~is the trustee of the funds created by this chapter and shall administer those funds in the same manner as is provided for the administration of other program funds of the Maine Public Employees Retirement System funds in accordance with Title 5, chapter 421, subchapters ~~III~~3 and ~~IV~~4. The board of trustees may establish separate funds or accounts within a fund, as necessary.

**Sec. 16. 3 MRSA §754**, as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**§ 754. Investments**

The board of trustees may combine funds from the Maine Legislative Retirement SystemProgram and the assets of other programs of the Maine Public Employees Retirement System for investment purposes. The assets and funds of other programs of the Maine Public Employees Retirement System and the assets and funds of the Maine Legislative Retirement System shallProgram may not be combined for benefit payment purposes or for administrative expenses.

**Sec. 17. 3 MRSA §755**, as enacted by PL 1985, c. 507, §1, is amended to read:

### **§ 755. Legislative findings and intent**

**1. Findings.** The Legislature finds that the State owes a great debt to its retired Legislators for their years of faithful and productive service. Part of that debt is repaid by the benefits provided to Legislators through the Maine Legislative Retirement SystemProgram.

**2. Intent.** It is the intent of the Legislature that there shall be appropriated and transferred annually to the Maine Legislative Retirement SystemProgram the funds necessary to meet the system'sprogram's long-term and short-term financial obligations based on the actuarial assumptions established by the board of trustees upon the advice of the actuary. The goal of the actuarial assumptions shall be to achieve a fully funded systemprogram. The system'sprogram's unfunded liability shall must be funded by annual appropriations over the funding period of the systemprogram.

**3. Implementation.** It shall be the responsibility of the board of trustees to calculate the funds necessary to maintain the systemprogram on an actuarially sound basis, including the unfunded liability arising from payment of benefits for which contributions were not received and to transmit those calculations to the State Budget Officer as required by Title 5, sections 1661 to 1667. It shall be the responsibility of the Legislature to appropriate and transfer those funds annually.

**Sec. 18. 3 MRSA §801**, as amended by PL 2007, c. 58, §3 and c. 249, §2, is further amended to read:

### **§ 801. Membership**

**1. Membership mandatory.** Every Legislator serving in the Legislature on or after December 3, 1986 is a member of the Maine Legislative Retirement SystemProgram, except that any Legislator who is was a member of the Maine State Retirement System on December 2, 1986 may continue choose to be a member of that system the State Employee and Teacher Retirement Program instead of becoming a member of the Maine Legislative Retirement SystemProgram, and any Legislator who is a public school teacher or an employee of the Maine Community College System on leave of absence for the purpose of serving in the Legislature continues to be a member of the Maine State Retirement SystemState Employee and Teacher Retirement Program and to have contributions deducted from the member's legislative earnable compensation as provided by Title 5, section 17701. A Legislator who terminates employment from a position requiring membership in the Maine State Retirement SystemState Employee and Teacher Retirement Program no longer contributes to the Maine State Retirement SystemState Employee and Teacher Retirement Program and, if qualified, is eligible to become a benefit recipient under Title 5, section 17804. Upon such termination, the Legislator becomes a member of the Maine

Legislative Retirement SystemProgram. Except as provided in section 802, subsection 4, paragraph A, creditable service granted under the ~~Maine State Retirement System~~State Employee and Teacher Retirement Program may not be transferred to the ~~Maine~~ Legislative Retirement SystemProgram. A member ceases to be a member when the member withdraws the member's contributions, becomes a beneficiary as a result of the member's own retirement or dies.

**1-A. Waiver provision.** Any Legislator may petition the presiding officer for a waiver from the membership provisions of subsection 1 if it can be demonstrated that membership in the ~~Maine~~ Legislative Retirement SystemProgram will create or exacerbate a Legislator's federal income tax liability due to the ownership of another retirement plan. The Office of the Executive Director of the Legislative Council shall provide assistance as requested by the Legislator or presiding officer. The presiding officer shall respond to the Legislator's petition within 30 days and shall provide copies of the decision to the Executive Director of the Legislative Council and the Executive Director of the Maine Public Employees Retirement System.

**2. Reports from Legislative Administrative Director.** The Executive Director of the Legislative Council shall submit to the board of trustees a statement showing the name, title, compensation, sex, date of birth and length of service of each member and any other information as the board of trustees may require at such times as the board of trustees may require.

**Sec. 19. 3 MRSA §802, sub-§2,** as enacted by PL 1985, c. 507, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**2. Legislative service before December 3, 1986.** All service of a member as a Legislator before December 3, 1986, ~~shall~~must be allowed as creditable service upon payment of contributions at that percentage rate required of members of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program during the period of time covered by the legislative service applied to the earnable compensation of the member, together with interest at a rate set by a rule of the board of trustees from the end of the calendar year in which the compensation was paid to the date payment of the contributions is made.

**Sec. 20. 3 MRSA §802, sub-§4,** as amended by PL 2007, c. 58, §3 and c. 249, §3, is further amended to read:

**4. State Employee and Teacher Retirement Program service.** Creditable service as a member of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program as a state employee ~~shall~~must be allowed as creditable service of the ~~Maine~~ Legislative Retirement SystemProgram as follows.

A. Any member who has not withdrawn the member's accumulated contributions with the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program and is not a benefit recipient under Title 5, section 17804 may, upon becoming a Legislator, have the member's ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program contributions and membership service transferred to the member's account with the ~~Maine~~

Legislative Retirement SystemProgram and all creditable service resulting from membership in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program is creditable service in the ~~Maine~~ Legislative Retirement SystemProgram.

All funds in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program contributed by the State on account of the member's employment must be transferred to the ~~Maine~~ Legislative Retirement SystemProgram and must be used to liquidate the liability incurred by reason of the member's previous employment. The State shall make contributions, from time to time, as may be necessary to provide the benefits under the ~~Maine~~ Legislative Retirement SystemProgram for the member that have accrued to the member by reason of the member's previous employment and may accrue to the member by reason of membership in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program.

B. Any member who has withdrawn his~~that member's~~ accumulated contributions from the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program may, subsequent to becoming a Legislator and prior to the date any retirement allowance becomes effective for him~~the member~~, deposit in the fund by a single payment or by an increased rate of contribution an amount equal to the accumulated contributions withdrawn by him~~the member~~, together with interest at a rate set by a rule of the board of ~~of trustees~~ from the date of withdrawal to the date of repayment. If repayment is made in installments, interest shall ~~continue~~continues to accrue on the outstanding balance. The member shall ~~beis~~ be entitled to all creditable service that ~~he~~the member acquired during his~~the member's~~ previous membership. In the event any retirement allowance becomes effective before repayment is completed, the member shall ~~beis~~ be entitled to credit for that portion of the total of the previous creditable service which the total amount of payments actually made bears to the total amount, including interest at a rate set by a rule of the board of ~~of trustees~~ from the date of withdrawal to the date the retirement allowance becomes effective.

C. ~~No~~A person may not receive benefits under both the ~~Maine~~ Legislative Retirement SystemProgram and the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program based upon the same period of service.

**Sec. 21. 3 MRSA §803**, as amended by PL 2007, c. 240, Pt. U, §2, is further amended to read:

### **§ 803.State contribution**

**1. Payment.** For each member, the State shall pay annually into the fund an amount known as the employer contribution.

**2. Employer contribution.** Employer contribution shall~~must~~ be fixed on the basis of the assets and liabilities of the ~~Maine~~ Legislative Retirement SystemProgram as shown by actuarial valuation and shall ~~beis~~ be expressed as a percentage of the annual earnable compensation of each member.

A. The employer contribution rate shall ~~represent~~represents the percentage of the member's compensation payable during periods of membership required to provide the difference between the total liabilities for retirement allowances and the amount of the assets in the fund.

B. The employer contribution rate ~~shall be~~ determined on actuarial bases adopted by the board of trustees. The rate ~~shall be~~ determined by the board of trustees after each valuation and shall ~~continue~~continues in force until a new valuation is made.

**3. State contribution procedure.** The board of trustees shall submit budget estimates to the State Budget Officer in accordance with Title 5, section 1665.

On each payroll for Legislators, the State Controller shall cause a charge to be made of an amount or amounts in payment of the state costs of all charges related to the Maine Legislative Retirement System Program and which ~~shall~~must be credited to the appropriate accounts of the fund. Percentage rates to be predetermined by the actuary and approved by the board of trustees ~~shall~~must be applied to the total gross salaries of members appearing on those payrolls and the resultant charges ~~shall~~must be periodically credited to the retirement fund.

**4. Minimum amount of employer contribution.** The aggregate payment by the State into the fund must be at least sufficient to provide the benefits payable out of the fund and the administrative operating expenses of the Maine Legislative Retirement System Program during the current year.

**Sec. 22. 3 MRSA §805-A, sub-§1, ¶C**, as amended by PL 2007, c. 58, §3 and enacted by c. 137, §3, is further amended to read:

C. An application for refund is void if the member filing the application returns to membership in any retirement plan program administered by the Maine Public Employees Retirement System before issuance of the payment; and

**Sec. 23. 3 MRSA §851, sub-§1-B**, as enacted by PL 1999, c. 756, §2 and amended by PL 2007, c. 58, §3, is further amended to read:

**1-B. At least 10 years of creditable service or 60 years of age on July 1, 1993.** A member who on July 1, 1993, whether or not in service on that date, had 10 years of creditable service or who on July 1, 1993 had reached 60 years of age and was then in service may retire at 60 years of age or thereafter, whether or not the member is in service at retirement. Creditable service as a member of any other retirement program of the Maine Public Employees Retirement System may be combined with creditable service as a member of the Maine Legislative Retirement System Program for the purpose of determining the completion of 10 years of creditable service.

**Sec. 24. 3 MRSA §851, sub-§1-C**, as enacted by PL 1999, c. 756, §2 and amended by PL 2007, c. 58, §3, is further amended to read:

**1-C. Less than 10 years of creditable service on July 1, 1993.** A member who on July 1, 1993 had less than 10 years of creditable service and who was in service on October 1, 1999; who had left service prior to October 1, 1999 with or without withdrawing contributions and on or after October 1, 1999 returned to service; or who first enters service on or after October 1, 1999 may retire at 62 years of age or thereafter, whether or not the member is in service at retirement, as long as the member has at the time of retirement at least 5 years of creditable service. Creditable service as a member of any other

retirement program of the Maine Public Employees Retirement System may be combined with creditable service as a member of the Maine Legislative Retirement SystemProgram for the purpose of determining the completion of 5 years of creditable service.

**Sec. 25. 3 MRSA §851, sub-§2**, as amended by PL 1999, c. 756, §3 and PL 2007, c. 58, §3, is further amended to read:

**2. Early retirement; 10 years of creditable service on July 1, 1993.** Any member, whether or not in service at retirement, who on July 1, 1993 had at least 10 years of creditable service and who has completed at least 25 years of creditable service may retire any time before the member's 60th birthday. Creditable service as a member of any other retirement program of the Maine Public Employees Retirement System may be combined with creditable service as a member of the Maine Legislative Retirement SystemProgram for the purpose of determining the completion of 25 years of creditable service. The retirement allowance is determined in accordance with section 852, except that it is reduced by multiplying the retirement allowance by a fraction that represents the ratio of the amount of a life annuity due at age 60 years to the amount of a life annuity due at the age of retirement. The tables of annuities in effect at the date of retirement are used for this purpose.

**Sec. 26. 3 MRSA §851, sub-§2-A**, as amended by PL 1999, c. 756, §3 and PL 2007, c. 58, §3, is further amended to read:

**2-A. Early retirement; less than 10 years creditable service on July 1, 1993.** Any member, whether or not in service at retirement, who on July 1, 1993 had less than 10 years of creditable service and who has completed at least 25 years of creditable service may retire any time before the member's 62nd birthday. Creditable service as a member of any other retirement program of the Maine Public Employees Retirement System may be combined with creditable service as a member of the Maine Legislative Retirement SystemProgram for the purpose of determining the completion of 25 years of creditable service. The retirement allowance is determined in accordance with section 852, except that it is reduced by 6% for each year that the member's age precedes age 62.

**Sec. 27. 3 MRSA §853**, as amended by PL 1989, c. 133, §9 and PL 2007, c. 58, §3, is further amended to read:

### **§ 853. Disability retirement**

Any member who becomes disabled while in service may receive a disability retirement allowance on the same basis as provided for members of the Maine Public Employees Retirement SystemState Employee and Teacher Retirement Program by Title 5, chapter 423, subchapter V5, article 3.

**Sec. 28. 3 MRSA §855**, as amended by PL 1989, c. 133, §10 and PL 2007, c. 58, §3, is further amended to read:

### **§ 855. Ordinary death benefits**



If a member who is in service or a former member who is a recipient of a disability retirement allowance dies, the member's beneficiary, or relative if no designated beneficiary, shall be entitled to benefits on the same basis as provided for beneficiaries of state employees who are members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program by Title 5, chapter 423, subchapter ~~5~~, article 4.

**Sec. 29. 3 MRSA §856**, as amended by PL 1989, c. 133, §11 and PL 2007, c. 58, §3, is further amended to read:

### **§ 856. Accidental death benefits**

If a member or a former member who is receiving a disability retirement allowance dies as a result of an injury received in the line of duty, benefits shall ~~be~~ must be paid on the same basis as provided for members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program by Title 5, chapter 423, subchapter ~~5~~, article 5.

**Sec. 30. 3 MRSA §857**, as amended by PL 1989, c. 133, §12 and PL 2007, c. 58, §3, is further amended to read:

### **§ 857. Payment of service retirement allowance**

All service retirement allowances shall ~~be~~ must be paid on the same basis as provided for members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program by Title 5, section 17804.

**Sec. 31. 3 MRSA §858**, as amended by PL 1989, c. 133, §13 and PL 2007, c. 58, §3, is further amended to read:

### **§ 858. Cost-of-living and other adjustments**

Retirement allowances under this chapter shall ~~be~~ must be adjusted on the same basis as provided for members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program by Title 5, section 17806.

**Sec. 32. 3 MRSA §859**, as enacted by PL 1989, c. 133, §14 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 859. Remarriage after retirement**

If a retiree who is the recipient of a reduced service retirement allowance under section 857 remarries after the retiree's spouse dies, the retiree may elect to have the reduced retirement benefit paid under the same option to the new spouse after the retiree's death instead of continuing the original reduced retirement allowance to the retiree during the retiree's lifetime, under the same basis as provided for members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program by Title 5, section 17805.

**Sec. 33. 3 MRSA §860**, as enacted by PL 1997, c. 55, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

## § 860.Divorce

If a retiree who is the recipient of a reduced service retirement allowance under section 857 is granted a divorce either after retirement or before a retirement beneficiary is named, the provisions of Title 5, section 17805-A apply on the same basis as for members of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program.

**Sec. 34. 4 MRSA §1202**, as enacted by PL 1983, c. 853, Pt. C, §§15 and 18, is amended to read:

### § 1202.Name, establishment and purpose

There is established ~~on December 1, 1984, the Maine Judicial Retirement System, which shall have~~ the Judicial Retirement Program, which has the powers and privileges of a corporation.

The purpose of the ~~Maine Judicial Retirement System~~ Program is to provide retirement allowances and other benefits under this chapter for judges.

**Sec. 35. 4 MRSA §1231**, as amended by PL 2001, c. 181, §2 and PL 2007, c. 58, §3, is further amended to read:

### § 1231.Board of trustees

The Board of Trustees of the ~~Maine Judicial Retirement System shall consist~~ Program consists of those persons who are members of the Board of Trustees of the Maine Public Employees Retirement System. The Board of Trustees of the ~~Maine Judicial Retirement System~~ Program is responsible for the proper operation and implementation of the ~~Maine Judicial Retirement System~~ Program under this chapter.

**1. Duties.** The board ~~shall have~~ of trustees has the same duties with respect to the ~~Maine Judicial Retirement System~~ Program as the board of the ~~Maine Public Employees Retirement System~~ has with respect to ~~other programs~~ of the Maine Public Employees Retirement System, including, but not limited to, those powers and duties enumerated in Title 5, chapter 421, subchapters ~~III, IV~~ 3, 4 and ~~V~~ 5.

**2. Administration of Judicial Retirement Program.** The board of trustees shall administer the ~~Maine Judicial Retirement System~~ Program and is authorized to ~~promulgate~~ adopt and publish, in accordance with the ~~Maine Administrative Procedure Act~~, Title 5, chapter 375, subchapter ~~H2~~ 2, any rules necessary and proper to give effect to the intent, purposes and provisions of this chapter.

**3. Expenses.** The trustees ~~shall~~ must be compensated, as provided in Title 5, chapter 379, from the funds of the ~~Maine Judicial Retirement System~~ Program.

**4. Oath.** Each trustee shall, within 30 days after that trustee's appointment, take an oath of office to faithfully discharge the duties of a trustee, in the form prescribed by the Constitution of Maine. The oath must be subscribed to by the trustee making it, certified by the officer before whom it is taken and immediately filed in the office of the Secretary of State.

**5. Quorum.** Each voting trustee is entitled to one vote in the board of trustees. Five trustees constitute a quorum for the transaction of any business. Five votes are necessary for any resolution or action by the board of trustees at any meeting of the board of trustees.

**Sec. 36. 4 MRSA §1232**, as enacted by PL 1983, c. 853, Pt. C, §§15 and 18 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 1232.Executive director**

The Executive Director of the Maine Public Employees Retirement System ~~shall be~~ the Executive Director of the ~~Maine Judicial Retirement System~~Program. The executive director ~~shall have~~has the same powers and duties with respect to the ~~Maine Judicial Retirement System~~Program as ~~he does~~ with other programs of the Maine Public Employees Retirement System, except as provided in this chapter.

**Sec. 37. 4 MRSA §1233**, as enacted by PL 1983, c. 853, Pt. C, §§15 and 18 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 1233.Actuary**

The ~~Actuary~~actuary of the other programs of the Maine Public Employees Retirement System ~~shall be~~ the Actuary of the ~~Maine Judicial Retirement System~~Program.

**Sec. 38. 4 MRSA §1234**, as amended by PL 1995, c. 643, §2 and PL 2007, c. 58, §3, is further amended to read:

### **§ 1234.Medical board**

A medical board of the other programs of the Maine Public Employees Retirement System established in section 17106, subsection 1 is the medical board of the ~~Maine Judicial Retirement System~~Program. The medical board shall arrange for and pass upon all medical examinations required under this chapter with respect to disability retirements and shall report in writing to the Supreme Judicial Court its conclusions and recommendations upon all the matters referred to it. The board of trustees may designate other physicians to provide medical consultation on judicial disability cases.

**Sec. 39. 4 MRSA §1235**, as amended by PL 1989, c. 133, §22 and PL 2007, c. 58, §3, is further amended to read:

### **§ 1235.Administrative procedures**

Appeal from the executive director's decision ~~shall be~~ the same as provided for other programs of the Maine Public Employees Retirement System in Title 5, section 17451.

**Sec. 40. 4 MRSA §1236**, as enacted by PL 1983, c. 863, Pt. B, §§15 and 45, is amended to read:

### **§ 1236.Legal adviser**

The Attorney General or an assistant designated by ~~him~~ ~~shall be~~ the Attorney General is the legal adviser of the Board of Trustees of the ~~Maine Judicial Retirement System~~Program.

**Sec. 41. 4 MRSA §1251**, as amended by PL 1989, c. 133, §23 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 1251. Control of funds**

The board of trustees ~~shall be~~ is the trustee of the funds created by this chapter and shall administer those funds in the same manner as is provided for the administration of the ~~Maine Public Employees Retirement System~~ other program funds of the Maine Public Employees Retirement System in accordance with Title 5, chapter 421, subchapters ~~HH3~~ and ~~IV4~~. The board of trustees may establish separate funds or accounts within a fund, as necessary.

**Sec. 42. 4 MRSA §1253**, as repealed and replaced by PL 2007, c. 240, Pt. U, §3, is amended to read:

### **§ 1253. Expenses**

All administrative operating expenses of the Maine Judicial Retirement System ~~Program~~ must be charged to the assets of the Maine Judicial Retirement System ~~Program~~.

