



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1207

H.P. 871

House of Representatives, March 12, 2019

**An Act To Expand the 1998 Special Retirement Plan To Include
Detectives in the Office of Investigations within the Department of
the Secretary of State, Bureau of Motor Vehicles**

Reference to the Committee on Labor and Housing suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative NADEAU of Winslow.
Cosponsored by Senator CYRWAY of Kennebec and
Representatives: CAMPBELL of Orrington, DOORE of Augusta, HARRINGTON of Sanford,
PICKETT of Dixfield, SKOLFIELD of Weld, TUCKER of Brunswick.

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

2 **Sec. 1. 5 MRSA §17851, sub-§14**, as amended by PL 2017, c. 229, §2, is further
3 amended to read:

4 **14. Motor vehicle detectives; option.** A Except as provided in section 17851-A, a
5 motor vehicle detective, senior motor vehicle detective, principal motor vehicle detective
6 or chief motor vehicle detective qualifies for a service retirement benefit upon reaching
7 55 years of age after completing at least 25 years of creditable service in that capacity if
8 notice of election of the option and payment of employee contributions and actuarial
9 costs are made as provided in section 17852, subsection 15.

10 **Sec. 2. 5 MRSA §17851-A, sub-§1, ¶L**, as amended by PL 2001, c. 646, §1, is
11 further amended to read:

12 L. Oil and hazardous materials emergency response workers in the employment of
13 the Department of Environmental Protection, Division of Response Services who
14 participate in a standby rotation on January 1, 2002 or ~~are~~ hired thereafter; ~~and~~

15 **Sec. 3. 5 MRSA §17851-A, sub-§1, ¶M**, as enacted by PL 2001, c. 646, §2 and
16 amended by PL 2009, c. 317, Pt. E, §§15 and 16, is further amended to read:

17 M. Capitol Police officers in the employment of the Department of Public Safety,
18 Bureau of Capitol Police on July 1, 2002 or hired thereafter; ~~and~~

19 **Sec. 4. 5 MRSA §17851-A, sub-§1, ¶N** is enacted to read:

20 N. Detectives in the employment of the office of investigations within the
21 Department of the Secretary of State, Bureau of Motor Vehicles on July 1, 2020 who
22 elect to participate in the 1998 Special Plan or hired thereafter.

23 **Sec. 5. 5 MRSA §17851-A, sub-§2**, as amended by PL 2017, c. 439, §1, is
24 further amended to read:

25 **2. Qualification for benefits.** A member employed in any one or a combination of
26 the capacities specified in subsection 1 after June 30, 1998 and before September 1, 2002
27 for employees identified in subsection 1, paragraphs A and B; after June 30, 1998 for
28 employees identified in subsection 1, paragraphs C to H; after December 31, 1999 for
29 employees identified in subsection 1, paragraphs I to K; any employee identified in
30 subsection 1, paragraph M; after June 30, 2020 for employees identified in subsection 1,
31 paragraph N; and any employee identified in subsection 1, paragraph L, qualifies for a
32 service retirement benefit if that member either:

33 A. Is at least 55 years of age and has completed at least 10 years of creditable service
34 under the 1998 Special Plan in any one or a combination of the capacities; or

35 B. Has completed at least 25 years of creditable service in any one or a combination
36 of the capacities specified in subsection 1, whether or not the creditable service
37 included in determining that the 25-year requirement has been met was earned under
38 the 1998 Special Plan or prior to its establishment.

1 **Sec. 6. 5 MRSA §17851-A, sub-§3, ¶A**, as amended by PL 2017, c. 439, §2, is
2 further amended to read:

3 A. For the purpose of meeting the qualification requirement of subsection 2,
4 paragraph A:

5 (1) Service credit purchased by repayment of an earlier refund of accumulated
6 contributions following termination of service is included only to the extent that
7 time to which the refund relates was served after June 30, 1998 and before
8 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
9 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H;
10 ~~and~~ after December 31, 1999 for employees identified in subsection 1,
11 paragraphs I to K; and after June 30, 2020 for employees identified in subsection
12 1, paragraph N in any one or a combination of the capacities specified in
13 subsection 1. Service credit may be purchased for service by an employee
14 identified in subsection 1, paragraphs L and M regardless of when performed;
15 and

16 (2) Service credit purchased other than as provided under subparagraph (1),
17 including but not limited to service credit for military service, is not included.