**Sec. 43. 4 MRSA §1254**, as amended by PL 1983, c. 863, Pt. B, §§16 and 45 and PL 2007, c. 58, §3, is further amended to read:

### **§ 1254. Investments**

The board of trustees may combine funds from the Maine Judicial Retirement System ~~Program~~ and assets of other programs of the Maine Public Employees Retirement System for investment purposes. The assets and funds of other programs of the Maine Public Employees Retirement System and the assets and funds of the Maine Judicial Retirement System ~~Program~~ may ~~shall~~ not be combined for benefit payment purposes or for administrative expenses.

**Sec. 44. 4 MRSA §1255**, as amended by PL 1983, c. 863, Pt. B, §§17 and 45, is further amended to read:

### **§ 1255. Legislative findings and intent**

**1. Findings.** The Legislature finds that the State owes a great debt to its retired judges for their years of faithful and productive service. Part of that debt is repaid by the benefits provided to judges through the Maine Judicial Retirement System ~~Program~~.

**2. Intent.** It is the intent of the Legislature that there ~~shall be~~ is appropriated and transferred annually to the Maine Judicial Retirement System ~~Program~~ the funds necessary to meet the system's program's long-term and short-term financial obligations based on the actuarial assumptions established by the board of trustees upon the advice of the actuary. The goal of the actuarial assumptions ~~shall be~~ is to achieve a fully funded system program. The system's program's unfunded liability for members formerly subject to sections 5, 103 and 157-A, ~~shall be~~ is funded by annual appropriations over the funding period of the system program. This section ~~shall~~ does not apply to justices and judges who retired prior to December 1, 1984.

**3. Implementation.** It shall be the responsibility of the board of trustees to calculate the funds necessary to maintain the system program on an actuarially sound basis, including the unfunded liability arising from payment of benefits for which contributions were not received and to transmit those calculations to the State Budget Officer as required by Title 5, sections 1661 to 1667. It shall be the responsibility of the Legislature to appropriate and transfer those funds annually.

**Sec. 45. 4 MRSA §1302, sub-§3**, as amended by PL 1985, c. 693, §8 and PL 2007, c. 58, §3, is further amended to read:

**3. State Employee and Teacher Retirement Program service.** Creditable service as a member of the Maine Public Employees Retirement System shall State Employee and Teacher Retirement Program must be allowed as creditable service of the Maine Judicial Retirement System Program as follows.

A. Any member who has not withdrawn ~~his~~that member's accumulated contributions with the Maine Public Employees Retirement System State Employee and Teacher Retirement Program may, upon appointment as a judge, have his Maine Public Employees Retirement System that member's State Employee and Teacher Retirement Program contributions and membership service transferred to ~~his~~that member's account with the Maine Judicial Retirement System Program and all creditable service resulting from his membership in the Maine Public Employees Retirement System shall be State Employee and Teacher Retirement Program is creditable service in the Maine Judicial Retirement System Program.

All funds in the Maine Public Employees Retirement System State Employee and Teacher Retirement Program contributed by the employer on account of his employment shall ~~be~~ transferred to the Maine Judicial Retirement System Program and shall must be used to liquidate the liability incurred by reason of ~~his~~that member's previous employment. The State shall make such contributions, from time to time, as may be necessary to provide the benefits under the Maine Judicial Retirement System Program for the member as have accrued to ~~him~~the member by reason of ~~his~~the member's previous employment and may accrue to ~~him~~the member by reason of his membership in the Maine Judicial Retirement System Program.

B. Any member who has withdrawn ~~his~~that member's accumulated contributions from the Maine Public Employees Retirement System State Employee and Teacher Retirement Program may, subsequent to appointment as a judge and prior to the date any retirement allowance becomes effective for ~~him~~that member, deposit in the fund by a single payment or by an increased rate of contribution an amount equal to the accumulated contributions withdrawn by ~~him~~that member together with interest at 2% greater than regular interest from the date of withdrawal to the date of repayment. If repayment is made in installments, interest shall ~~continue~~continues to accrue on the outstanding balance. The member shall ~~be~~ entitled to all creditable service that ~~he~~the member acquired during his previous membership. In the event any retirement allowance becomes effective before repayment is completed, the member shall ~~be~~ entitled to credit for that portion of the total

of such the previous creditable service which the total amount of payments actually made bears to the total amount, including interest at 2% greater than regular interest from the date of withdrawal to the date the retirement allowance becomes effective.

D. ~~No~~A person may not receive benefits under both the ~~Maine Judicial Retirement System~~Program and the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program based upon the same period of service.

**Sec. 46. 4 MRSA §1303**, as amended by PL 2007, c. 240, Pt. U, §4, is further amended to read:

### **§ 1303.State contribution**

**1. Payment.** For each member, the State shall pay annually into the fund an amount known as the employer contribution.

**2. Employer contribution rate.** The rate of the employer contribution shall ~~be~~is fixed on the basis of the assets and liabilities of the ~~Maine Judicial Retirement System~~Program as shown by actuarial valuation and shall ~~be~~is expressed as a percentage of the annual earnable compensation of each member.

A. The employer contribution rate shall ~~represent~~represents the percentage of the members' compensation payable during periods of membership required to provide the difference between the total liabilities for retirement allowances not provided by the members' contributions and the amount of the assets in the fund.

B. The employer contribution rate shall ~~be~~is determined on actuarial bases adopted by the board of trustees. The rate shall ~~be~~is determined by the board of trustees after each valuation and shall ~~continue~~continues in force until a new valuation is made.

**3. State contribution procedure.** The board of trustees shall submit budget estimates to the State Budget Officer in accordance with Title 5, section 1665. On each payroll for judges from which retirement contributions are deducted, the State Controller shall cause a charge to be made of an amount or amounts in payment of the state costs of all charges related to the ~~Maine Judicial Retirement System~~Program and which shall must be credited to the appropriate accounts of the fund. Percentage rates to be predetermined by the actuary and approved by the board of trustees shall must be applied to the total gross salaries of members appearing on those payrolls and the resultant charges shall must be periodically credited to the retirement fund.

**4. Minimum amount of employer contribution.** The aggregate payment by the State into the fund must be at least sufficient to provide the benefits payable out of the fund and the administrative operating expenses of the ~~Maine Judicial Retirement System~~Program during the current year.

**Sec. 47. 4 MRSA §1305-A, sub-§1, ¶C**, as amended by PL 2007, c. 58, §3 and enacted by c. 137, §7, is further amended to read:

C. An application for refund is void if the member filing the application returns to membership in any retirement ~~plan~~program administered by the Maine Public Employees Retirement System before issuance of the payment; and

**Sec. 48. 4 MRSA §1306**, as enacted by PL 2003, c. 486, §2, is amended to read:

**§ 1306. Back contribution for certain days off without pay**

**1. Election.** If the Maine ~~Judicial~~Public Employees Retirement System determines at the time a member retires that the member's benefit would be increased as a result of the inclusion of compensation that would have been paid for fiscal year 2002-03 days off without pay as described in section 1201, subsection 3, the retirement system shall advise the member of that result and shall allow the member to elect to have that compensation included in the calculation of the member's benefit and to make payments as set forth in subsection 2.

**2. Payment.** The amount that a member who makes the election permitted in subsection 1 must pay is the amount equal to the employee contribution that person would have made on wages that would have been paid to that person on the days off without pay during the 2002-03 fiscal year as described in section 1201, subsection 3, plus interest at the same rate as that required for payment of back contributions pursuant to Title 5, section 17704, subsection 3. If the member elects to make the payment, the Maine ~~Judicial~~Public Employees Retirement System shall withhold the required amount from the member's first retirement benefit check.

**3. Benefit calculation.** If the member fails to make the election within 31 days of the notification provided under subsection 1, the Maine ~~Judicial~~Public Employees Retirement System shall calculate the member's retirement benefit without inclusion of the days off without pay during the 2002-03 fiscal year.

**Sec. 49. 4 MRSA §1353, sub-§1-A**, as amended by PL 1997, c. 384, §1, is further amended to read:

**1-A. Eligibility for disability.**

A. A member with less than 5 years of continuous creditable service immediately preceding ~~his~~an application for a disability allowance is not eligible for that disability retirement allowance if that disability is the result of a physical or mental condition which existed prior to the ~~person's~~person's latest membership in ~~a retirement program of the system~~Maine Public Employees Retirement System, unless the disability is a result of, or has been substantially aggravated by, an injury or accident received in the line of duty.

**Sec. 50. 4 MRSA §1353, sub-§4, ¶C**, as amended by PL 1983, c. 863, Pt. B, §§26 and 45, is further amended to read:

C. The executive director may require the beneficiary to undergo annual medical examinations or tests for the purpose of determining whether the beneficiary is incapacitated. These examinations or tests ~~shall~~must be conducted by a qualified physician, mutually agreed upon by the executive director and beneficiary, at a place also mutually agreed upon, and the costs of the examination

or tests ~~shall~~must be paid by the Maine ~~Judicial~~Public Employees Retirement System. If the beneficiary refuses to submit to an examination or tests, ~~his~~the beneficiary's disability allowance ~~shall cease~~ceases until ~~he~~the beneficiary agrees to the examination or tests. If ~~his~~the beneficiary's refusal continues for one year, all rights to any further benefits under this section ~~shall~~ terminate.

**Sec. 51. 4 MRSA §1353, sub-§5**, as amended by PL 1983, c. 863, Pt. B, §§26 and 45, is further amended to read:

**5. Earnings.** The executive director may require each disability beneficiary to submit an annual statement of earnings received from any gainful occupation during that year. For any year during which the total of those earnings and the disability allowance exceeds the current salary of the position ~~which he~~that the disabled beneficiary last held, the excess ~~shall~~must be deducted from any disability retirement allowance payments made to the beneficiary during the next calendar year. These deductions ~~shall be~~are prorated on a monthly basis, in an equitable manner prescribed by the board of trustees, over the year or part of the year for which benefits are received. The beneficiary ~~shall be~~is responsible for reimbursing the Maine ~~Judicial~~Public Employees Retirement System for any excess earnings not so deducted.

If a beneficiary does not submit an earnings statement within 30 days of receiving a request from the executive director, ~~his~~the disability retirement allowance ~~shall be~~is discontinued until the statement is submitted. If the statement is not submitted within one year of receiving a request, all ~~his~~the beneficiary's rights to any further benefits ~~shall~~ cease.

**Sec. 52. 4 MRSA §1355**, as repealed and replaced by PL 1989, c. 133, §30 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 1355. Ordinary death benefits**

If a member who is in service or a former member who is a recipient of a disability retirement allowance dies, the member's beneficiary, or relative if the member has no designated beneficiary, ~~shall be~~is entitled to benefits on the same basis as provided for beneficiaries of state employees who are members of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program by Title 5, chapter 423, subchapter ~~V~~5, article 3.

**Sec. 53. 4 MRSA §1356**, as repealed and replaced by PL 1989, c. 133, §33 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 1356. Accidental death benefits**

If a member or a former member who is receiving a disability retirement allowance dies as a result of an injury received in the line of duty, benefits ~~shall be~~are paid on the same basis as provided for members of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program by Title 5, chapter 423, subchapter ~~V~~5, article 5.

**Sec. 54. 4 MRSA §1357, sub-§2, ¶D**, as repealed and replaced by PL 1999, c. 744, §1 and affected by §17, is amended to read:



D. Under Option 4, the qualifying member may elect to have a reduced retirement benefit payable to the qualifying member while alive and at the qualifying member's death to have some benefit other than that available under paragraphs B or C payable to the beneficiary that the qualifying member has designated, if the beneficiary survives the qualifying member. The total value of the benefit paid to the qualifying member during the qualifying member's life plus the benefit paid after the qualifying member's death is the actuarial equivalent of the benefit that the qualifying member would have received without optional modification. The method used to determine the benefit must be approved by the board of trustees, and the beneficiary must be designated by written designation, duly notarized and filed with the executive director on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System.

**Sec. 55. 4 MRSA §1357, sub-§2, ¶E**, as enacted by PL 1999, c. 744, §1 and affected by §17, is amended to read:

E. Under Option 5, the qualifying member may elect to have a reduced retirement benefit payable in part to the qualifying member and in part to the beneficiary, who must be the sole beneficiary, while both are alive and, at the death of either, to have the higher benefit paid to the survivor for the survivor's life. The total value of the benefit paid to the qualifying member and beneficiary, during the qualifying member's life, plus the benefit to be paid after the death of either is the actuarial equivalent of the benefit that the qualifying member would have received without optional modification. The method used to determine the benefit must be approved by the board of trustees, and the beneficiary must be designated by written designation, duly notarized and filed with the executive director on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System.

**Sec. 56. 4 MRSA §1357, sub-§2, ¶F**, as enacted by PL 1999, c. 744, §1 and affected by §17, is amended to read:

F. Under Option 6, the qualifying member may elect to have a reduced retirement benefit payable to the qualifying member while alive and, at the qualifying member's death, to have the benefit continued in the same amount for the life of the beneficiary, who must be the sole beneficiary, that the qualifying member has designated by written designation, duly notarized and filed with the executive director on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System, if the beneficiary survives the qualifying member. If the qualifying member's beneficiary predeceases the qualifying member, the qualifying member's benefit must be changed, effective the first day of the month following the date of the beneficiary's death, to be the actuarial equivalent of the benefit that the qualifying member would have received without optional modification. The reduced retirement benefit must be actuarially calculated to reflect the fact that the benefit may be changed to the larger amount should the beneficiary predecease the member.

**Sec. 57. 4 MRSA §1357, sub-§2, ¶G**, as enacted by PL 1999, c. 744, §1 and affected by §17, is amended to read:

G. Under Option 7, the qualifying member may elect to have a reduced retirement benefit payable to the qualifying member while alive and, at the qualifying member's death, to have the benefit continued at 1/2 that amount for the life of the beneficiary, who must be the sole beneficiary, that the

qualifying member has designated by written designation, duly notarized and filed with the executive director on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System, if the beneficiary survives the qualifying member. If the qualifying member's beneficiary predeceases the qualifying member, the qualifying member's benefit must be changed, effective the first day of the month following the date of the beneficiary's death, to the actuarial equivalent of the benefit that the qualifying member would have received without optional modification. The reduced retirement benefit must be actuarially calculated to reflect the fact that the benefit may be changed to the larger amount should the beneficiary predecease the member.

**Sec. 58. 4 MRSA §1357, sub-§3**, as enacted by PL 1999, c. 744, §2, is amended to read:

**3. One-time change of beneficiary.** If the recipient of a service retirement benefit has elected an optional method of payment under subsection 2, paragraphs B to H, and has designated someone other than a spouse or ex-spouse as sole beneficiary, the recipient is permitted a one-time change in the designated beneficiary, but not in the already elected payment option or in the amount of the benefits under that option, by filing a written designation of the new beneficiary, duly notarized, with the executive director on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System. The change of beneficiary permitted by this subsection may only be made prior to the death of the prior designated beneficiary.

A. The benefit payable to the recipient and the new beneficiary must be paid under the same payment option. The amount of the recipient's benefit may not change, and the amount of the new beneficiary's benefit must be the same as the amount of the prior beneficiary's benefit.

B. The effective date of the designation of the new beneficiary is the date the designation is received by the executive director. As of the first day of the month following the effective date of the designation of the new beneficiary, the prior beneficiary is no longer entitled to any benefit payment and, if concurrent payment under subsection 2, paragraph E has been elected, the new beneficiary's benefit must become effective on the same date.

C. The new beneficiary's entitlement to benefits ceases on the earlier of:

(1) The date of the new beneficiary's death; or

(2) The date established when the amount of the prior beneficiary's benefit was established, which is the initial commencement date of benefits to the retiree increased by the life expectancy of the prior beneficiary computed in years and months using actuarial equivalence assumptions recommended by the system's actuary.

Payment of benefits to the new beneficiary must cease as of the first day of the month following the earlier of subparagraph (1) or (2).

**Sec. 59. 4 MRSA §1357, sub-§4, ¶A**, as enacted by PL 1999, c. 744, §2 and affected by §17, is amended to read:

A. By written certification of the spouse, duly notarized, on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System indicating that notice has been received from the qualifying member; or

**Sec. 60. 4 MRSA §1357, sub-§4, ¶B**, as enacted by PL 1999, c. 744, §2 and affected by §17, is amended to read:

B. When notice has been given, but certification by the spouse has not been provided, by written certification of the qualifying member, duly notarized, on a form provided or specified by the Maine ~~Judicial~~Public Employees Retirement System indicating that notice has been given to the spouse.

**Sec. 61. 5 MRSA §17001, sub-§13, ¶D**, as amended by P&SL 1993, c. 67, §1, is further amended to read:

D. For a teacher who is eligible for participation in the ~~retirement system~~State Employee and Teacher Retirement Program who is on a leave of absence while serving as President of the Maine Education Association, "earnable compensation" means the amount that the teacher would have earned if the teacher had remained in a teaching position.

**Sec. 62. 5 MRSA §17001, sub-§20**, as amended by PL 1987, c. 256, §2, is further amended to read:

**20. Member.** "Member" means any person included in the membership of a retirement program of the retirement system, as provided in chapter 423, subchapter H2, or chapter 425, subchapter H2.

**Sec. 63. 5 MRSA §17001, sub-§21**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**21. Membership service.** "Membership service" means service rendered while a member of a retirement program of the retirement system on account of which contributions are made and for which credit is allowable under chapter 423, subchapter IV4 or chapter 425, subchapter IV4.

**Sec. 64. 5 MRSA §17001, sub-§27**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**27. Participating local district.** "Participating local district" means a local district ~~which~~that has approved the participation of its employees in the Participating Local District Retirement Program of the retirement system under section 18201.

**Sec. 65. 5 MRSA §17001, sub-§30-A, ¶A**, as enacted by PL 1991, c. 746, §5 and affected by §10, is amended to read:

A. Creates or recognizes the right of an alternate payee, or assigns to an alternate payee the right, to receive all or a portion of the benefits payable with respect to a member or retiree under ~~the retirement system~~any of the programs of the Maine Public Employees Retirement System;

**Sec. 66. 5 MRSA §17001, sub-§42, ¶D**, as enacted by PL 1989, c. 550, §2 and repealed and replaced by c. 878, Pt. D, §4, is amended to read:

D. Any employee of a public school in a position not included in paragraph A, B or C who was a member of the State Employee and Teacher Retirement Program of the retirement system as a teacher on August 1, 1988, as long as:

(1) The employee does not terminate employment; or

(2) The employee terminates employment and returns to employment in a position in the same classification within 2 years of the date of termination;

**Sec. 67. 5 MRSA §17001, sub-§42, ¶E**, as enacted by PL 1989, c. 550, §2 and repealed and replaced by c. 878, Pt. D, §4, is amended to read:

E. Any former employee of a public school in a position not included in paragraph A, B or C who was a member of the State Employee and Teacher Retirement Program of the retirement system as a teacher before August 1, 1988, ~~provided that as long as~~ the former employee returns to employment in a position in the same classification before July 1, 1991; or

**Sec. 68. 5 MRSA §17051**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

#### **§ 17051. Nonapplicability of other retirement benefit laws**

~~No~~A law outside of this Part ~~which~~that provides wholly or in part at the expense of the State or of any subdivision of the State for retirement benefits for employees, or for the surviving spouses or other beneficiaries of those employees, may not apply to members or beneficiaries of any of the programs of the retirement system or to the surviving spouses or other beneficiaries of those members or beneficiaries. A member may not receive service credit toward a benefit under this Part and under another system supported wholly or in part by the State for the same service.

**Sec. 69. 5 MRSA §17056, sub-§4**, as amended by PL 1989, c. 399, §4, is further amended to read:

**4. Additional funds.** If, after review by the actuary of the ~~retirement system~~State Employee and Teacher Retirement Program, it is determined that additional funds are required to finance in full the accrued retirement benefits for employees described in this section:

A. The actuary shall estimate the amount of additional funds necessary to provide full retirement benefits for the period before July 1, 1976; and

B. The counties shall provide funds necessary to fulfill this obligation from the retirement allowance funds of those counties.

**Sec. 70. 5 MRSA §17057, sub-§3**, as amended by PL 2007, c. 47, §§1 and 2, is further amended to read:

**3. Home contact information.** Except as provided in this subsection, records of home contact information of ~~retirement system members~~ and benefit recipients ~~of any of the programs of the retirement system~~ and of staff members that are in the possession of the retirement system are confidential, not open to public inspection and not public records as defined in Title 1, section 402, subsection 3.

A. For purposes of this subsection, "home contact information" means a home address, home telephone number, home facsimile transmission number or home e-mail address.

C. This subsection does not apply to the home address of a ~~retirement system~~ member or a benefit recipient of any of the programs of the retirement system used only for membership recruitment purposes by a nonprofit or public organization established to provide programs, services and representation to Maine public sector retirees unless the retirement system member or benefit recipient has signed a form made available by the retirement system indicating that the individual does not authorize disclosure of that individual's home address. The retirement system may not provide information under this subsection to an organization if the retirement system has determined that the organization obtained information for the purpose of membership recruitment but used the information for a purpose other than membership recruitment.

**Sec. 71. 5 MRSA §17059, sub-§3**, as enacted by PL 1991, c. 746, §9 and affected by §10, is amended to read:

**3. Benefits and withdrawal of contributions.** For the purposes of this section, benefits payable with respect to a member or retiree under any of the programs of the retirement system include the types of benefits payable by the retirement system and a withdrawal of contributions from the retirement system.

**Sec. 72. 5 MRSA §17061**, as enacted by PL 1991, c. 746, §9 and affected by §10, is amended to read:

### **§ 17061. Termination of interest in retirement system**

The death of an alternate payee as defined in section 17001, subsection 3-B terminates the interest of the alternate payee in the retirement system. This section does not affect an interest in the retirement system accrued to an individual as a member of a retirement program of the retirement system.

**Sec. 73. 5 MRSA §17102, sub-§1, ¶B**, as amended by P&SL 1993, c. 67, §1, is further amended to read:

B. A person who is a member of the State Employee and Teacher Retirement Program of the retirement system through employment as a teacher and who is duly elected by the Maine Education Association;

**Sec. 74. 5 MRSA §17102, sub-§1, ¶C**, as repealed and replaced by PL 1987, c. 256, §4, is amended to read:

C. A person who is a member of the State Employee and Teacher Retirement Program of the retirement system through employment as a state employee and who is duly elected by the Maine State Employees' Association;

**Sec. 75. 5 MRSA §17102, sub-§1, ¶E**, as amended by PL 1993, c. 410, Pt. L, §17, is further amended to read:

E. A person who is a member of the Participating Local District Retirement Program of the retirement system through a participating local district and who ~~must be~~ appointed by the governing body of the Maine Municipal Association.

**Sec. 76. 5 MRSA §17102, sub-§10**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**10. Reports.** The board shall publish annually for each fiscal year:

A. A report showing the fiscal transactions of the retirement system for the fiscal year and the assets and liabilities of each of the programs of the retirement system at the end of the fiscal year; and

B. The actuary's report on the actuarial valuation of the financial condition of each of the programs of the retirement system for the fiscal year.

**Sec. 77. 5 MRSA §17103, sub-§6**, as amended by PL 1989, c. 677, §§1 and 3, is further amended to read:

**6. Rights, credits and privileges; decisions.** The board shall in all cases make the final and determining administrative decision in all matters affecting the rights, credits and privileges of all members of all programs of the retirement system whether in participating local districts or in the state service.

Whenever the board finds that, because of an error or omission on the part of the employer of a member or retired member, a member or retired member is required to make a payment or payments to the retirement system, the board may waive payment of all or part of the amount due from the member or retired member.

**Sec. 78. 5 MRSA §17105, sub-§1, ¶C**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

C. The executive director shall keep in convenient form whatever data are necessary for actuarial valuation of the various funds of the retirement system and for checking the experience of each of the programs of the retirement system.

**Sec. 79. 5 MRSA §17106, sub-§1**, as amended by PL 1995, c. 643, §4, is further amended to read:

**1. Establishment.** The board shall designate a medical board or boards each to be composed of 3 physicians not eligible to participate in any of the retirement programs of the retirement system.

**Sec. 80. 5 MRSA §17107, sub-§2, ¶C**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

C. The actuary shall make annual valuations of the assets and liabilities of each of the programs of the retirement system on the basis of actuarial assumptions adopted by the board.

**Sec. 81. 5 MRSA §17107, sub-§2, ¶E**, as amended by PL 2001, c. 181, §5, is further amended to read:

E. The actuary shall make whatever investigations the actuary considers necessary of the experience of each of the programs of the retirement system with respect to the factors that affect the cost of the benefits provided by the retirement system those programs.

(1) The purpose of the investigations is to determine the actuarial assumptions to be recommended to the board for adoption in connection with actuarial determinations required under this Part.

(2-A) These investigations must be made whenever the board, on recommendation of the actuary, determines an investigation to be necessary to the actuarial soundness or prudent administration of the planprogram or plansprograms to which the investigation is related. The determination must take into account planprogram demographics and changes in planprogram demographics, employment patterns and projections, relevant economic measures and expectations and other factors that the board or actuary considers significant. With respect to the retirement system planprogram for state employees and teachers, if 6 fiscal years have elapsed without an investigation being conducted, the board must either conduct an investigation within the next fiscal year or must record in the official minutes of a meeting of the board, in each fiscal year until the year in which an investigation is conducted, its decision not to do so and the reason or reasons for its decision.

**Sec. 82. 5 MRSA §17107, sub-§2, ¶F**, as amended by PL 1987, c. 402, Pt. A, §§68 and 69, is further amended to read:

F. The actuary shall determine the equivalent cash compensation value to the members of the programs of the retirement system of the benefits provided for them by the retirement system those programs and shall furnish that information to the Director of Human Resources.

**Sec. 83. 5 MRSA §17151**, as enacted by PL 1985, c. 801, §§5 and 7 and amended by PL 2007, c. 58, §3, is further amended to read:

## **§ 17151. Legislative findings and intent**

**1. Findings.** The Legislature finds that the State owes a great debt to its retired employees for their years of faithful and productive service.

A. Part of that debt is repaid by the benefits provided to retirees through the Maine Public Employees Retirement System State Employee and Teacher Retirement Program.

B. Retirees, who depend heavily on these benefits, and current employees, who will one day retire and receive benefits, are concerned about the financial viability of the retirement system program.

**2. Intent.** It is the intent of the Legislature that there must be appropriated and transferred annually to the retirement system the funds necessary to meet the system's State Employee and Teacher Retirement Program's long-term and short-term financial obligations based on the actuarial assumptions established by the board upon the advice of the actuary. The amount of the unfunded liability attributable to state employees and teachers as of July 1, 2004, as certified by the board or as that amount may be revised in accordance with the terms of the certification, must be retired in no more than 23 years from June 30, 2005. For fiscal year 2004-05, the Legislature must appropriate or allocate and there must be transferred to the retirement system funds necessary to institute, as of July 1, 2005, the 23-year amortization schedule. For each fiscal year starting with the fiscal year that begins July 1, 2005, the Legislature shall appropriate or allocate and transfer to the retirement system the funds necessary to meet the 23-year requirement set forth in this subsection, unless the Legislature establishes a different amortization period. Funds that have been appropriated must be considered assets of the retirement system.

- A. The goal of the actuarial assumptions is to achieve a fully funded retirement systemprogram.
- B. The ~~retirement system's~~State Employee and Teacher Retirement Program's unfunded liability for persons formerly subject to the Maine Revised Statutes of 1944, chapter 37, sections 212 to 220 must be repaid to the system from annual appropriations over the funding period of the retirement systemprogram.
- C. This section may not be construed to require the State to appropriate and transfer funds to meet the obligations of participating local districts to the retirement system.

**Sec. 84. 5 MRSA §17153, sub-§1-A**, as amended by PL 1991, c. 528, Pt. P, §2 and affected by Pt. RRR and amended by c. 591, Pt. P, §2, is further amended to read:

**1-A. Actuarially sound basis.** The board shall calculate the funds necessary to maintain all programs of the retirement system on an actuarially sound basis, including the unfunded liability arising from payment of benefits for which contributions were not received and shall transmit those calculations to the State Budget Officer as required by chapter 149.

- A. For benefits applicable to state employees, teachers or participating local district employees that are established through collective bargaining, the board shall apply the funding methods and assumptions adopted by the board pursuant to this subsection.
- B. The Legislature shall appropriate and transfer annually those funds the board determines to be necessary under this subsection to maintain the programs of the retirement system on an actuarially sound basis, except that for fiscal year 1991-92 the annual appropriation must be \$73,500,000 less than the amount that would otherwise be applied toward the repayment of the unfunded liability of the ~~system~~State Employee and Teacher Retirement Program.
- C. This subsection may not be construed to require the State to appropriate and transfer funds to meet the obligations of participating local districts to the retirement system.

**Sec. 85. 5 MRSA §17154, sub-§6**, as amended by PL 2007, c. 240, Pt. U, §6, is further amended to read:



**6. Payment of employer charges for teachers.** For teachers, percentage rates to be predetermined by the actuary and approved by the board must be applied to the total earnable compensation of members covering the most recent school year preceding the preparation of the biennial budget.

A. The resulting amount must be appropriated and credited to the appropriate funds.

B. Notwithstanding this section, the employer retirement costs and administrative operating expenses related to the retirement ~~plans~~programs applicable to those teachers whose funding is provided from federal grants or through federal reimbursement must be paid by local school systems from those federal funds.

C. Notwithstanding this section, the employer retirement costs and administrative operating expenses related to the retirement ~~plan~~program applicable to those teachers who are permitted to continue to accrue service credit while on a one-year leave of absence and participating in the education of prospective teachers by teaching and supervising students enrolled in college-level teacher preparation programs in this State must be paid from funds provided by the college employing the teacher during that year.

D. Notwithstanding this section, the employer retirement costs and administrative operating expenses related to the retirement ~~plan~~program applicable to a teacher who is permitted to continue to accrue service credit while on a leave of absence and serving as President of the Maine Education Association must be paid from funds provided by the Maine Teachers Association. For purposes of this paragraph, in computing the employer cost, "earnable compensation" means the amount that the teacher would have earned if the teacher had remained in a teaching position.

E. Notwithstanding this section, the employer retirement costs and administrative operating expenses related to the retirement ~~plans~~program applicable to those teachers whose funding is provided directly or through reimbursement from private or public grants must be paid by local school systems from those funds. "Public grants" does not include state or local funds provided to school administrative units under Title 20-A, chapters 315 and 606-B.

F. Notwithstanding this section, effective September 1, 1993, the employer retirement costs and administrative operating expenses related to the retirement ~~plans~~program, less the unfunded liability, that are applicable to a teacher who is permitted to continue to accrue service credit while on released time and serving as president of a recognized or certified collective bargaining agent representing teachers must be paid from funds provided by the collective bargaining agent or school administrative unit. For purposes of this paragraph, in computing the employer cost, "earnable compensation" means the amount that the teacher would have earned if the teacher had remained in a teaching position.

**Sec. 86. 5 MRSA §17158**, as amended by PL 1987, c. 739, §§6 and 48 and PL 2007, c. 58, §3, is further amended to read:

**§ 17158.Full funding**

Upon full funding of the accrued unfunded reserves of any program of the Maine Public Employees Retirement System, the board of trustees may reduce employer contributions to the level required to maintain proper funding of earned benefits. The board of trustees may also seek legislative action to reduce employee contributions or pick-up contributions established by this Part.

**Sec. 87. 5 MRSA §17160**, as enacted by PL 2001, c. 707, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

### **§ 17160. Minimum level of employer contribution**

**1. Portion of employer contribution.** Beginning in fiscal year 2002-03 and continuing until the unfunded liabilities of the ~~Maine Public Employees Retirement System~~ State Employee and Teacher Retirement Program attributable to state employees and teachers, as defined in the Constitution of Maine, Article IX, Section 18-B, are retired, within the term provided in Section 18-B or within any shorter term provided by statute, the portion of the employer contribution amount devoted to paying the unfunded liabilities of the ~~system~~ program attributable to state employees and teachers may not be less than the amount paid for that purpose during the immediately preceding fiscal year.

A. In circumstances in which the unfunded liability amount to be paid in a given year would be less than the amount paid in the immediately preceding year, the Board of Trustees of the Maine Public Employees Retirement System shall request the system's actuary to recommend a methodology to adjust ~~plan~~ program funding in order to realize payment of the required amount. The methodology for adjustment must be actuarially sound in itself and may not jeopardize the actuarial soundness of the ~~system~~ program or its funding.

B. If the system's actuary determines pursuant to paragraph A that no methodology meeting the requirements of this subsection can be identified, then the requirement that the unfunded liability payment in a given year may not be less than the amount paid in the immediately preceding fiscal year applies only to the General Fund portion of the unfunded liability payment. A General Fund appropriation in the amount of the difference between the General Fund portions of the unfunded liability payment in the 2 years in question must be sought.

**Sec. 88. 5 MRSA §17203, sub-§1**, as amended by PL 1981, c. 185, §1, is further amended to read:

**1. Certification and deduction.** The board shall certify to the chief administrative officer of each department, school and participating local district and the chief administrative officer shall cause to be deducted from the compensation of each member on each payroll of the department, school or participating local district for each payroll period, the appropriate percentage of earnable compensation to be contributed.

A. Amounts deducted from the compensation of state employees ~~shall~~ must be credited to the ~~retirement system~~ State Employee and Teacher Retirement Program in the same manner and at the same time that employer charges are credited to ~~the retirement system~~ that program as provided by section 17154, subsection 5.

B. Amounts deducted from the compensation of teachers must be paid to the ~~retirement system~~State Employee and Teacher Retirement Program by the chief administrative officer of each school administrative unit monthly in accordance with rules of the board. Delinquent payments due under this paragraph:

(1) May be subject to a late fee as directed by the board and interest at a rate, to be set by the board and paid by the school administrative unit, not to exceed regular interest by 5 or more percentage points;

(2) May be recovered by action in a court of competent jurisdiction against the school administrative unit; or

(3) May, at the request of the retirement system, be deducted from any other money payable to that school administrative unit.

C. Payment of members' contributions to the ~~retirement system~~Participating Local District Retirement Program by participating local districts is governed by sections 18301 to 18303.

**Sec. 89. 5 MRSA §17203, sub-§3**, as amended by PL 1987, c. 739, §§7 and 48, is further amended to read:

**3. Member's consent.**~~Every~~It is deemed that every member shall be deemed to consent~~as consented~~ to allow the chief administrative officer of ~~his~~the member's department, school or participating local district to make deductions from the member's compensation or to make pick-up contributions to satisfy the member's required contribution to the applicable retirement system program.

**Sec. 90. 5 MRSA §17206**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

### **§ 17206. Statement of account**

The executive director shall furnish to each member of the retirement programs of the retirement system, upon request, a statement showing the amount of accumulated contributions to the member's credit in ~~his~~the member's individual account in the Members' Contribution Fund.

**Sec. 91. 5 MRSA §17253, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

The percentage rate of the employer contribution, described in section 17252, to be known as the "employer contribution rate," ~~shall be~~is fixed on the basis of the assets and liabilities of the retirement system programs of the Maine Public Employees Retirement System as shown by actuarial valuation.

**Sec. 92. 5 MRSA §17601, sub-§1, ¶A**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

A. A statement showing the name, title, compensation, sex, date of birth and length of service of each member of the retirement system State Employee and Teacher Retirement Program in that department and any other information required to administer this Part in the format specified by the executive director; and

**Sec. 93. 5 MRSA §17602** is enacted to read:

**§ 17602. Name, establishment and purpose**

There is established the State Employee and Teacher Retirement Program, which has the powers and privileges of a corporation.

The purpose of the State Employee and Teacher Retirement Program is to provide retirement allowances and other benefits under this chapter for state employees and teachers.

**Sec. 94. 5 MRSA §17651**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**§ 17651. Mandatory membership**

All state employees ~~shall~~ and teachers become members of the retirement system State Employee and Teacher Retirement Program as a condition of their employment.

**Sec. 95. 5 MRSA §17652**, as amended by PL 2007, c. 58, §3 and c. 305, §§2 and 3, is further amended to read:

**§ 17652. Optional membership**

**1. Elected and appointed officials.** Membership in the retirement system State Employee and Teacher Retirement Program is optional for elected officials or officials appointed for a fixed term.

**2. Delayed election of membership.** A person, including a substitute teacher, who elects not to join the retirement system State Employee and Teacher Retirement Program at the beginning of that person's employment may at any time apply for and be admitted to membership.

A-1. A person who joins the retirement system State Employee and Teacher Retirement Program under this subsection may purchase service credit for the period during which the person served as an elected official or official appointed for a fixed term or was employed as a substitute teacher but was not a member of the retirement system program.

B. Membership service credit for persons joining the retirement system State Employee and Teacher Retirement Program under this subsection begins as of the effective date of first contributions or pick-up contributions to the system program.

C. This subsection applies to any member who begins membership after December 31, 1985.

**2-A. Reentry.** A person whose membership is optional and who becomes a member after having previously withdrawn from the retirement system State Employee and Teacher Retirement Program may purchase service credit for the time served in eligible service as follows. If qualified under both paragraphs A and B, the person may purchase time under both paragraphs.

A. If the person withdrew accumulated contributions at the time of withdrawal, the person may repurchase that prior service credit by repaying those contributions pursuant to section 17703.

B. For the purchase of time for which the person was not a member, the person must pay the amount set forth in section 17704-A.

**3. Certain employees of the Maine Community College System.** Notwithstanding section 17651, membership in the ~~retirement system~~State Employee and Teacher Retirement Program is optional for employees of the Maine Community College System who are eligible to participate in a retirement plan pursuant to Title 20-A, section 12722.

**4. Limitation on election to join or rejoin State Employee and Teacher Retirement Program.** Notwithstanding any other law, confidential employees of the Maine Community College System who are not represented in a collective bargaining unit may join or rejoin the ~~system~~State Employee and Teacher Retirement Program under this section only upon the written authorization of the Board of Trustees of the Maine Community College System. The board of trustees shall authorize the person to join or rejoin the ~~retirement system~~State Employee and Teacher Retirement Program when the Maine Community College System Office or other Maine Community College System entity that employs the individual seeking to join or rejoin has identified and designated the funds necessary to pay for the cost of that person's joining or rejoining the ~~retirement system~~program.

**5. Certain members of the Maine National Guard.** A member of the Maine National Guard who is not governed by section 17651 and who is on active state service for more than 5 consecutive days pursuant to Title 37-B may elect to be a member of the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program. A member of the Maine National Guard on active state service pursuant to Title 37-B who does not elect to participate in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program or is not eligible to participate in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program shall participate in the United States Social Security System. Once a member of the Maine National Guard makes an election under this subsection, that election is irrevocable. A member of the Maine National Guard on active state service pursuant to Title 37-B may participate in the tax-deferred arrangement of chapter 67.

**6. Substitute teachers.** Notwithstanding section 17651, membership in the ~~retirement system~~State Employee and Teacher Retirement Program is optional for substitute teachers. The right of a substitute teacher to rejoin the ~~retirement system~~program is limited to 2 occurrences.

**Sec. 96. 5 MRSA §17654, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

A member ceases to be a member of the ~~retirement system~~State Employee and Teacher Retirement Program if the member:

**Sec. 97. 5 MRSA §17656**, as amended by PL 2005, c. 636, Pt. B, §1 and c. 668, §1, is further amended to read:

### **§ 17656. Employment changes affecting membership**

**1. Reemployment with new employer.** Membership of a member who is reemployed with a new employer is governed as follows:

A. Any member of the ~~retirement system~~State Employee and Teacher Retirement Program or the Participating Local District Retirement Program whose service is terminated as a state employee, teacher or participating local district employee and who becomes employed as a state employee, teacher or participating local district employee with a new employer shall, if ~~he~~the member has not previously withdrawn ~~his~~the member's accumulated contributions:

(1) Have ~~his~~the membership transferred to ~~his~~the member's account with the new employer; and

(2) Be entitled to all benefits ~~which~~that:

(a) Are based on creditable service and earnable compensation with the previous employer and the provisions of this Part in effect with respect to the previous employer at the date of termination of service by the member; and

(b) Do not require additional contributions by the new employer.

B. The new employer may elect to include the creditable service and earnable compensation of the member with the previous employer with the creditable service and earnable compensation with the new employer. If that election is made, the new employer shall make, from time to time, whatever contributions are necessary to provide the benefits under the applicable retirement system program for the member as have accrued to the member by reason of ~~his~~the member's previous employment and as may accrue to the member by reason of ~~his~~the member's new employment.

C. If the new employer makes the election provided under paragraph B, all funds in the applicable retirement system program contributed by the member's former employer on account of the member's previous employment must be transferred to the account of the new employer and must be used to liquidate the liability incurred by reason of the previous employment.

D. If the plan from which the member is transferring and the plan to which the member is transferring are both plans described in section 286-M, subsection 3, paragraph A, subparagraph (3), the member may elect to make the contribution necessary to include all or part of the member's creditable service and earnable compensation from the prior plan in the new plan. The retirement system shall establish procedures for determining the contribution necessary for such a member to carry forward all or part of the creditable service and earnable compensation from a prior plan or plans.

**2. Reemployment of public safety communications dispatchers with Department of Public Safety.** Notwithstanding subsection 1, a member of the ~~retirement system~~State Employee and Teacher Retirement Program whose previous membership was based upon employment as a public safety communications dispatcher with a participating local district and whose employment with the

participating local district was terminated as a result of the consolidation of the participating local district's public safety dispatching services with the Department of Public Safety and who then becomes employed as a public safety communications dispatcher for the department may elect to include that previously earned creditable service with service earned as a state employee if that member:

- A. Makes a one-time, irrevocable election no later than 30 days after commencing employment as a public safety communications dispatcher for the Department of Public Safety; and
- B. Has not previously withdrawn all of the member's accumulated contributions.

If a member makes the election provided in this subsection, the State shall make whatever contribution is necessary to provide the benefits under the ~~retirement system~~State Employee and Teacher Retirement Program for the member as though the previous employment had been as a state employee, and all funds in the ~~retirement system~~Participating Local District Retirement Program contributed by the member's former employer on account of the member's previous employment must be transferred to the account of the State and must be used to liquidate the liability incurred by reason of the previous employment.

Upon notification by the Department of Public Safety to the retirement system that an employee has made an election under this subsection, the retirement system shall calculate and provide to the Department of Public Safety the amount of the employer contribution required under this subsection.

A member who makes the election provided in this subsection and for whom applicable additional employer contributions have been paid is entitled to include the creditable service and earnable compensation with the previous employer with the creditable service and earnable compensation with the State for the purposes of benefit qualification under section 17851 and computation of benefits under section 17852.

**Sec. 98. 5 MRSA §17657, sub-§1**, as amended by PL 1987, c. 739, §§12 and 48, is further amended to read:

**1. Membership in the State Employee and Teacher Retirement Program.** The following persons are considered members of the ~~retirement system~~State Employee and Teacher Retirement Program if they make payments to the Members' Contribution Fund in the same amounts and during the same periods as other state employees have made to that fund, either through direct contributions or pick-up contributions:

- A. Any person who was an employee on December 31, 1941, and who was transferred to the federal employment service; and
- B. Any person employed by the federal employment service after December 31, 1941, who subsequently became a state employee at or after the date on which the federal employment service was returned to the State as an operating unit.

**Sec. 99. 5 MRSA §17658, sub-§1**, as amended by PL 1987, c. 739, §§13 and 48, is further amended to read:

**1. Membership in the State Employee and Teacher Retirement Program.** Any person who was an employee on December 31, 1941, and who later transferred to the Maine National Guard and was employed under the National Defense Act of June 3, 1916, section 90, is considered a member of the ~~retirement system~~State Employee and Teacher Retirement Program if that person makes payments to the Members' Contribution Fund in the same amounts and during the same periods as other state employees have made to that fund, either through direct contributions or pick-up contributions.

**Sec. 100. 5 MRSA §17701, first ¶**, as amended by PL 1987, c. 739, §§14 and 48, is further amended to read:

Each member shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 6.5% of earnable compensation, except as otherwise provided in this Part.

**Sec. 101. 5 MRSA §17701, sub-§2**, as enacted by PL 1987, c. 739, §§14 and 48, is amended to read:

**2. No employee option.** The employee may not choose to receive pick-up contribution amounts directly instead of having them paid by the employer to the ~~system~~State Employee and Teacher Retirement Program.

**Sec. 102. 5 MRSA §17701, sub-§2-A**, as enacted by PL 1987, c. 739, §§14 and 48 and amended by PL 2007, c. 58, §3, is further amended to read:

**2-A. Optional members.** If a person, whose membership in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program is optional under section 17652, elects a 5% salary increase in lieu of state payment of the retirement contribution, pursuant to Public Law 1981, chapter 453, and chooses to participate in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program, the State shall pick up the retirement contribution with a reduction of the member's salary consistent with section 17001, subsection 28-A.

**Sec. 103. 5 MRSA §17701-A**, as enacted by PL 1991, c. 780, Pt. HHH, §1 and affected by §11, is amended to read:

### **§ 17701-A. Member contributions; members hired after July 1, 1992**

Notwithstanding section 17701, a member hired after July 1, 1992 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 7.5% of earnable compensation, except as otherwise provided in this Part.

**Sec. 104. 5 MRSA §17701-B**, as enacted by PL 1993, c. 410, Pt. L, §28, is amended to read:

### **§ 17701-B. Member contributions on and after July 1, 1993**

Notwithstanding sections 17701 and 17701-A, on and after July 1, 1993 all members shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 7.65% of earnable compensation except as otherwise provided in this Part.



**Sec. 105. 5 MRSA §17702, first ¶**, as amended by PL 1991, c. 780, Pt. HHH, §2 and affected by §11 and amended by PL 2007, c. 58, §3, is further amended to read:

Notwithstanding any other provision in this Part, except as provided in subsection 5, the State may agree to provide for members, pursuant to law, through a collective bargaining contract, or as the Legislative Council may agree to provide for approved legislative employees, payment for a member's mandatory contribution to the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program, as established by section 17701, instead of deducting the contribution from the member's compensation or having the contribution picked up by the employer.

**Sec. 106. 5 MRSA §17702, sub-§4**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**4. Percentage rate.** When the State pays for a member's mandatory contribution, as authorized by this section, the percentage rate paid by the State ~~shall~~must be that rate, determined by the actuary and approved by the board, ~~which~~that provides the same net revenues to the ~~retirement system~~State Employee and Teacher Retirement Program as the applicable mandatory rate paid by the member.

**Sec. 107. 5 MRSA §17702, sub-§6**, as enacted by PL 1993, c. 410, Pt. L, §29, is amended to read:

**6. Member contributions on and after July 1, 1993.** On and after July 1, 1993 all members whose contributions are paid by the State in lieu of the member contribution shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the amount paid by the State.

**Sec. 108. 5 MRSA §17703, sub-§2**, as amended by PL 1989, c. 710, §3, is further amended to read:

**2. Manner of repayment.** The repayment must be made to the applicable retirement ~~system~~program by a single direct payment or by annual direct payments. Annual repayments must be made as provided in section 17701, subsection 4.

**Sec. 109. 5 MRSA §17704, sub-§2**, as amended by PL 1989, c. 710, §4, is further amended to read:

**2. Manner of payment.** The payment must be made to the ~~retirement system~~State Employee and Teacher Retirement Program by a single direct payment or by annual direct payments. Annual payments must be made as provided in section 17701, subsection 4.

**Sec. 110. 5 MRSA §17704-A, first ¶**, as amended by PL 2007, c. 305, §4, is further amended to read:

An elected official, an official appointed for a fixed term or a substitute teacher who began membership after December 31, 1985 may purchase service credit for the period during which that person elected not to be a member of the ~~retirement system~~State Employee and Teacher Retirement Program if the following requirements are met.

**Sec. 111. 5 MRSA §17704-A, sub-§3**, as enacted by PL 1995, c. 180, §3, is amended to read:

**3. Method of payment.** The payment must be made to the retirement system State Employee and Teacher Retirement Program by a single direct payment or by annual direct payments. Annual payments must be made as provided in section 17701, subsection 4.

**Sec. 112. 5 MRSA §17705-A, sub-§1**, as enacted by PL 2007, c. 137, §11, is amended to read:

**1. Conditions for refund.** If the service of any member has terminated, except by death or by retirement under this Part, or if an optional member withdraws from ~~the~~ retirement system program of the Maine Public Employees Retirement System, the member must be paid the amount of the member's accumulated contributions under the following conditions:

- A. The member must have properly applied for a refund of accumulated contributions;
- B. Payment must be made after termination of service and not less than 22 days nor more than 60 days after receipt of the application and receipt of the last payroll upon which the name of the member appears;
- C. An application for refund is void if the member filing the application returns to membership in any retirement ~~plan~~ program administered by the retirement system before issuance of the payment;
- D. Except when inclusion of a portion of employer contributions is required by paragraph E, only accumulated contributions made by the member or picked up by the employer may be refunded to that member under this subsection; and
- E. The amount of the refund of accumulated contributions related to a member's compensation for service rendered as a part-time, seasonal or temporary employee after December 31, 1991 must be at least equal to 7.5% of the member's compensation for that service plus interest as provided by section 17156.

**Sec. 113. 5 MRSA §17706-A, sub-§1**, as enacted by PL 2007, c. 137, §13, is amended to read:

**1. Conditions for refund.** The retirement system may make an automatic refund of contributions to a member who has not properly applied for a refund as provided in section 17705-A and who has terminated service, except by death or by retirement under this Part, or who as an optional member has withdrawn from ~~the~~ retirement system program of the Maine Public Employees Retirement System, and who has not met the minimum creditable service requirement for eligibility to receive a service retirement benefit at the applicable age under the following conditions:

- A. The member account ~~in the retirement system~~ has been inactive for 3 or more years;
- B. Except when inclusion of a portion of employer contributions is required by this subsection, only accumulated contributions made by the member or picked up by the employer may be refunded to that member under this subsection;

C. The amount of the refund of accumulated contributions related to a member's compensation for service rendered as a part-time, seasonal or temporary employee after December 31, 1991 must be at least equal to 7.5% of the member's compensation for that service plus interest as provided by section 17156; and

D. A member who receives an automatic refund under this subsection may, within 30 days of the issuance of the refund, return the full refunded amount to the retirement system. Upon receipt, the retirement system shall restore the accumulated contributions to the member's credit.

**Sec. 114. 5 MRSA §17707**, as amended by PL 1999, c. 241, §1, is further amended to read:

## **§ 17707.CETA service**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "CETA employee" means an employee enrolled in a program under the United States Comprehensive Employment and Training Act of 1973, as amended.

B. "Employer" means the State or the participating local district with which the CETA employee is placed for training and employment.

C. "Prime sponsor" means the CETA prime sponsor, a unit of government responsible for planning and operating all CETA programs within the geographic jurisdiction encompassed by that unit of government.

**2. Eligibility for membership.** CETA employees are considered eligible for membership in the retirement system State Employee and Teacher Retirement Program from the date of their enrollment in a CETA program, whether or not they become members.

**3. Employer's contributions.** Employer's contributions are governed as follows.

A. Notwithstanding this subchapter, subchapter ~~H~~2 and chapter 421, subchapter ~~IV~~4, neither the State nor a participating local district is required to contribute to ~~the~~a retirement system program of the Maine Public Employees Retirement System for CETA employees.

B. If an employee elects, under section 17761, to purchase ~~his~~the employee's CETA time for past creditable service, the employee's CETA prime sponsor shall then pay to the applicable retirement system program an amount equal to the employer's contribution, plus regular interest, for the employee's CETA time, using only CETA funds.

**4. Employee's contributions.** Employee's contributions are governed as follows.

A. Notwithstanding section 17701, a CETA employee is not required to contribute to ~~the~~a retirement system program of the Maine Public Employees Retirement System.

B. A CETA employee may contribute during ~~his~~the employee's period of CETA employment or may defer contributions until ~~his~~the employee's post-CETA employment status is known.

C. If an employee who has not contributed during ~~his~~the employee's CETA employment or who has withdrawn ~~his~~the employee's contributions later elects, under section 17761, to purchase ~~his~~the employee's CETA time for past creditable service, the employee shall pay to the applicable retirement system program of the Maine Public Employees Retirement System an amount equal to the employee's contributions, plus interest, as provided under section 17704.

D. If an employee or member who has not contributed during that employee's or member's CETA employment or who has withdrawn that employee's or member's contributions later elects, under section 17761, subsection 3, to purchase that employee's or member's CETA time for past creditable service before any retirement benefit becomes effective for that member, that employee or member must pay into the Members' Contribution Fund, by a single direct payment or annual direct payments to the applicable retirement system program of the Maine Public Employees 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 creditable service. Annual payments must be made in accordance with section 17701, subsection 4. Additional amounts paid under this paragraph become a part of the employee's or member's accumulated contributions. If any retirement benefit becomes effective before the completion of the payment under this paragraph, the employee or member is entitled to service credit for a portion of the additional creditable service in the same proportion 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.

**5. Return of contributions.** Any CETA employee who contributed to ~~the~~a retirement ~~system~~program of the Maine Public Employees Retirement System during ~~his~~the member's CETA employment and who does not meet the requirements of section 17761, ~~shall~~must be refunded ~~his~~the member's employee contributions, plus regular interest, upon request to the retirement system.

**Sec. 115. 5 MRSA §17707-A**, as enacted by PL 1997, c. 769, §1, is amended to read:

**§ 17707-A. Members in 1998 Special Plan; contributions after June 30, 1998**

After June 30, 1998, members to whom one or more of sections 17708 to 17712-B apply and to whom section 17851-A, subsection 1 also applies must contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made as provided in section 17851-A, subsection 5.

**Sec. 116. 5 MRSA §17708, sub-§2**, as amended by PL 1997, c. 740, §1 and affected by §6, is further amended to read:

**2. Before September 16, 1984.** A state police officer who was first employed by that department after July 9, 1943, but before September 16, 1984, shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the state police officer has completed 20 years of creditable service, as required under section 17851, subsection 4, paragraph A; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of employment as a state police officer.

**Sec. 117. 5 MRSA §17708, sub-§3**, as amended by PL 1997, c. 740, §2 and affected by §6, is further amended to read:

**3. After September 15, 1984.** A state police officer who was first employed by that department after September 15, 1984 shall contribute to the retirement system State Employee and Teacher Retirement Program as follows:

A. At a rate of 7.5% of earnable compensation until the state police officer has completed 25 years of creditable service, as required under section 17851, subsection 4, paragraph B; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of employment as a state police officer.

**Sec. 118. 5 MRSA §17708-A**, as enacted by PL 1991, c. 780, Pt. HHH, §4 and affected by §11, is amended to read:

#### **§ 17708-A.State Police; members hired after July 1, 1992**

Notwithstanding section 17708, a state police officer hired after July 1, 1992 shall contribute to the retirement system State Employee and Teacher Retirement Program at a rate of 1% of earnable compensation in addition to the contribution required under section 17708.

**Sec. 119. 5 MRSA §17708-B**, as enacted by PL 1993, c. 410, Pt. L, §30, is amended to read:

#### **§ 17708-B.State Police; contributions on and after July 1, 1993**

Notwithstanding sections 17708 and 17708-A, on and after July 1, 1993 a state police officer shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the contributions required under section 17708.

**Sec. 120. 5 MRSA §17709**, as amended by PL 2001, c. 559, Pt. RR, §1 and affected by §17, is further amended to read:

#### **§ 17709.Inland Fisheries and Wildlife officers**

**1. Before September 1, 1984.** A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity before September 1, 1984 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the officer has completed 20 years of creditable service, as required under section 17851, subsection 5, paragraph A; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of the officer's employment in that capacity.

**2. After August 31, 1984; option.** A law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity after August 31, 1984 and who elects the retirement option provided in section 17851, subsection 5-A shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 5-A.

**3. After August 31, 1984.** Beginning September 1, 2002, a law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed in that capacity after August 31, 1984 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer at a rate of 7.5% of earnable compensation until the law enforcement officer has completed 25 years of creditable service and at a rate of 6.5% thereafter.

**Sec. 121. 5 MRSA §17709-A**, as enacted by PL 1991, c. 780, Pt. HHH, §5 and affected by §11, is amended to read:

**§ 17709-A. Inland fisheries and wildlife officers; members hired after July 1, 1992**

Notwithstanding section 17709, a law enforcement officer in the Department of Inland Fisheries and Wildlife hired after July 1, 1992 shall contribute to the retirement system State Employee and Teacher Retirement Program at a rate of 1% of earnable compensation in addition to the contribution required under section 17709.

**Sec. 122. 5 MRSA §17709-B**, as enacted by PL 1993, c. 410, Pt. L, §30, is amended to read:

**§ 17709-B. Inland fisheries and wildlife officers; contributions on and after July 1, 1993**

Notwithstanding sections 17709 and 17709-A, on and after July 1, 1993 a law enforcement officer in the Department of Inland Fisheries and Wildlife who is subject to section 17709 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the contributions required under section 17709.

**Sec. 123. 5 MRSA §17710**, as amended by PL 2001, c. 559, Pt. RR, §2 and affected by §17, is further amended to read:

**§ 17710. Marine Resources officers**

**1. Before September 1, 1984.** A law enforcement officer in the Department of Marine Resources who was first employed in that capacity before September 1, 1984 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the officer has completed 20 years of creditable service, as required under section 17851, subsection 6; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of the officer's employment in that capacity.

**1-A. After August 31, 1984; option.** A law enforcement officer in the Department of Marine Resources who was first employed in that capacity after August 31, 1984 and who elects the retirement option provided in section 17851, subsection 6-A shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 6-A.

**1-B. After August 31, 1984.** Beginning September 1, 2002, a law enforcement officer in the Department of Marine Resources who was first employed in that capacity after August 31, 1984 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer at a rate of 7.5% of earnable compensation until the law enforcement officer has completed 25 years of creditable service and at a rate of 6.5% thereafter.

**2. Commissioner or deputy commissioner.** A commissioner or deputy commissioner of the Department of Marine Resources may elect to contribute as a member or have pick-up contributions made by the employer under section 17701, rather than under this section, by filing a written copy of the election of choice with the board.

**Sec. 124. 5 MRSA §17710-A**, as enacted by PL 1991, c. 780, Pt. HHH, §6 and affected by §11, is amended to read:

**§ 17710-A. Marine resources officers; members hired after July 1, 1992**

Notwithstanding section 17710, a law enforcement officer in the Department of Marine Resources hired after July 1, 1992 shall contribute to the retirement system State Employee and Teacher Retirement Program at a rate of 1% of earnable compensation in addition to the contribution required under section 17710.

**Sec. 125. 5 MRSA §17710-B**, as enacted by PL 1993, c. 410, Pt. L, §30, is amended to read:

**§ 17710-B. Marine resources officers; contributions on and after July 1, 1993**

Notwithstanding sections 17710 and 17710-A, on and after July 1, 1993 a law enforcement officer in the Department of Marine Resources who is subject to section 17710 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the contributions required under section 17710.

**Sec. 126. 5 MRSA §17711**, as repealed and replaced by PL 1995, c. 624, §1, is amended to read:

**§ 17711.Forest rangers**

**1. Before September 1, 1984.** A forest ranger in the Department of Conservation, Bureau of Forestry who was first employed in that capacity before September 1, 1984, shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the forest ranger has met the requirements for eligibility for retirement under section 17851, subsection 8; and

B. After meeting the eligibility requirements for retirement, at a rate of 6.5% of earnable compensation for the remainder of the forest ranger's employment as a forest ranger.

**2. After August 31, 1984; option.** A forest ranger in the Department of Conservation, Bureau of Forestry who was first employed in that capacity after August 31, 1984 and who elects the retirement option provided in section 17851, subsection 8-A shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 7-A.

**Sec. 127. 5 MRSA §17711-A**, as enacted by PL 1991, c. 780, Pt. HHH, §7 and affected by §11, is amended to read:

**§ 17711-A.Forest rangers; members hired after July 1, 1992**

Notwithstanding section 17711, a forest ranger in the Department of Conservation, Bureau of Forestry hired after July 1, 1992 shall contribute to the retirement system State Employee and Teacher Retirement Program at a rate of 1% of earnable compensation in addition to the contribution required under section 17711.

**Sec. 128. 5 MRSA §17711-B**, as enacted by PL 1993, c. 410, Pt. L, §30, is amended to read:

**§ 17711-B.Forest rangers; contributions on and after July 1, 1993**

Notwithstanding sections 17711 and 17711-A, on and after July 1, 1993 a forest ranger in the Department of Conservation, Bureau of Forestry who is subject to section 17711 shall contribute to the retirement system State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the contributions required under section 17711.

**Sec. 129. 5 MRSA §17712**, as amended by PL 1987, c. 739, §§24 and 48, is further amended to read:

**§ 17712.Maine State Prison employees**



**1. Before September 1, 1984.** An employee of the Maine State Prison who holds a position described in section 17851, subsection 11, and who was first employed in one of those capacities before September 1, 1984, shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the employee has met the eligibility requirements for retirement under section 17851, subsection 11, paragraph A; and

B. After meeting the eligibility requirements for retirement, at a rate of 6.5% of earnable compensation for the remainder of employment in one or more of those capacities.

**2. After August 31, 1984.** An employee of the Maine State Prison who was first employed after August 31, 1984, in a position described in section 17851, subsection 11, shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as follows:

A. At a rate of 7.5% of earnable compensation until the employee has completed 25 years of creditable service in one or more of those capacities; and

B. After completing the service described in paragraph A, at a rate of 6.5% of earnable compensation for the remainder of employment in one or more of those capacities.

**Sec. 130. 5 MRSA §17712-A**, as enacted by PL 1991, c. 780, Pt. HHH, §8 and affected by §11, is amended to read:

**§ 17712-A. Maine State Prison employees; members hired after July 1, 1992**

Notwithstanding section 17712, an employee of the Maine State Prison who holds a position described in section 17851, subsection 11 and who is hired after July 1, 1992 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program at a rate of 1% of earnable compensation in addition to the contribution required under section 17712.

**Sec. 131. 5 MRSA §17712-B**, as enacted by PL 1993, c. 410, Pt. L, §30, is amended to read:

**§ 17712-B. Maine State Prison employees; contributions on and after July 1, 1993**

Notwithstanding sections 17712 and 17712-A, on and after July 1, 1993 an employee of the Maine State Prison who holds a position described in section 17851, subsection 11 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 1.15% of earnable compensation in addition to the contributions required under section 17712.

**Sec. 132. 5 MRSA §17713**, as amended by PL 2003, c. 693, §2, is further amended to read:

**§ 17713. Armed forces**

**1. Service after becoming a member.** For employees who qualify to have their membership in the ~~retirement system~~State Employee and Teacher Retirement Program continued under section 17655, subsection 1, because of service in the Armed Forces of the United States, the State shall contribute to the

Members' Contribution Fund the same amount that the member would have been required to contribute, if the member had been serving the State during the period of service in the armed forces in the same capacity in which the employee was serving at the time ~~he~~the employee joined the armed forces. Any member whose contributions to the Members' Contribution Fund are paid by the State under this subsection, who withdraws or ceases to be a member of the ~~retirement system~~State Employee and Teacher Retirement Program, may not withdraw any of the contributions made by the State under this subsection.

**2. Service before becoming a member.** A member who qualifies under section 17760 to purchase service credit at the cost set forth in section 17760, subsection 4 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program for the period of service in the armed forces as follows.

A. Contributions must be calculated at the percentage rate required of active members during the period of time covered by the service in the armed forces applied to the member's earnable compensation during the first year as an employee after service in the armed forces, under the following terms and conditions:

(1) If 2 or more percentage rates were in effect during the period of service in the armed forces, the highest percentage rate must be used;

(2) The minimum rate is 5%; and

(3) Interest at a rate set by the board not to exceed regular interest by 2 or more percentage points must be paid on the unpaid balance beginning January 1, 1976, or the date of attaining 15 years of creditable service, if later, to the date payment is made.

C. The payment must be made to the ~~retirement system~~State Employee and Teacher Retirement Program by a single direct payment or by annual direct payments made in accordance with section 17701, subsection 4.

**Sec. 133. 5 MRSA §17714**, as enacted by PL 1995, c. 466, Pt. C, §1, is amended to read:

**§ 17714. Baxter State Park Authority rangers**

A law enforcement officer in the employment of the Baxter State Park Authority who elects the retirement option provided in section 17851, subsection 12 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 11.

**Sec. 134. 5 MRSA §17715**, as enacted by PL 1997, c. 401, §1, is amended to read:

**§ 17715. State fire marshals**

A state fire marshal, state fire marshal investigator or a state fire marshal inspector who elects the retirement option provided in section 17851, subsection 13 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 13.

**Sec. 135. 5 MRSA §17716**, as enacted by PL 1997, c. 401, §1, is amended to read:

### **§ 17716.Motor vehicle investigators**

A motor vehicle investigator, senior motor vehicle investigator, principal motor vehicle investigator or chief motor vehicle investigator who elects the retirement option provided in section 17851, subsection 14 shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made by the employer as provided in section 17852, subsection 15.

**Sec. 136. 5 MRSA §17754**, as amended by PL 1993, c. 349, §§17 and 18, is further amended to read:

### **§ 17754.Out-of-state service**

**1. Generally.** For members who began membership before January 1, 1976, additional service credit ~~shall~~must be allowed for out-of-state service, subject to the following conditions.

A. The member must have creditable service in Maine of at least 20 years in the aggregate.

B. The member, before any retirement benefit becomes effective for that member, must make contributions into the Members' Contribution Fund for the years of out-of-state service on the same basis as the member would have made contributions had the service been in Maine, including interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points. Interest ~~shall be~~is computed beginning the end of the year when those contributions would have been made, if the service had been in the State, to the date of payment. The payment must be made to the ~~retirement system~~State Employee and Teacher Retirement Program by a single direct payment or by annual direct payments made in accordance with section 17701, subsection 4.

C. If the member was formerly subject to the Revised Statutes of 1944, chapter 37, sections 221 to 241, ~~his~~the member's last 7 years of creditable service before the date of retirement must be in Maine.

D. If the member is a teacher employed for the first time after July 1, 1947, ~~his~~the member's last 10 years of creditable service before the date of retirement must be in Maine and no more than 10 years of service credit for out-of-state service may be allowed.

E. If a member is not a teacher, ~~his~~the member's last 10 years of creditable service before the date of retirement must be in Maine and no more than 10 years of service credit may be allowed for out-of-state service.

G. Upon complete payment of the back contributions under paragraph B or section 17764, the member must be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under paragraph B or section 17764, the member must be granted service credit on a pro rata basis in accordance with rules adopted by the board.

**2. Alternative.** If service credit for out-of-state service is not allowed under subsection 1, additional service credit for out-of-state service ~~shall~~must be allowed for any member in the determination of the retirement benefit under this Part, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program, 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 creditable service. Annual payments must be made in accordance with section 17701, subsection 4.

A. Additional amounts paid under this subsection ~~shall~~ become a part of the members' accumulated contributions.

B. If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of 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.

**3. Service credit not to be used in another state.** Notwithstanding anything to the contrary, any application for a retirement benefit that becomes effective after May 11, 1966, and for which out-of-state service credit is to be granted must be accompanied by a certified statement from the appropriate retirement system that the out-of-state service credit granted has not been or will not be used to obtain benefits in another state.

**Sec. 137.5 MRSA §17760, sub-§3, ¶A**, as enacted by PL 2003, c. 693, §3, is amended to read:

A. A member may purchase service credit at the cost set forth in subsection 4 if the member has at least 15 years of creditable service at the time of retirement, the member makes payment as required under subsection 4 and the member:

(1) Began membership prior to January 1, 1976;

(2) Served in the United States Armed Forces during any federally recognized period of conflict;  
or

(3) Was awarded an Armed Forces Expeditionary Medal, a Combat Action Ribbon, a Combat Infantry Badge or any other campaign or expeditionary medal and the receipt of such a medal would allow the member to be considered "preference eligible" under 5 United States Code,

Section 2108(3)(A) or 2108(3)(B). A member described in this subparagraph is entitled to purchase service credit at the cost set forth in subsection 4 only if a cost subsidy for that member's service credit has been paid to the ~~retirement system~~State Employee and Teacher Retirement Program as provided in subsection 6.

**Sec. 138. 5 MRSA §17763, sub-§1, ¶C**, as amended by PL 1991, c. 558, §1, is further amended to read:

C. The member must, before any retirement benefit becomes effective for that member, make contributions into the Members' Contribution Fund, for the years of private or parochial school teaching on the same basis as the member would have made contributions had the service been as a state employee or teacher in this State, including interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points. The member's earnings for the years of private or parochial school teaching must be assumed to have been the same as the average salary for teachers in this State as determined by the Department of Education for each of the years when the private or parochial school teaching took place. Interest must be computed beginning at the end of the year when those contributions would have been made, if the service had been as a state employee or teacher in this State, to the date of payment. Payment must be made by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program in accordance with section 17701, subsection 4.

**Sec. 139. 5 MRSA §17763, sub-§4**, as enacted by PL 1993, c. 387, Pt. A, §10, is amended to read:

**4. Alternative.** In the determination of the retirement benefit under this Part, if service credit for private or parochial school teaching is not allowed under subsection 1 based upon the ~~member~~member's not meeting the requirements of subsection 1, paragraph B or D, additional service credit for private or parochial school teaching is allowed for any member who meets the requirements of subsection 1, paragraphs A and E, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program, 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 creditable service.

Annual payments must be made in accordance with section 17701, subsection 4.

A. Additional amounts paid under this subsection become a part of the members' accumulated contributions.

B. If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of 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.

**Sec. 140. 5 MRSA §17763-A**, as enacted by PL 2007, c. 303, §1, is amended to read:

**§ 17763-A. Purchase of service credit by an educator of a child with a disability; service before July 1, 1976**

If a member can provide the board with satisfactory evidence that the member performed before July 1, 1976 any work as an educator or teacher of a child with a disability, as defined in Title 20-A, section 7001, subsection 1-B, including as a teacher who may not meet the definition in section 17001, subsection 42, in a private or parochial school or other school, center, facility or program that was not part of a public school system, the member may purchase up to one year of service credit for any such work performed before July 1, 1976. Service credit for this work must be calculated on the basis of school years. In order to purchase this service credit and before any retirement benefit becomes effective, the member must pay into the Members' Contribution Fund by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program 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 creditable service. Annual payments must be made in accordance with section 17701, subsection 4. Additional amounts paid under this subsection become a part of the member's accumulated contributions. If any retirement benefit becomes effective before the completion of the payment under this section, the member is entitled to service credit for that portion of 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.

**Sec. 141. 5 MRSA §17764, sub-§2**, as enacted by PL 1989, c. 709, §3 and amended by PL 2007, c. 58, §3, is further amended to read:

**2. Creditable service required.** Members whose service in these organizations preceded their becoming members in the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program must, on the date of retirement, have at least 15 years of creditable service.

**Sec. 142. 5 MRSA §17764, sub-§4**, as enacted by PL 1989, c. 709, §3, is amended to read:

**4. Payment to fund.** Members must, before any retirement benefit becomes effective, pay into the Members' Contribution Fund by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program 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 creditable service. Payments must be made as provided in section 17701.

**Sec. 143. 5 MRSA §17765, sub-§1**, as enacted by PL 1997, c. 161, §1, is amended to read:

**1. Payment to fund.** Before the retirement benefit becomes effective, members must pay into the Members' Contribution Fund by a single direct payment or annual direct payments to the ~~retirement system~~State Employee and Teacher Retirement Program 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 creditable service. Payments must be made as provided in section 17701, subsection 4.

**Sec. 144. 5 MRSA §17765, sub-§4**, as enacted by PL 1997, c. 161, §1, is amended to read:

**4. Additional conditions of service credit purchase if some or all employment as teacher's aide or Educational Technician I was under a participating local district plan.** If a member was previously employed as a teacher's aide or an Educational Technician I and was a member under a ~~participating local district plan~~ the Participating Local District Retirement Program, then the following additional conditions apply:

A. If a member was also previously employed as a teacher's aide or an Educational Technician I by a school administrative unit where the member was not a member under a ~~participating local district plan~~ the Participating Local District Retirement Program, and the member is purchasing or purchases less than all of the member's total time as a teacher's aide or an Educational Technician I, all of the time during which the member was employed as a teacher's aide or an Educational Technician I and was a member under a ~~participating local district plan~~ the Participating Local District Retirement Program must be purchased before the member may purchase any of the time during which the member was employed as a teacher's aide or Educational Technician I and was not a member under a ~~participating local district plan~~ the Participating Local District Retirement Program; and

B. As of the date that the retirement system receives any payment toward the purchase, a member's purchase of any service credit under this section for time during which the member was employed as a teacher's aide or an Educational Technician I and was a member under a ~~participating local district plan~~ the Participating Local District Retirement Program is an irrevocable election to use the service credit purchased to increase the member's service retirement benefits under the ~~teacher retirement plan~~ State Employee and Teacher Retirement Program, in accordance with subsection 3. Any portion of the service credit that is purchased or available for purchase may not after purchase or being made available for purchase be considered to be service credit under the Participating Local District Retirement Program as service with the participating local district by which the member was employed as a teacher's aide or an Educational Technician I, regardless of whether the member completed the payment for purchase under this section. A member who does not complete the payment for purchase before the member's retirement becomes effective is entitled to service credit as provided in subsection 2.

*§17765. Service credit for educational leave*

*(As enacted by PL 1997, c. 190, §2 is REALLOCATED TO TITLE 5, SECTION 17766)*

**Sec. 145. 5 MRSA §17766, sub-§1**, as reallocated by RR 1997, c. 1, §4, is amended to read:

**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~~ State Employee and Teacher Retirement Program 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.

**Sec. 146. 5 MRSA §17802**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**§ 17802. Eligibility for benefits**

Only members of the ~~retirement system~~State Employee and Teacher Retirement Program, their spouses, surviving spouses, children, dependent children, parents or beneficiaries are eligible to receive benefits from the ~~retirement system~~State Employee and Teacher Retirement Program.

**Sec. 147. 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~~Program under Title 3, section 701, subsection 8.

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.

**Sec. 148. 5 MRSA §17851, sub-§1-C, ¶A**, as amended by PL 1999, c. 756, §11, is further amended to read:

A. Has been in service for a minimum of one year immediately before retirement or has at least 10 years of creditable service, which, for the purpose of determining completion of the 10-year requirement, may include creditable service as a member of the ~~Maine Legislative Retirement System~~Program under Title 3, section 701, subsection 8; or



**Sec. 149. 5 MRSA §17851, sub-§1-C, ¶B**, as amended by PL 1999, c. 756, §11, is further amended to read:

B. Effective October 1, 1999, is in service on October 1, 1999 and had fewer than 10 years of creditable service on July 1, 1993, including any person who was not in service on July 1, 1993, and:

(1) Is in service upon or after reaching 62 years of age;

(2) Has been in service for a minimum of one year immediately before retirement or has at least 5 years of creditable service, which, for the purpose of determining completion of the 5-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram under Title 3, section 701, subsection 8; and

(3) Meets the applicability requirements of subsection 3-A.

**Sec. 150. 5 MRSA §17851, sub-§2-B**, as amended by PL 1999, c. 756, §12, is further amended to read:

**2-B. Member not 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 not in service at retirement qualifies for a service retirement benefit 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 SystemProgram under Title 3, section 701, subsection 8.

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 the creditable service 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.

**Sec. 151. 5 MRSA §17851, sub-§2-C, ¶A**, as amended by PL 1999, c. 756, §13, is further amended to read:

A. Has at least 10 years of creditable service, which, for the purpose of determining completion of the 10-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram under Title 3, section 701, subsection 8; or

**Sec. 152. 5 MRSA §17851, sub-§2-C, ¶B**, as amended by PL 1999, c. 756, §13, is further amended to read:

B. Effective October 1, 1999, is in service on October 1, 1999, had left service prior to October 1, 1999 with or without withdrawing that member's contributions and on or after October 1, 1999 returns to service or is first in service on or after October 1, 1999 and:

(1) Has reached 62 years of age; and

(2) Has at least 5 years of creditable service, which, for the purpose of determining completion of the 5-year requirement, may include creditable service as a member of the Maine Legislative Retirement System under Title 3, section 701, subsection 8.

**Sec. 153. 5 MRSA §17851, sub-§3**, as amended by PL 1999, c. 756, §14, is further amended to read:

**3. Member with creditable service of 25 years or more whether or not in service at retirement.** A member, whether or not in service at retirement, who has completed 25 or more years of creditable service qualifies for a service retirement benefit if the member retires at any time after completing 25 years of service, which may include, for the purpose of determining completion of the 25-year requirement, creditable service as a member of the Maine Legislative Retirement System under Title 3, section 701, subsection 8.

C. Effective October 1, 1999, the number of years required to qualify for a service retirement benefit under this subsection may not be increased for members who on October 1, 1999 have met the creditable service requirement for eligibility to receive a service retirement benefit under subsection 1-B; subsection 2-B; subsection 1-C, paragraph A; subsection 1-C, paragraph B; subsection 2-C, paragraph A; or subsection 2-C, paragraph B, or who, after October 1, 1999, meet the creditable service requirement for eligibility to receive a service retirement benefit under subsection 1-C, paragraph B or subsection 2-C, paragraph B.

**Sec. 154. 5 MRSA §17851, sub-§5-C**, as enacted by PL 2001, c. 559, Pt. RR, §3 and affected by §17 and amended by PL 2007, c. 58, §3, is further amended to read:

**5-C. Inland fisheries and wildlife officers; contingent qualification for benefits.** Notwithstanding subsection 5-A and section 17851-A, subsection 1, paragraph B, the qualification for a service retirement benefit for a law enforcement officer in the Department of Inland Fisheries and Wildlife who was first employed after August 31, 1984 is governed by the provisions of subsection 5-B for all service earned in a covered capacity upon certification by the Executive Director of the Maine Public Employees Retirement System to the Governor and the Commissioner of Inland Fisheries and Wildlife that all liabilities associated with that service have been paid in full by the State to the system.

**Sec. 155. 5 MRSA §17851, sub-§6-C**, as enacted by PL 2001, c. 559, Pt. RR, §4 and affected by §17 and amended by PL 2007, c. 58, §3, is further amended to read:

**6-C. Marine resources officers; contingent qualification for benefits.**

Notwithstanding subsection 6-A and section 17851-A, subsection 1, paragraph A, the qualification for a service retirement benefit for a law enforcement officer in the Department of Marine Resources who was first employed after August 31, 1984 is governed by the provisions of subsection 6-B for all service earned in a covered capacity upon certification by the Executive Director of the ~~Maine Public Employees Retirement System~~retirement system to the Governor and the Commissioner of Marine Resources that all liabilities associated with that service have been paid in full by the State to the system.

**Sec. 156. 5 MRSA §17851, sub-§10-A**, as enacted by PL 2003, c. 451, Pt. GG, §2, is amended to read:

**10-A. Liquor inspectors laid off pursuant to public law.** This subsection applies to any liquor inspector, including the chief inspector, who:

- A. Began employment as a liquor inspector or chief inspector prior to September 1, 1984;
- B. Was serving in that capacity on September 1, 1984; and
- C. Was laid off as a liquor inspector or chief inspector pursuant to Public Law 2003, chapter 20.

Notwithstanding any other law, a liquor inspector or chief inspector covered by this subsection who did not complete the age or service requirements for retirement under section 17851, subsection 10 prior to being laid off and who subsequently earns service in any special or regular plan covered by the ~~retirement system~~State Employee and Teacher Retirement Program qualifies for a service retirement benefit upon completing at least 25 years of service and attaining 55 years of age.

**Sec. 157. 5 MRSA §17851-A, sub-§5**, as repealed and replaced by PL 2003, c. 510, Pt. D, §5 and affected by §§6 and 7, is amended to read:

**5. Contributions.** Notwithstanding any other provision of subchapter 3, after June 30, 1998 and before September 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after December 31, 2001 for employees identified in subsection 1, paragraph L; and after June 30, 2002 for employees identified in subsection 1, paragraph M, a member in the capacities specified in subsection 1 must contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at the rate of 8.65% of earnable compensation until the member has completed 25 years of creditable service as provided in this section and at the rate of 7.65% thereafter.

**Sec. 158. 5 MRSA §17851-A, sub-§6**, as amended by PL 2007, c. 137, §14, is further amended to read:

**6. Consequences of participation in retirement plan under section 17851, subsection 5-A, 6-A or 8-A.** Notwithstanding any other provision of law, a member in the capacities specified in subsection 1 who, prior to July 1, 1998 elected the retirement option provided in section 17851, subsection 5-A, 6-A or 8-A is treated as follows under the 1998 Special Plan.

A. A member who made the election at the time of first employment in a position covered under section 17851, subsection 5-A, 6-A and 8-A is considered to be a member under the 1998 Special Plan as of the date of hire. Beginning July 1, 1998, a member covered by this paragraph shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

B. A member who was serving in a position covered under section 17851, subsection 5-A, 6-A or 8-A at the time of the election and who elected to participate in the retirement option prospectively from the time of election is considered to be a member under the 1998 Special Plan as of the effective date of the election. Beginning July 1, 1998, a member covered by this paragraph shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

C. A member who was serving in a position covered under section 17851, subsection 5-A, 6-A or 8-A at the time of the election and who elected to participate in the retirement option prospectively from the time of election and also elected to purchase credit for service earned while serving in the same capacity before exercising the election is considered to be a member under the 1998 Special Plan as of the beginning date of the service for which credit is purchased, provided that all of the payments required under section 17852, subsection 5-A, 6-A or 7-A are made before retirement. If all the required payments are not made before retirement, that member is considered to be a member under the 1998 Special Plan as of the effective date of the election. Beginning July 1, 1998, a member covered by this paragraph shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

Employee contributions and actuarial and administrative costs paid to the ~~retirement system~~State Employee and Teacher Retirement Program by a member covered by this subsection may not be returned to that member, except that these employee contributions may be refunded to a member who terminates service and requests a refund under section 17705-A.

**Sec. 159. 5 MRSA §17851-A, sub-§6-A**, as amended by PL 2007, c. 137, §15, is further amended to read:

**6-A. Consequences of participation in retirement plan under section 17851, subsection 12 or 13.** A member in the capacities specified in subsection 1, paragraphs J and K who, prior to January 1, 2000, elected the retirement option provided in section 17851, subsection 12 or 13 is treated as follows under the 1998 Special Plan.

A. A member who made the election at the time of first employment in a position covered under section 17851, subsection 12 or 13 is considered to be a member under the 1998 Special Plan as of the date of hire. Beginning January 1, 2000, a member covered by this paragraph shall contribute to the

~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

B. A member who was serving in a position covered under section 17851, subsection 12 or 13 at the time of the election and who elected to participate in the retirement option prospectively from the time of election is considered to be a member under the 1998 Special Plan as of the effective date of the election. Beginning January 1, 2000, a member covered by this paragraph shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

C. A member who was serving in a position covered under section 17851, subsection 12 or 13 at the time of the election and who elected to participate in the retirement option prospectively from the time of election and also elected to purchase credit for service earned while serving in the same capacity before exercising the election is considered to be a member under the 1998 Special Plan as of the beginning date of the service for which credit is purchased, ~~provided that~~ as long as all of the payments required under section 17852, subsection 12 or 13 are made before retirement. If all the required payments are not made before retirement, that member is considered to be a member under the 1998 Special Plan as of the effective date of the election. Beginning January 1, 2000, for employees identified in subsection 1, paragraphs J and K, a member covered by this paragraph shall contribute to the ~~retirement system~~State Employee and Teacher Retirement Program or have pick-up contributions made at a rate of 8.65% of earnable compensation until completion of 25 years of creditable service and shall contribute at a rate of 7.65% thereafter.

Employee contributions and actuarial and administrative costs paid to the ~~retirement system~~State Employee and Teacher Retirement Program by a member covered by this subsection may not be returned to that member, except that these employee contributions may be refunded to a member who terminates service and requests a refund under section 17705-A.

**Sec. 160. 5 MRSA §17852, sub-§1, ¶A**, as amended by PL 1999, c. 489, §15, is further amended to read:

A. ~~1/50~~One-fiftieth of the member's average final compensation multiplied by the number of years of membership service and up to 25 years of prior service. Membership service under this paragraph does not include creditable service under the Legislative Retirement System Program;

**Sec. 161. 5 MRSA §17852, sub-§5-A, ¶A**, as enacted by PL 1995, c. 466, Pt. A, §3, is amended to read:

A. The person was first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife on or after November 1, 1995, elects the option provided in section 17851, subsection 5-A and pays to the ~~retirement system~~State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option;  
or

**Sec. 162. 5 MRSA §17852, sub-§5-A, ¶B,** as enacted by PL 1995, c. 466, Pt. A, §3, is amended to read:

B. The person was first employed as a law enforcement officer in the Department of Inland Fisheries and Wildlife before November 1, 1995, elects the option provided in section 17851, subsection 5-A and pays to the ~~retirement system~~State Employee and Teacher Retirement Program single or periodic payment of a lump sum or by a combination of single and periodic payments of the amount that equals the full actuarial cost of electing that option for service before that date. A person who requests calculation of the full actuarial cost, regardless of whether the person elects the option, must pay to the retirement system by single lump sum payment the reasonable administrative costs of determining the full actuarial costs. Payment of the full actuarial cost related to service on or after November 1, 1995 is made as part of the employee payroll contribution.

**Sec. 163. 5 MRSA §17852, sub-§6-A, ¶A,** as enacted by PL 1995, c. 466, Pt. B, §4, is amended to read:

A. The person was first employed as a law enforcement officer in the Department of Marine Resources on or after November 1, 1995, elects the option provided in section 17851, subsection 6-A and pays to the ~~retirement system~~State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

**Sec. 164. 5 MRSA §17852, sub-§6-A, ¶B,** as enacted by PL 1995, c. 466, Pt. B, §4, is amended to read:

B. The person was first employed in that capacity before November 1, 1995, elects the option provided in section 17851, subsection 6-A and pays to the ~~retirement system~~State Employee and Teacher Retirement Program by single or periodic payment of a lump sum or by a combination of single and periodic payments the amount that equals the full actuarial cost of electing that option for service before that date. A person who requests calculation of the full actuarial cost, regardless of whether the person elects the option, must pay to the retirement system by single lump sum payment the reasonable administrative costs of determining the full actuarial costs. Payment of the full actuarial cost related to service on or after November 1, 1995 is made as part of the employee payroll contribution.

**Sec. 165. 5 MRSA §17852, sub-§7-A, ¶A,** as enacted by PL 1995, c. 624, §9, is amended to read:

A. The person was first employed as a forest ranger in the Department of Conservation on or after May 1, 1996, elects the option provided in section 17851, subsection 8-A and pays to the ~~retirement system~~State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

**Sec. 166. 5 MRSA §17852, sub-§7-A, ¶B,** as enacted by PL 1995, c. 624, §9, is amended to read:

B. The person was first employed as a forest ranger in the Department of Conservation before May 1, 1996, elects the option provided in section 17851, subsection 8-A and pays to the retirement system State Employee and Teacher Retirement Program by single or periodic payment of a lump sum or by a combination of single and periodic payments the amount that equals the full actuarial cost of electing that option for service before that date. A person who requests calculation of the full actuarial cost, regardless of whether the person elects the option, must pay to the retirement system by single lump sum payment the reasonable administrative costs of determining the full actuarial costs. Payment of the full actuarial cost related to service on or after May 1, 1996 is made as part of the employee payroll contribution.

**Sec. 167. 5 MRSA §17852, sub-§11, ¶A,** as enacted by PL 1995, c. 466, Pt. C, §3, is amended to read:

A. The person was first employed as a law enforcement officer at the Baxter State Park Authority on or after November 1, 1995, elects the option provided in section 17851, subsection 12 and pays to the retirement system State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

**Sec. 168. 5 MRSA §17852, sub-§11, ¶B,** as enacted by PL 1995, c. 466, Pt. C, §3, is amended to read:

B. The person was first employed as a law enforcement officer at the Baxter State Park Authority before November 1, 1995, elects the option provided in section 17851, subsection 12 and pays to the retirement system State Employee and Teacher Retirement Program single or periodic payment of a lump sum or by a combination of single and periodic payments of the amount that equals the full actuarial cost of electing that option for service before that date. A person who requests calculation of the full actuarial cost, regardless of whether the person elects the option, must pay to the retirement system by single lump sum payment the reasonable administrative costs of determining the full actuarial costs. Payment of the full actuarial cost related to service on or after November 1, 1995 is made as part of the employee payroll contribution.

**Sec. 169. 5 MRSA §17852, sub-§13, ¶A,** as enacted by PL 1997, c. 401, §3, is amended to read:

A. The person was first employed as a fire marshal on or after October 1, 1997, elects the option provided in section 17851, subsection 13 and pays to the retirement system State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

**Sec. 170. 5 MRSA §17852, sub-§13, ¶B,** as enacted by PL 1997, c. 401, §3, is amended to read:

B. The person was first employed as a fire marshal before October 1, 1997, elects the option provided in section 17851, subsection 13 and pays to the retirement system State Employee and Teacher Retirement Program a single payment or periodic payments of a lump sum or a combination of single and periodic payments of that amount that equals the full actuarial cost of electing that option for service before that date.

**Sec. 171. 5 MRSA §17852, sub-§15, ¶A,** as enacted by PL 1997, c. 401, §3, is amended to read:

A. The person was first employed as a motor vehicle investigator on or after October 1, 1997, elects the option provided in section 17851, subsection 14 and pays to the ~~retirement system~~State Employee and Teacher Retirement Program an increased employee payroll contribution in an amount that equals the full actuarial cost of electing that option; or

**Sec. 172. 5 MRSA §17852, sub-§15, ¶B,** as enacted by PL 1997, c. 401, §3, is amended to read:

B. The person was first employed as a motor vehicle investigator before October 1, 1997, elects the option provided in section 17851, subsection 14 and pays to the ~~retirement system~~State Employee and Teacher Retirement Program a single payment or periodic payments of a lump sum or a combination of single and periodic payments of that amount that equals the full actuarial cost of electing that option for service before that date.

**Sec. 173. 5 MRSA §17858-B, sub-§3,** as enacted by PL 1995, c. 502, Pt. R, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**3. Payment of fixed costs.** With respect to each employee who retires under subsection 1, the State shall pay the amount of the ~~Maine Public Employees Retirement System's~~State Employee and Teacher Retirement Program's unfunded liability payment, the Maine Public Employees Retirement System's administrative cost payment and the retiree health care payment associated with the employee.

**Sec. 174. 5 MRSA §17858-B, sub-§4,** as enacted by PL 1995, c. 502, Pt. R, §1 and amended by PL 2007, c. 58, §3, is further amended to read:

**4. Policies and procedures.** The Executive Director of the Maine Public Employees Retirement System shall establish policies and procedures for the implementation of this section, including notice and payment requirements, that ensure that no unfunded liability results to the ~~Maine Public Employees Retirement System~~State Employee and Teacher Retirement Program.

**Sec. 175. 5 MRSA §17904, sub-§2,** as amended by PL 1991, c. 434, §1, is further amended to read:

**2. Exception.** A member with fewer than 5 years of continuous creditable service immediately preceding that member's application for a disability retirement benefit is not eligible for that benefit if the disability is the result of a physical or mental condition ~~which~~that existed before the member's latest membership in ~~the~~any retirement system~~program~~ of the ~~Maine Public Employees Retirement System~~, unless the disability is a result of, or has been substantially aggravated by, an injury or accident received in the line of duty but from events or circumstances not usually encountered within the scope of the member's employment.

**Sec. 176. 5 MRSA §17906, sub-§3, ¶C,** as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:



C. If the retirement benefit payments are eliminated by operation of this subsection:

(1) The person shall again ~~become~~becomes a member of the ~~retirement system~~State Employee and Teacher Retirement Program and shall ~~begin~~begins contributing at the current rate; and

(2) When the person again retires, ~~he~~the person shall receive benefits computed on ~~his~~the person's entire creditable service and in accordance with the law in effect at that time.

**Sec. 177. 5 MRSA §17924, sub-§2**, as amended by PL 1991, c. 434, §2, is further amended to read:

**2. Exception.** A member with fewer than 5 years of continuous creditable service immediately preceding that member's application for a disability retirement benefit is not eligible for that benefit if the disability is the result of a physical or mental condition ~~which~~that existed before the member's membership in ~~the~~a ~~retirement system~~program of the Maine Public Employees Retirement System, unless the disability is a result of, or has been substantially aggravated by, an injury or accident received in the line of duty but from events or circumstances not usually encountered within the scope of the member's employment.

**Sec. 178. 5 MRSA §17930, sub-§3, ¶D**, as enacted by PL 1989, c. 409, §§8 and 12, is amended to read:

D. The retirement benefit payments are eliminated by this subsection if:

(1) The person shall again ~~become~~becomes a member of the ~~retirement system~~State Employee and Teacher Retirement Program and ~~begin~~begins contributing at the current rate; and

(2) When the person again retires, the person shall receive benefits computed on the basis of that person's entire creditable service and in accordance with the law in effect at that time;

**Sec. 179. 5 MRSA §18055, sub-§1, ¶A**, as amended by PL 1987, c. 42, is further amended to read:

A. Elective and appointive officers and employees of the State eligible for membership in the ~~retirement system~~State Employee and Teacher Retirement Program or the ~~Maine Legislative Retirement System~~Program;

**Sec. 180. 5 MRSA §18055, sub-§1, ¶B**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

B. Teachers eligible for membership in the ~~retirement system~~State Employee and Teacher Retirement Program;

**Sec. 181. 5 MRSA §18200** is enacted to read:

## **§ 18200. Name, establishment and purpose**

There is established the Participating Local District Retirement Program, which has the powers and privileges of a corporation.

The purpose of the Participating Local District Retirement Program is to provide retirement allowances and other benefits under this chapter for employees of participating local districts.

**Sec. 182. 5 MRSA §18201, first ¶**, as amended by PL 1993, c. 250, §2, is further amended to read:

A local district may contract for the participation of its employees in the retirement system Participating Local District Retirement Program under this chapter any time before the date the board puts into operation the consolidated retirement plan for participating local districts under chapter 427. After the date on which the consolidated plan described in chapter 427 is put into operation, a local district may contract for participation only ~~in a program provided by~~ under the consolidated plan under chapter 427.

**Sec. 183. 5 MRSA §18202, sub-§3**, as enacted by PL 1991, c. 887, §11, is amended to read:

**3. Application.** Notwithstanding the provisions of subsections 1 and 2, the amendments made to retirement system the Participating Local District Retirement Program disability plans to meet the requirements of the federal Older Workers Benefit Protection Act apply to each participating local district without adoption by the district.

**Sec. 184. 5 MRSA §18203, first ¶**, as enacted by PL 1987, c. 256, §22, is amended to read:

A participating local district may withdraw from further participation in the retirement system Participating Local District Retirement Program under the terms and conditions of this section.

**Sec. 185. 5 MRSA §18203, sub-§3**, as repealed and replaced by PL 2003, c. 273, §1, is amended to read:

**3. Amendments.** A participating local district that has withdrawn from participation in the retirement system Participating Local District Retirement Program may adopt any provision of this Part and amend its plan to reflect adoption of that provision, whether the provision took effect before or after the effective date of the district's withdrawal. A participating local district withdrawing under this section may not amend its retirement plan except in accordance with this subsection, and any such amendment is effective only with respect to employees of the district who remained in the retirement system Participating Local District Retirement Program at the time of the district's withdrawal.

**Sec. 186. 5 MRSA §18203-A**, as enacted by PL 1991, c. 580, §11, is amended to read:

### **§ 18203-A. Resumption of participation after withdrawal**

The board may establish by rule the conditions under which a local district that has withdrawn from participation in the retirement system Participating Local District Retirement Program may again contract for participation of its employees in the retirement system that program under this chapter or under chapter 427.

**Sec. 187. 5 MRSA §18204, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

The chief fiscal officer of a participating local district shall, in order to assist in the administration of the retirement system Participating Local District Retirement Program:

**Sec. 188. 5 MRSA §18251, sub-§3**, as enacted by PL 2003, c. 630, Pt. A, §3, is amended to read:

**3. Optional membership.** Membership in the retirement system Participating Local District Retirement Program is optional for the following employees of a participating local district:

A. A person in the service of a participating local district on the date of establishment for that participating local district. Once such a person joins the retirement system Participating Local District Retirement Program, membership ceases to be optional for that person under this paragraph;

B. An elected official or an official appointed for a fixed term. Special provisions apply to certain officials as follows:

(1) Membership of trustees of a water district is governed by Title 35-A, section 6410, subsection 8;

(2) Membership of trustees of a sanitary district is governed by Title 38, section 1104; and

(3) Membership of trustees of a sewer district is governed by Title 38, section 1252;

C. A chief administrative officer of a participating local district, whether appointed for a fixed term or appointed with tenure; and

D. A person whose membership is optional under section 18252, 18252-A or 18801.

**Sec. 189. 5 MRSA §18251, sub-§4**, as enacted by PL 2003, c. 630, Pt. A, §3, is amended to read:

**4. Delayed election of membership.** A person whose membership is optional and who elects not to join the retirement system Participating Local District Retirement Program when first eligible to do so may at any time apply for and be admitted to membership, except as provided in section 18252.

A. For an optional member described in subsection 3, paragraph B or C who began membership before January 1, 1986, purchase of service credit for the period during which the person was eligible for membership but was not a member of the retirement system Participating Local District Retirement Program is governed by section 18305.

B. For other optional members, purchase of service credit for the period during which the person was eligible for membership but was not a member of the ~~retirement system~~Participating Local District Retirement Program is governed by section 18305-A.

**Sec. 190. 5 MRSA §18251, sub-§5**, as enacted by PL 2003, c. 630, Pt. A, §3, is amended to read:

**5. Reentry.** A person whose membership is optional may reenter the ~~retirement system~~Participating Local District Retirement Program at any time, subject to sections 18252 and 18252-A, if applicable. A person who reenters ~~the system~~that program may purchase service credit for the time served in eligible service as follows.

A. If the person withdrew accumulated contributions at the time of withdrawal, the person, subject to any limitations set forth in section 18252-A, may repurchase that prior service credit by repaying those contributions pursuant to section 18304.

B. For the purchase of time for which the person was not a member:

(1) For an optional member described in subsection 3, paragraph B or C who began membership before January 1, 1986, purchase of service credit for the period during which the person was eligible for membership but was not a member of the ~~retirement system~~Participating Local District Retirement Program is governed by section 18305; and

(2) For other optional members, purchase of service credit for the period during which the person was eligible for membership but was not a member of the ~~retirement system~~Participating Local District Retirement Program is governed by section 18305-A.

**Sec. 191. 5 MRSA §18252**, as amended by PL 2007, c. 137, §17, is further amended to read:

### **§ 18252. Membership in districts with Social Security coverage under Social Security Section 218 agreement**

A person who is or would be covered by the United States Social Security Act as a result of employment by a participating local district having a so-called "Social Security Section 218 agreement" may elect to join, not to join, to cease contributions to or to withdraw from the ~~retirement system~~Participating Local District Retirement Program under the following conditions.

**1. New employees.** A new employee may join the ~~retirement system~~Participating Local District Retirement Program at the beginning of employment or on any anniversary of the beginning of employment, soas long as that person is still an employee of the participating local district and the district continues to be a participating local district.

A. Purchase of service credit for the period during which the person was not a member of the ~~retirement system~~Participating Local District Retirement Program is governed by section 18305-A.

**2. Employee who is participating member.** A person who is a participating member of the retirement system Participating Local District Retirement Program may elect to cease contributions to the system that program and, at that person's discretion, may withdraw accumulated contributions in accordance with section 18306-A.

**3. Person who has previously ceased contributions.** A person who has previously elected to cease contributions to the retirement system Participating Local District Retirement Program, whether or not accumulated contributions have been withdrawn, may choose to rejoin the system that program at any time under the following conditions.

B. The employer must still be a participating local district allowing new membership in the retirement system Participating Local District Retirement Program.

C. Purchase of service credit for the period during which the person was not a member of the retirement system Participating Local District Retirement Program is governed by section 18305-A. Repayment of withdrawn accumulated contributions is governed by section 18304.

**5. Limit on right to rejoin.** The right of a person to rejoin under subsection 3 is limited to 2 occurrences.

**6. Restoration to service.** If any person who is the recipient of a service retirement benefit is covered by the United States Social Security Act upon being restored to service, continuation of that person's benefit is governed by the following.

A. The person may elect to have the service retirement benefit continued during the period of time the person is restored to service and the person may not accumulate any additional service credits.

B. The person may elect to have the service retirement benefit terminated, again become a member of the retirement system Participating Local District Retirement Program and begin contributing at the current rate.

(1) The person is entitled to accumulate additional service credits during the period of time the person is restored to service.

(2) When the person again retires, the person is entitled to receive benefits computed on the person's entire creditable service and in accordance with the law in effect at the time.

C. Upon being restored to service, the person must elect to have benefits either continued or terminated. If written notification of the person's election is not received by the executive director within 60 days of restoration to service, the person is deemed to have elected the provisions of paragraph A. The election, regardless of how it is made, is irrevocable during the period of restoration to services.

**Sec. 192. 5 MRSA §18252-A, sub-§1**, as amended by PL 2007, c. 137, §§18 and 19, is further amended to read:

**1. Membership.** An employee of a participating local district that does not have a so-called "Social Security Section 218 agreement" and that has a plan provided by the employer under section 18252-B may elect to be a member under the ~~retirement system~~Participating Local District Retirement Program or to be covered under the plan provided by the employer in accordance with the following.

A. A person hired by a participating local district, or rehired following a break in service, after the date on which the employer provides a plan under section 18252-B must elect at the time of hiring or rehiring whether to be a member under the ~~retirement system~~Participating Local District Retirement Program or to be covered under a plan provided by the employer under section 18252-B.

(1) If the person elects to be a member under the ~~retirement system~~Participating Local District Retirement Program, the election is effective as of the date of hire or rehire.

(a) A person who elects to be a member of the ~~retirement system~~Participating Local District Retirement Program may later elect to be covered under a plan provided by the employer under section 18252-B. The person who so elects may, at that person's discretion, withdraw accumulated contributions in accordance with section 18306-A.

(b) A person who elects under division (a) to be covered under a plan provided by the employer under section 18252-B may later elect to again become a member under the ~~retirement system~~Participating Local District Retirement Program, unless to so elect would have the effect of requiring the employer, without the employer's agreement, to make an employer contribution to both ~~the retirement system~~that program and the plan provided by the employer under section 18252-B.

(c) A person who elects under division (b) to again become a member of the ~~retirement system~~Participating Local District Retirement Program may, in accordance with section 18305-A, purchase service credit for the period during which the person elected not to be a member of the ~~retirement system~~that program. The person may, in accordance with section 18304, repay contributions withdrawn under division (a) and may, as permitted under other relevant retirement system law, rule and policy, repay other refunded contributions.

(d) A person who, having elected to again become a member under the ~~retirement system~~Participating Local District Retirement Program under division (c), later elects again not to be a member may not thereafter become a member under ~~the retirement system~~that program while employed by the same participating local district.

(2) A person who elects to be covered under a plan provided by the employer under section 18252-B may later elect to become a member under the ~~retirement system~~Participating Local District Retirement Program.

(a) Membership service credit for a person joining the ~~retirement system~~Participating Local District Retirement Program under this subparagraph begins as of the effective date of first contributions or pick-up contributions to ~~the retirement system~~that program following that person's election under this subparagraph.

(b) A person who joins the ~~retirement system~~Participating Local District Retirement Program under this subparagraph may, in accordance with section 18305-A, purchase service credit for the period during which the person elected not to be a member of the ~~retirement system~~that program.

(c) A person who, having elected to become a member under the ~~retirement system~~Participating Local District Retirement Program under this subparagraph, later elects again not to be a member may, at the employee's discretion, withdraw accumulated contributions in accordance with applicable requirements of law and rule and retirement system procedures and may not thereafter become a member under ~~the retirement system~~that program while employed by the same participating local district.

B. An employee of the participating local district who is a member under the ~~retirement system~~Participating Local District Retirement Program on the date on which the employer provides a plan under section 18252-B may elect to remain a member under ~~the retirement system~~that program or to become covered under a plan provided by the employer under section 18252-B.

(1) If that person elects not to remain a member, the election is effective as of the first day of the month in which no contributions or pick-up contributions are made to the ~~retirement system~~Participating Local District Retirement Program by that person. A person who elects not to remain a member may, at that person's discretion, withdraw accumulated contributions in accordance with section 18306-A.

(2) A person who elects not to remain a member under the ~~retirement system~~Participating Local District Retirement Program may later elect to again become a member.

(a) Membership service credit for a person who elects to again become a member under the ~~retirement system~~Participating Local District Retirement Program under this subparagraph begins as of the effective date of the first contributions or pick-up contributions to ~~the retirement system~~that program following that person's election under this subparagraph.

(b) A person who rejoins the ~~retirement system~~Participating Local District Retirement Program under this subparagraph may, in accordance with section 18305-A, purchase service credit for the period during which that person elected not to be a member of ~~the retirement system~~that program. The person may, in accordance with section 18304, repay contributions refunded under subparagraph (1), unless to so elect would have the effect of requiring the employer, without the employer's agreement, to make an employer contribution to both the ~~retirement system~~Participating Local District Retirement Program and the plan provided by the employer under section 18252-B.

(c) A person who, having elected to again become a member under the ~~retirement system~~Participating Local District Retirement Program under this subparagraph, later elects again not to be a member may, at that person's discretion, withdraw accumulated contributions in accordance with section 18306-A and may not thereafter become a member under ~~the retirement system~~that program while employed by the same participating local district.

D. If the participating local district does not have a plan provided under section 18252-B, the employees do not have the elections provided under paragraphs A and B.

**Sec. 193. 5 MRSA §18252-A, sub-§2, ¶B**, as enacted by PL 1997, c. 709, §4, is amended to read:

B. The participating local district employer is responsible for providing employees with information as to membership under the ~~retirement system~~Participating Local District Retirement Program and as to coverage under the plan provided by the employer under section 18252-B to assist the employee in making election decisions. The retirement system shall provide the employer with information as to the ~~retirement system~~Participating Local District Retirement Program.

**Sec. 194. 5 MRSA §18252-A, sub-§3, ¶B**, as enacted by PL 2003, c. 630, Pt. A, §6, is amended to read:

B. Whose membership in the ~~retirement system~~Participating Local District Retirement Program is optional under section 18252, section 18801, subsection 1 or section 18251, subsection 3, paragraph A, B or C;

**Sec. 195. 5 MRSA §18252-A, sub-§3, ¶C**, as enacted by PL 2003, c. 630, Pt. A, §6, is amended to read:

C. For whom membership in the ~~retirement system~~Participating Local District Retirement Program is denied under section 18256; or

**Sec. 196. 5 MRSA §18252-B, sub-§3**, as enacted by PL 1997, c. 709, §4, is amended to read:



**3. Employee contribution.** The employee must contribute as a percentage of compensation in each pay period an amount not less than the employee would have been required to contribute had the employee been a member under the ~~retirement system~~Participating Local District Retirement Program under the so-called "Regular Plan A" of the consolidated plan for participating local districts, consistent with applicable contribution limits of federal law.

**Sec. 197. 5 MRSA §18252-B, sub-§6, ¶B,** as enacted by PL 1997, c. 709, §4, is amended to read:

B. If, after plan termination, the employer no longer provides a plan under this section, an employee hired or rehired after termination of the plan must be a member under the ~~retirement system~~Participating Local District Retirement Program.

**Sec. 198. 5 MRSA §18252-B, sub-§6, ¶C,** as enacted by PL 1997, c. 709, §4, is amended to read:

C. Section 18252-A, subsection 1, paragraph B applies to an employee who is a member under the ~~retirement system~~Participating Local District Retirement Program at the time of the change, except that an employee who has previously exhausted the elections available under section 18252-A, subsection 1, paragraph B and who elects to be covered under the plan provided by the employer under this subsection may not later become a member under the ~~retirement system~~that program while employed by the same participating local district.

**Sec. 199. 5 MRSA §18253, sub-§1, ¶A,** as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

A. Any member of the ~~retirement system~~State Employee and Teacher Retirement Program or the Participating Local District Retirement Program whose service is terminated as a state employee, teacher or participating local district employee and who becomes employed as a state employee, teacher or participating local district employee with a new employer shall, if ~~he~~the member has not previously withdrawn ~~his~~the member's accumulated contributions:

(1) Have ~~his~~the membership transferred to ~~his~~the member's account with the new employer; and

(2) Be entitled to all benefits ~~which~~that:

(a) Are based on creditable service and earnable compensation with the previous employer and the provisions of this Part in effect with respect to the previous employer at the date of termination of service by the member; and

(b) Do not require additional contributions by the new employer.

**Sec. 200. 5 MRSA §18253, sub-§1, ¶B,** as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

B. The new employer may elect to include the creditable service and earnable compensation of the member with the previous employer with the creditable service and earnable compensation with the new employer. If that election is made, the new employer shall make, from time to time, whatever contributions are necessary to provide the benefits under the applicable retirement system program for the member ~~asthat~~ have accrued to the member by reason of ~~histhe member's~~ previous employment and ~~asthat~~ may accrue to the member by reason of ~~histhe member's~~ new employment.

**Sec. 201. 5 MRSA §18253, sub-§1, ¶C**, as amended by PL 1991, c. 580, §12, is further amended to read:

C. If the new employer makes the election provided under paragraph B, all funds in the applicable retirement system program contributed by the member's former employer on account of the member's previous employment must be transferred to the account of the new employer and must be used to liquidate the liability incurred by reason of the previous employment.

**Sec. 202. 5 MRSA §18253, sub-§3**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**3. Former employee.** Notwithstanding anything to the contrary, a participating local district may grant service credit for creditable service to any former employee who is currently a member of the retirement system Participating Local District Retirement Program. The entire actuarial cost of granting the service credit ~~shall~~must be fully funded by the district granting the service credit.

**Sec. 203. 5 MRSA §18254, first ¶**, as amended by PL 2001, c. 181, §8, is further amended to read:

The withdrawal of a participating local district from the retirement system Participating Local District Retirement Program has the following effects on an employee of the district and on the district itself.

**Sec. 204. 5 MRSA §18254, sub-§1**, as amended by PL 1987, c. 739, §§30 and 48, is further amended to read:

**1. Employee who withdraws accumulated contributions.** An employee of the district who withdraws accumulated contributions may not be a member of the retirement system Participating Local District Retirement Program as an employee of that district.

**Sec. 205. 5 MRSA §18254, sub-§2**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**2. Person employed after district withdrawal.** A person who begins employment with the district after the effective date of withdrawal of the district from the retirement system Participating Local District Retirement Program may not be a member of the ~~retirement system that program~~ as an employee of that district.

**Sec. 206. 5 MRSA §18254, sub-§4**, as amended by PL 1987, c. 739, §§30 and 48, is further amended to read:

**4. Former employee who has not withdrawn accumulated contributions.**

For a former employee who has not withdrawn accumulated contributions from the retirement system Participating Local District Retirement Program, the district shall ~~continue~~ continues to be a participating local district and that person shall be is subject to this Part.

**Sec. 207. 5 MRSA §18254-A**, as enacted by PL 1991, c. 580, §13, is amended to read:

**§ 18254-A. Effect of district's resumption of participation after withdrawal**

The board may establish by rule the effect on employees of a local district that resumes participation in the retirement system Participating Local District Retirement Program after having withdrawn from participation.

**Sec. 208. 5 MRSA §18255**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**§ 18255. Disbanded or dissolved local district**

If, for any reason, any participating local district ceases to be an employing unit eligible for inclusion in the retirement system Participating Local District Retirement Program, the membership of its employees shall ~~cease~~ ceases except to the extent of any benefits that may be provided by the funds that have been established under the retirement system for that district.

**Sec. 209. 5 MRSA §18257, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

A member ceases to be a member of the retirement system Participating Local District Retirement Program if the member:

**Sec. 210. 5 MRSA §18301, first ¶**, as amended by PL 1987, c. 739, §§33 and 48, is further amended to read:

Each member shall contribute to the retirement system Participating Local District Retirement Program or have pick-up contributions made by the employer at a rate of 6.5% of earnable compensation, except as otherwise provided in this Part.

**Sec. 211. 5 MRSA §18301, sub-§2**, as enacted by PL 1987, c. 739, §§33 and 48, is amended to read:

**2. No employee option.** The employee may not choose to receive pick-up contribution amounts directly instead of having them paid by the employer to the system Participating Local District Retirement Program.

**Sec. 212. 5 MRSA §18304, first ¶**, as amended by PL 2003, c. 630, Pt. A, §7, is further amended to read:

Any former member who withdrew that person's contributions after termination of service or after withdrawing from a retirement program of the retirement system and who again becomes a member may repay earlier contributions to the Members' Contribution Fund under the following conditions.

**Sec. 213. 5 MRSA §18304, sub-§2**, as amended by PL 1989, c. 710, §15, is further amended to read:

**2. Manner of repayment.** The repayment must be made to the applicable retirement system program by a single direct payment or by annual direct payments made in accordance with section 18301, subsection 4.

**Sec. 214. 5 MRSA §18305, sub-§2**, as amended by PL 1989, c. 710, §16, is further amended to read:

**2. Manner of payment.** The payment must be made to the retirement system Participating Local District Retirement Program by a single direct payment or by annual direct payments made in accordance with section 18301, subsection 4.

**Sec. 215. 5 MRSA §18305, sub-§4**, as amended by PL 2003, c. 630, Pt. A, §9, is further amended to read:

**4. Exception.** This section does not apply to a person whose membership in the retirement system Participating Local District Retirement Program is optional, unless the person is described in section 18251, subsection 3, paragraph B or C and the person began membership before January 1, 1986.

**Sec. 216. 5 MRSA §18305-A, first ¶**, as enacted by PL 2003, c. 630, Pt. A, §10, is amended to read:

A person whose membership is optional and who did not become a member on the date of first employment or who reentered the retirement system Participating Local District Retirement Program after having previously withdrawn may elect as permitted by section 18251, 18252 or 18252-A, whichever is applicable, to pay into the Members' Contribution Fund under the following conditions:

**Sec. 217. 5 MRSA §18305-A, sub-§2**, as enacted by PL 2003, c. 630, Pt. A, §10, is amended to read:

**2. Manner of payment.** The payment must be made to the retirement system Participating Local District Retirement Program by a single direct payment or by annual direct payments made in accordance with section 18301, subsection 4; and

**Sec. 218. 5 MRSA §18306-A, sub-§1**, as enacted by PL 2007, c. 137, §21, is amended to read:

**1. Conditions for refund.** If the service of any member has terminated, except by death or by retirement under this Part, or if an optional member withdraws from the retirement system Participating Local District Retirement Program, or if an employee of a district that withdraws from participation under section 18203 wishes to have accumulated contributions refunded, the member or employee must be paid the amount of the member's accumulated contributions under the following conditions:

A. The member must have properly applied for a refund of accumulated contributions;

B. Payment must be made after termination of service and not less than 22 days nor more than 60 days after receipt of the application and receipt of the last payroll upon which the name of the member appears;

C. An application for refund is void if the member filing the application returns to membership in any retirement plan~~program~~ administered by the retirement system before issuance of the payment;

D. Except when inclusion of a portion of employer contributions is required by subsection 5, only accumulated contributions made by the member or picked up by the employer may be refunded to that member under this section; and

E. The amount of the refund of accumulated contributions related to a member's compensation for service rendered as a part-time, seasonal or temporary employee after December 31, 1991 must be at least equal to 7.5% of the member's compensation for that service plus interest as provided by section 17156.

**Sec. 219. 5 MRSA §18307-A, sub-§1**, as enacted by PL 2007, c. 137, §23, is amended to read:

**1. Conditions for refund.** The retirement system may make an automatic refund of contributions to a member who has not properly applied for a refund as provided in section 18306-A and who has terminated service, except by death or by retirement under this Part, or who as an optional member has withdrawn from ~~the~~ retirement system~~program~~ of the Maine Public Employees Retirement System, and who has not met the minimum creditable service requirement for eligibility to receive a service retirement benefit at the applicable age under the following conditions:

A. The member account ~~in the retirement system~~ has been inactive for 3 or more years;

B. Except when inclusion of a portion of employer contributions is required by this subsection, only accumulated contributions made by the member or picked up by the employer may be refunded to that member under this subsection;

C. The amount of the refund of accumulated contributions related to a member's compensation for service rendered as a part-time, seasonal or temporary employee after December 31, 1991 must be at least equal to 7.5% of the member's compensation for that service plus interest as provided by section 17156; and

D. A member who receives an automatic refund under this subsection may, within 30 days of the issuance of the refund, return the full refunded amount to the retirement system. Upon receipt, the retirement system shall restore the accumulated contributions to the member's credit.

**Sec. 220. 5 MRSA §18308**, as amended by PL 1999, c. 241, §3, is further amended to read:

## **§ 18308.CETA service**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "CETA employee" means an employee enrolled in a program under the United States Comprehensive Employment and Training Act of 1973, as amended.
- B. "Employer" means the State or the participating local district with which the CETA employee is placed for training and employment.
- C. "Prime sponsor" means the CETA prime sponsor, a unit of government responsible for planning and operating all CETA programs within the geographic jurisdiction encompassed by that unit of government.

**2. Eligibility for membership.** CETA employees are considered eligible for membership in the ~~retirement system~~Participating Local District Retirement Program from the date of their enrollment in a CETA program, whether or not they become members.

**3. Employer's contributions.** Employer's contributions are governed as follows.

- A. Notwithstanding this chapter and chapter 421, subchapter ~~IV~~4, neither the State nor a participating local district is required to contribute to ~~the~~a ~~retirement system~~program of the Maine Public Employees Retirement System for CETA employees.
- B. If an employee elects, under section 18361, to purchase his CETA time for past creditable service, the employee's CETA prime sponsor shall then pay to the applicable retirement system~~program~~ an amount equal to the employer's contribution, plus regular interest, for the employee's CETA time, using only CETA funds.

**4. Employee's contributions.** Employee's contributions are governed as follows.

- A. Notwithstanding section 18301, a CETA employee is not required to contribute to ~~the~~a ~~retirement system~~program of the Maine Public Employees Retirement System.
- B. A CETA employee may contribute during ~~his~~the employee's period of CETA employment or may defer contributions until ~~his~~the employee's post-CETA employment status is known.
- C. If an employee who has not contributed during ~~his~~the employee's CETA employment or who has withdrawn ~~his~~the employee's contributions later elects, under section 18361, to purchase ~~his~~the employee's CETA time for past creditable service, the employee shall pay to the applicable retirement system~~program of the Maine Public Employees Retirement System~~ an amount equal to the employee's contributions, plus interest, as provided under section 18305.
- D. If an employee or member who has not contributed during that employee's or member's CETA employment or who has withdrawn that employee's or member's contributions later elects, under section 18361, subsection 3, to purchase that employee's or member's CETA time for past creditable service before any retirement benefit becomes effective for that member, that employee or member must pay into the Members' Contribution Fund, by a single direct payment or annual direct payments to the applicable retirement system~~program of the Maine Public Employees 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

creditable service. Annual payments must be made in accordance with section 18301, subsection 4. Additional amounts paid under this paragraph become a part of the employee's or member's accumulated contributions. If any retirement benefit becomes effective before the completion of the payment under this paragraph, the employee or member is entitled to service credit for a portion of the additional creditable service in the same proportion 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.

**5. Return of contributions.** Any CETA employee who contributed to ~~the~~ a retirement ~~system~~program of the Maine Public Employees Retirement System during ~~his~~that employee's CETA employment and who does not meet the requirements of section 18361, ~~shall~~must be refunded ~~his~~that employee's employee contributions, plus regular interest, upon request to the retirement system.

**Sec. 221. 5 MRSA §18309, sub-§1**, as amended by PL 1987, c. 739, §§38 and 48, is further amended to read:

**1. Contribution rate.** Except as provided in subsection 2, each ~~fire-fighter~~firefighter, including the chief of a fire department, employed by a participating local district ~~which~~that provides a special retirement benefit under section 18453, subsection 4 or 5, shall contribute to the ~~retirement system~~Participating Local District Retirement Program or have pick-up contributions made by the employer at a rate of 8% of earnable compensation as long as employed as a ~~fire-fighter~~firefighter.

**Sec. 222. 5 MRSA §18310, sub-§1**, as amended by PL 1987, c. 739, §§39 and 48, is further amended to read:

**1. Contribution rate.** Except as provided in subsection 2, each police officer, including the chief of a police department, employed by a participating local district ~~which~~that provides a special retirement benefit under section 18453, subsection 7 or 8, shall contribute to the ~~retirement system~~Participating Local District Retirement Program or have pick-up contributions made by the employer at a rate of 8% of earnable compensation as long as employed as a police officer.

**Sec. 223. 5 MRSA §18311, sub-§1**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**1. Service after becoming a member.** For employees who qualify to have their membership in the ~~retirement system~~Participating Local District Retirement Program continued under section 18258, subsection 1, because of service in the Armed Forces of the United States, the participating local district shall contribute to the Members' Contribution Fund the same amount that the member would have been required to contribute if the member had been serving the participating local district during the period of service in the armed forces in the same capacity in which the employee was serving at the time ~~he~~the employee joined the armed forces. Any member whose contributions to the Members' Contribution Fund are paid by the participating local district under this subsection, who withdraws or ceases to be a member of the ~~retirement system~~Participating Local District Retirement Program, may not withdraw any of the contributions made by the participating local district under this subsection.

**Sec. 224. 5 MRSA §18311, sub-§2**, as amended by PL 1991, c. 23, §§1 and 2, is further amended to read:

**2. Service before becoming a member.** A member who qualifies under section 18360, subsection 2, shall contribute to the ~~retirement system~~Participating Local District Retirement Program for the period after service in the armed forces under the following terms and conditions.

A. If the member qualifies under section 18360, subsection 2, contributions are calculated at the percentage rate required of active members during the period of time covered by the service in the armed forces applied to the member's earnable compensation during the first year as an employee subsequent to service in the armed forces under the following terms and conditions:

(1) If 2 or more percentage rates were in effect during the period of service in the armed forces, the highest percentage rate is used;

(2) The minimum rate is 5%; and

(3) Interest at a rate set by the board not to exceed regular interest by 2 or more percentage points is paid on the unpaid balance beginning January 1, 1976, or the date of attaining 15 years of creditable service, if later, to the date payment is made.

C. The payment must be made to the ~~retirement system~~Participating Local District Retirement Program by a single direct payment or annual direct payments made in accordance with section 18301, subsection 4.

**Sec. 225. 5 MRSA §18354, sub-§1, ¶B**, as amended by PL 1989, c. 710, §19, is further amended to read:

B. The member, before any retirement benefit becomes effective, must make contributions into the Members' Contribution Fund for the years of out-of-state service on the same basis as the member would have made contributions had the service been in the State, including interest at a rate, to be set by the board, not to exceed regular interest by 5 or more percentage points. Interest ~~shall~~must be computed from the end of the year when those contributions would have been made, if the service had been in the State, to the date of payment. The payment must be made to the ~~retirement system~~Participating Local District Retirement Program by a single direct payment or by annual direct payments made in accordance with section 18301, subsection 4;

**Sec. 226. 5 MRSA §18354, sub-§2**, as amended by PL 1989, c. 710, §20, is further amended to read:

**2. Alternative.** If service credit for out-of-state service is not allowed under subsection 1, additional service credit for out-of-state service ~~shall~~must be allowed for any member in the determination of retirement benefit under this Part if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, by a single direct payment or annual direct



payments to the ~~retirement system~~Participating Local District Retirement Program, 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 creditable service. Annual payments must be made in accordance with section 18301, subsection 4.

A. Additional amounts paid under this subsection ~~shall~~must become a part of the member's accumulated contributions.

B. If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of 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.

**Sec. 227. 5 MRSA §18356, sub-§3**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**3. Exceptions.** Leave beyond 90 days may qualify as service credit, up to the maximum number of days of leave, set by personnel rules or by contract, that a person is allowed to accumulate, if the participating local district pays into the ~~retirement system~~Participating Local District Retirement Program the actuarial equivalent of the benefit.

**Sec. 228. 5 MRSA §18358, sub-§1**, as amended by PL 1987, c. 739, §§40 and 48, is further amended to read:

**1. Employee in service when district participation begins.** Any employee who is in service on the date when participation of the local district begins and who elects to join the ~~retirement system~~Participating Local District Retirement Program after that date is entitled to:

A. Service credit for prior service for the periods of previous service certified by the participating local district as creditable prior service rendered to that district for which the participating local district makes contributions; and

B. Service credit for all membership service for which contributions are paid into the ~~retirement system~~Participating Local District Retirement Program by the member or picked up by the employer.

**Sec. 229. 5 MRSA §18358, sub-§2**, as amended by PL 2003, c. 630, Pt. A, §12, is further amended to read:

**2. Optional members joining or rejoining the Participating Local District Retirement Program.** A person who joins the ~~retirement system~~Participating Local District Retirement Program under section 18251, 18252 or 18252-A:

A. Receives service credit for the period during which the person elected not to be a member of the ~~retirement system~~Participating Local District Retirement Program only if payments are made pursuant to section 18305 or 18305-A; and

B. Begins to accrue membership service credit on the effective date of first contributions or pick-up contributions to the ~~retirement system~~Participating Local District Retirement Program.

**Sec. 230. 5 MRSA §18360, sub-§2**, as amended by PL 2007, c. 249, §29, is further amended to read:

**2. Service before becoming a member.** If a participating local district elects to provide service credit for service in the Armed Forces of the United States under this subsection, a member who served as a full-time active duty member of the Armed Forces of the United States before becoming a member of the ~~retirement system~~Participating Local District Retirement Program is entitled to service credit for the period of time ~~hethe member~~ served in the armed forces, under the following terms and conditions.

A. Except as provided in paragraph I, on the date of retirement, the member must have at least 15 years of creditable service.

C. The member must have separated from the armed forces under conditions other than dishonorable.

D. Except as provided in paragraph E, the member must have begun membership before January 1, 1976.

E. Except as provided in paragraph I, a member who served in the armed forces during any federally recognized period of conflict, is entitled to service credit under this subsection. For purposes of this paragraph, "federally recognized period of conflict" means World War I, April 6, 1917 to November 11, 1918 or to March 31, 1920 if service was in Russia; World War II, December 7, 1941 to December 31, 1946; the Korean Conflict, June 27, 1950 to January 31, 1955; the Vietnam War, August 5, 1964 to May 7, 1975 and the period beginning on February 28, 1961 and ending on May 7, 1975 in the case of a veteran who served in the Republic of Vietnam during that period; and the Persian Gulf War, August 7, 1990 to the date that the United States Government recognizes as the end of the Persian Gulf War.

F. Except for members qualifying under paragraph E, this subsection:

(1) Applies to all persons, active or retired, but, for those already retired, the effective date of any adjustment ~~shall~~must be not earlier than the date on which the time or credit is certified to the retirement system; and

(2) Does not apply to any member who begins membership on or after January 1, 1976.

G. Upon complete payment of the back contributions under section 18311, the member ~~shall~~must be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under section 18311, the member ~~shall~~must be granted service credit on a pro rata basis in accordance with rules adopted by the board.

H. A participating local district may elect, with regard to special plans under section 18453, subsections 2 to 9, that service credits under this subsection apply only to additional retirement benefits under section 18453, subsections 10 and 11, and that the service credits not apply to age or service requirements of retirement. Nothing in this paragraph may be construed to affect in any way the rights of public employees to collectively bargain for terms and conditions of employment.

I. A member who fails to meet one or more of the terms and conditions required under paragraphs A, D and E may purchase service credit as provided in this paragraph. The member must have at least 5 years of creditable service and, before any retirement benefit becomes effective for that member, must pay into the Members' Contribution Fund, by a single direct payment or annual direct payments to the retirement system Participating Local District Retirement Program, 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 creditable service. Annual direct payments must be made in accordance with section 17701, subsection 4. Any member who purchases service credit under this paragraph who subsequently, without inclusion of the purchased service credit and prior to retirement, meets the terms and conditions of paragraphs A, D and E is entitled to purchase the service credit under section 18311, subsection 2 and to receive a refund of the amount paid under this paragraph that exceeds the cost to purchase the service credit under section 18311.

**Sec. 231. 5 MRSA §18362, sub-§1, ¶C**, as amended by PL 1991, c. 558, §2, is further amended to read:

C. The member must, before any retirement benefit becomes effective for the member, make contributions into the Members' Contribution Fund, for the years of private or parochial school teaching on the same basis as the member would have made contributions had the service been as a state employee or teacher in this State, including interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points. The member's earnings for the years of private or parochial school teaching must be assumed to have been the same as the average salary for teachers in this State as determined by the Department of Education for each of the years when the private or parochial school teaching took place. Interest must be computed beginning at the end of the year when those contributions would have been made, if the service had been as a state employee or teacher in this State, to the date of payment. Payment must be made by a single direct payment or annual direct payments to the retirement system Participating Local District Retirement Program in accordance with section 18301, subsection 4.

**Sec. 232. 5 MRSA §18362, sub-§1-A**, as enacted by PL 1993, c. 387, Pt. A, §19, is amended to read:

**1-A. Alternative.** In the determination of the retirement benefit under this Part, if service credit for private or parochial school teaching is not allowed under subsection 1 based upon the member not meeting the requirements of subsection 1, paragraph B or D, additional service credit for private or parochial school teaching is allowed for any member who meets the requirements of subsection 1, paragraphs A and E, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund by a single direct payment or annual direct payments to the retirement

~~system~~Participating Local District Retirement Program 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 creditable service.

Annual payments must be made in accordance with section 18301, subsection 4.

A. Additional amounts paid under this subsection become a part of the member's accumulated contributions.

B. If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of 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.

**Sec. 233. 5 MRSA §18362, sub-§2, ¶B**, as enacted by PL 1989, c. 78, §4, is amended to read:

B. The member must return to active service as a member of the ~~retirement system~~Participating Local District Retirement Program within one year of the completion of the teaching outside of the State described in this section.

**Sec. 234. 5 MRSA §18362, sub-§2, ¶C**, as amended by PL 1989, c. 710, §22, is further amended to read:

C. The member must, before any retirement benefit becomes effective for the member, pay into the Members' Contribution Fund, by a single direct payment or annual direct payments to the ~~retirement system~~Participating Local District Retirement Program, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the member's retirement benefit, of the portion of the member's retirement benefit based on the additional creditable service. Annual payments must be made in accordance with section 18301, subsection 4.

**Sec. 235. 5 MRSA §18402**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

### **§ 18402. Eligibility for benefits**

Only members of the ~~retirement system~~Participating Local District Retirement Program or their spouses, surviving spouses, children, dependent children, parents or beneficiaries are eligible to receive benefits from the ~~retirement system~~Participating Local District Retirement Program.

**Sec. 236. 5 MRSA §18407, sub-§2, ¶A**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

A. A noncovered district ~~which~~that has withdrawn from participation in the ~~retirement system~~Participating Local District Retirement Program on or before June 30, 1987, under section 18203 is not required to provide cost-of-living adjustments for its retired employees or their beneficiaries.

**Sec. 237. 5 MRSA §18408, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

If the membership of the employees of a participating local district ceases under section 18255, the funds that have been established under the ~~retirement system~~Participating Local District Retirement Program for that district ~~shall~~must be used to provide benefits for members or beneficiaries at the date of the cessation of membership.

**Sec. 238. 5 MRSA §18408, sub-§1**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**1. Allocation.** The amount of the funds that have been established under the ~~retirement system~~Participating Local District Retirement Program for the district at the date of the cessation of membership ~~shall~~must be allocated by the board in an equitable manner to provide benefits for the members or beneficiaries:

- A. In accordance with this Part as in effect at the date of the cessation; and
- B. Based upon years of creditable service, average final compensation and accumulated contributions as of the date of the cessation, in the following order of priority:

(1) For the benefit of members to the extent of the then value of their accumulated contributions in the Members' Contribution Fund;

(2) If any funds remain after allocation under subparagraph (1), then for the benefit of beneficiaries then receiving payment of benefits after cessation of payments to those beneficiaries, in proportion to the then actuarial value of their respective benefits, but not to exceed the amount of those values;

(3) If any funds remain after allocation under subparagraph (2), then for the benefit of members with at least 10 years of creditable service who are not then receiving benefit payments, to the extent of the actuarial value of their retirement allowances not provided by their accumulated contributions, allocating the funds on the basis of the oldest ages first; and

(4) If any funds remain after allocation under subparagraph (3), then for the benefit of members in service with the district on the date of the cessation with less than 10 years of creditable service, who are not then receiving benefit payments, to the extent of the actuarial value of their retirement allowances not provided by their accumulated contributions, allocating the funds on the basis of the oldest ages first.

**Sec. 239. 5 MRSA §18451, sub-§1, ¶D**, as enacted by PL 1999, c. 756, §18, is amended to read:

D. Except as provided in paragraph E, has at least 10 years of creditable service, which, for the purpose of determining completion of the 10-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram; or

**Sec. 240. 5 MRSA §18451, sub-§1, ¶E**, as enacted by PL 1999, c. 756, §18, is amended to read:

E. Has at least 5 years of creditable service, which, for the purposes of determining completion of the 5-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram, and:

(1) Was in service on October 1, 1999;

(2) Had left prior to October 1, 1999 with or without withdrawing contributions and on or after October 1, 1999 returned to service; or

(3) Was first in service on or after October 1, 1999.

**Sec. 241. 5 MRSA §18451, sub-§2, ¶A**, as amended by PL 1999, c. 756, §19, is further amended to read:

A. Retires upon or after reaching 60 years of age and, except as provided in paragraph D, has at least 10 years of creditable service, which, for the purpose of determining completion of the 10-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram; or

**Sec. 242. 5 MRSA §18451, sub-§2, ¶D**, as enacted by PL 1999, c. 756, §21, is amended to read:

D. Has at least 5 years of creditable service, which, for the purposes of determining completion of the 5-year requirement, may include creditable service as a member of the Maine Legislative Retirement SystemProgram, and:

(1) Was in service on October 1, 1999;

(2) Had left service prior to October 1, 1999 with or without withdrawing contributions and on or after October 1, 1999 returned to service; or

(3) Was first in service on or after October 1, 1999.

**Sec. 243. 5 MRSA §18451, sub-§3**, as amended by PL 1999, c. 756, §22, is further amended to read:

**3. Member with creditable service of 25 years or more.** A member, whether or not in service at retirement, who has completed 25 or more years of creditable service qualifies for a service retirement benefit if the member retires at any time after completing 25 years of service, which may include, for the purpose of meeting eligibility requirements, creditable service as a member of the ~~Maine Legislative Retirement System~~Program under Title 3, section 701, subsection 8.

**Sec. 244. 5 MRSA §18504, sub-§2,** as amended by PL 1991, c. 434, §3, is further amended to read:

**2. Exception.** A member with fewer than 5 years of continuous creditable service immediately preceding that member's application for a disability retirement benefit is not eligible for that benefit if the disability is the result of a physical or mental condition ~~which~~that existed before the member's latest membership in ~~the~~a retirement system~~program of the Maine Public Employees Retirement System~~, unless the disability is a result of, or has been substantially aggravated by, an injury or accident received in the line of duty but from events or circumstances not usually encountered within the scope of the member's employment.

**Sec. 245. 5 MRSA §18506, sub-§3,** as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**3. Restoration to service.** If any recipient of a disability retirement benefit is restored to service, and if the total of the recipient's monthly retirement benefit for any year and the recipient's total earnable compensation for that year exceed ~~his~~the recipient's average final compensation at retirement, increased or decreased by the same percentage adjustments as have been received under section 18407, the excess ~~shall~~must be deducted from the disability retirement benefit payments during the next calendar year.

A. The deductions ~~shall~~must be prorated on a monthly basis over the year or part of the year for which benefits are received in an equitable manner prescribed by the board.

B. The recipient of the disability retirement benefit shall reimburse the retirement system for any excess payments not deducted under this section.

C. If the retirement benefit payments are eliminated by operation of this subsection:

(1) The person ~~shall~~ again ~~become~~becomes a member of the ~~retirement system~~Participating Local District Retirement Program and ~~shall~~ ~~begin~~begins contributing at the current rate; and

(2) When the person again retires, ~~he shall receive~~the person must receive benefits computed on ~~his~~the person's entire creditable service and in accordance with the law in effect at that time.

**Sec. 246. 5 MRSA §18524, sub-§2,** as amended by PL 1991, c. 434, §4, is further amended to read:

**2. Exception.** A member with fewer than 5 years of continuous creditable service immediately preceding that member's application for a disability retirement benefit is not eligible for that benefit if the disability is the result of a physical or mental condition ~~which~~that existed before the member's membership in ~~the~~a retirement system ~~program of the Maine Public Employees Retirement System~~, unless the disability is a result of, or has been substantially aggravated by, an injury or accident received in the line of duty but from events or circumstances not usually encountered within the scope of the member's employment.

**Sec. 247. 5 MRSA §18530, sub-§3, ¶D**, as enacted by PL 1989, c. 409, §§11 and 12, is amended to read:

D. ~~The~~If the retirement benefit payments are eliminated by this subsection if:

(1) The person ~~shall~~again become~~becomes~~ a member of the retirement system Participating Local District Retirement Program and ~~begin~~begins contributing at the current rate; and

(2) When the person again retires, the person ~~shall~~must receive benefits computed on the basis of that person's entire creditable service and in accordance with the law in effect at that time;

**Sec. 248. 5 MRSA §18542, first ¶**, as enacted by PL 1991, c. 887, §19, is amended to read:

In the case of a participating local district having a retirement system Participating Local District Retirement Program disability plan other than that provided by article 3 or 3-A, which plan is in force on October 15, 1992, the following provisions apply on and after October 16, 1992:

**Sec. 249. 5 MRSA §18655, sub-§1**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

**1. Local district.** A local district may participate in the group life insurance program by filing with the board a duly certified copy of the resolution or record of the vote of the body ~~which~~that would be entitled to approve participation in the retirement system Participating Local District Retirement Program under section 18201. The resolution or record of the vote ~~shall~~must state which portions of the life insurance program established under this chapter ~~shall~~ apply to the participating local district.

**Sec. 250. 5 MRSA §18663, first ¶**, as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:

Any local district participating in the group life insurance program under this subchapter may withdraw from further participation by filing with the board a duly certified copy of the results of the vote of the body ~~which~~that would be entitled to approve participation in the retirement system Participating Local District Retirement Program under section 18201. This certification ~~shall~~must include certification to the board that equivalent coverage has been provided.

**Sec. 251. 5 MRSA §18801, sub-§4**, as amended by PL 1993, c. 250, §4, is further amended to read:



**4. Implementation of plan.** The board, as part of its rules, shall set the minimum number of local districts that must contract for participation and the minimum number of members before the plan is put into operation. The rules must contain provisions related to the transition from participation in chapter 425 to participation in this plan by local districts and for setting the date when participation of the employees of a participating local district in this plan begins. All local districts that are participating local districts under chapter 425 on the date the plan is put into operation must elect to join the consolidated plan, be transferred to the consolidated plan or withdraw from the systemParticipating Local District Retirement Program, in accordance with rules established by the board.

**Sec. 252. 5 MRSA §18804, first ¶**, as amended by PL 1993, c. 250, §6, is further amended to read:

All local districts that are participating local districts under chapter 425 on the date the plan is put into operation may contract for participation in the plan in the manner provided in subsection 1 or 2 for other local districts. A participating local district that elects to be transferred into the consolidated plan must contract for participation according to the terms of its transfer, in accordance with rules established by the board. Other local districts may contract for the participation of their employees in the retirement systemParticipating Local District Retirement Program under this chapter in the manner provided by subsection 1 or 2.

**Sec. 253. 5 MRSA §18806, sub-§1**, as enacted by PL 1989, c. 811, §3, is amended to read:

**1. Districts with employees covered by the Social Security Act.** A participating local district with employees covered by the United States Social Security Act may provide service retirement benefits for employees not covered by a special plan ~~which~~that equal 1% of the member's average final compensation multiplied by the number of years of membership service. Members covered by this benefit shall contribute to the retirement systemParticipating Local District Retirement Program at the rate of 3% of earnable compensation.

**Sec. 254. 5 MRSA §18806, sub-§2**, as enacted by PL 1989, c. 811, §3, is amended to read:

**2. Defined contribution plan.** A participating local district may provide for the participation of its employees who are members of the systemParticipating Local District Retirement Program under this chapter, in a defined contribution plan that is part of the consolidated plan provided by section 18801. Employees who choose not to become members under section 18801, subsection 1, paragraph D may also participate in the defined contribution plan.

Effective June 30, 2008