18 **Sec. 7. 5 MRSA §17851-A, sub-§4, ¶A**, as repealed and replaced by PL 2003, c.
19 510, Pt. D, §3 and affected by §§6 and 7, is amended to read:

20 A. If all of the member's creditable service in any one or a combination of the
21 capacities specified in subsection 1 was earned after June 30, 1998 and before
22 September 1, 2002 for employees identified in subsection 1, paragraphs A and B;
23 after June 30, 1998 for employees identified in subsection 1, paragraphs C to H; after
24 December 31, 1999 for employees identified in subsection 1, paragraphs I to K; after
25 December 31, 2001 for employees identified in subsection 1, paragraph L; ~~and~~ after
26 June 30, 2002 for employees identified in subsection 1, paragraph M; and after June
27 30, 2020 for employees identified in subsection 1, paragraph N; if service credit was
28 purchased by repayment of an earlier refund of accumulated contributions for service
29 in any one or a combination of the capacities specified in subsection 1 after June 30,
30 1998 and before September 1, 2002 for employees identified in subsection 1,
31 paragraphs A and B; after June 30, 1998 for employees identified in subsection 1,
32 paragraphs C to H; after December 31, 1999 for employees identified in subsection 1,
33 paragraphs I to K; after December 31, 2001 for employees identified in subsection 1,
34 paragraph L; ~~and~~ after June 30, 2002 for employees identified in subsection 1,
35 paragraph M; and after June 30, 2020 for employees identified in subsection 1,
36 paragraph N; or if service credit was purchased by other than the repayment of an
37 earlier refund and eligibility to make the purchase of the service credit, including, but
38 not limited to, service credit for military service, was achieved after June 30, 1998
39 and before September 1, 2002 for employees identified in subsection 1, paragraphs A
40 and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C to
41 H; after December 31, 1999 for employees identified in subsection 1, paragraphs I to
42 K; after December 31, 2001 for employees identified in subsection 1, paragraph L;
43 ~~and~~ after June 30, 2002 for employees identified in subsection 1, paragraph M; and
44 after June 30, 2020 for employees identified in subsection 1, paragraph N, the benefit
45 must be computed as provided in section 17852, subsection 1, paragraph A.

1 (1) If the member had 10 years of creditable service on July 1, 1993, the benefit
2 under subsection 2, paragraph B must be reduced as provided in section 17852,
3 subsection 3, paragraphs A and B.

4 (2) If the member had fewer than 10 years of creditable service on July 1, 1993,
5 the benefit under subsection 2, paragraph B must be reduced by 6% for each year
6 that the member's age precedes 55 years of age.

7 **Sec. 8. 5 MRSA §17851-A, sub-§4, ¶B**, as amended by PL 2017, c. 439, §3, is
8 further amended to read:

9 B. Except as provided in paragraphs D, E and F, if some part of the member's
10 creditable service in any one or a combination of the capacities specified in
11 subsection 1 was earned before July 1, 1998 for employees identified in subsection 1,
12 paragraphs A to H; before January 1, 2000 for employees identified in subsection 1,
13 paragraphs I to K; before January 1, 2002 for employees identified in subsection 1,
14 paragraph L; ~~and~~ before July 1, 2002 for employees identified in subsection 1,
15 paragraph M; and before July 1, 2020 for employees identified in subsection 1,
16 paragraph N and some part of the member's creditable service in any one or a
17 combination of the capacities specified in subsection 1 was earned after June 30,
18 1998 and before September 1, 2002 for employees identified in subsection 1,
19 paragraphs A and B; after June 30, 1998 for employees identified in subsection 1,
20 paragraphs C to H; after December 31, 1999 for employees identified in subsection 1,
21 paragraphs I to K; after December 31, 2001 for employees identified in subsection 1,
22 paragraph L; ~~and~~ after June 30, 2002 for employees identified in subsection 1,
23 paragraph M; and after June 30, 2020 for employees identified in subsection 1,
24 paragraph N, then the member's service retirement benefit must be computed in
25 segments and the amount of the member's service retirement benefit is the sum of the
26 segments. The segments must be computed as follows:

27 (1) The segment or, if the member served in more than one of the capacities
28 specified in subsection 1 and the benefits related to the capacities are not
29 interchangeable under section 17856, segments that reflect creditable service
30 earned before July 1, 1998 for employees identified in subsection 1, paragraphs A
31 to H; before January 1, 2000 for employees identified in subsection 1, paragraphs
32 I to K; before January 1, 2002 for employees identified in subsection 1,
33 paragraph L; ~~and~~ before July 1, 2002 for employees identified in subsection 1,
34 paragraph M; and before July 1, 2020 for employees identified in subsection 1,
35 paragraph N or purchased by repayment of an earlier refund of accumulated
36 contributions for service before July 1, 1998, for employees identified in
37 subsection 1, paragraphs A to H; before January 1, 2000 for employees identified
38 in subsection 1, paragraphs I to K; before January 1, 2002 for employees
39 identified in subsection 1, paragraph L; ~~and~~ before July 1, 2002 for employees
40 identified in subsection 1, paragraph M; and before July 1, 2020 for employees
41 identified in subsection 1, paragraph N in a capacity or capacities specified in
42 subsection 1 or purchased by other than the repayment of a refund and eligibility
43 to make the purchase of the service credit, including, but not limited to, service
44 credit for military service, was achieved before July 1, 1998 for employees
45 identified in subsection 1, paragraphs A to H; before January 1, 2000 for

1 employees identified in subsection 1, paragraphs I to K; before January 1, 2002
2 for employees identified in subsection 1, paragraph L; ~~and~~ before July 1, 2002 for
3 employees identified in subsection 1, paragraph M; and before July 1, 2020 for
4 employees identified in subsection 1, paragraph N, must be computed under
5 section 17852, subsection 1, paragraph A. If the member is qualified under
6 subsection 2, paragraph B and:

7 (a) Had 10 years of creditable service on July 1, 1993, the amount of the
8 segment or segments must be reduced as provided in section 17852,
9 subsection 3, paragraphs A and B; or

10 (b) Had fewer than 10 years of creditable service on July 1, 1993, the
11 amount of the segment or segments must be reduced as provided in section
12 17852, subsection 3-A; and

13 (2) The segment that reflects creditable service earned after June 30, 1998 and
14 before September 1, 2002 for employees identified in subsection 1, paragraphs A
15 and B; after June 30, 1998 for employees identified in subsection 1, paragraphs C
16 to H; after December 31, 1999 for employees identified in subsection 1,
17 paragraphs I to K; after December 31, 2001 for employees identified in
18 subsection 1, paragraph L; ~~and~~ after June 30, 2002 for employees identified in
19 subsection 1, paragraph M; and after June 30, 2020 for employees identified in
20 subsection 1, paragraph N or purchased by repayment of an earlier refund of
21 accumulated contributions for service after June 30, 1998 and before September
22 1, 2002 for employees identified in subsection 1, paragraphs A and B; after June
23 30, 1998 for employees identified in subsection 1, paragraphs C to H; after
24 December 31, 1999 for employees identified in subsection 1, paragraphs I to K;
25 after December 31, 2001 for employees identified in subsection 1, paragraph L;
26 ~~and~~ after June 30, 2002 for employees identified in subsection 1, paragraph M;
27 and after June 30, 2020 for employees identified in subsection 1, paragraph N in
28 any one or a combination of the capacities specified in subsection 1, or purchased
29 by other than the repayment of a refund and eligibility to make the purchase of
30 the service credit, including, but not limited to, service credit for military service,
31 was achieved after June 30, 1998 and before September 1, 2002 for employees
32 identified in subsection 1, paragraphs A and B; after June 30, 1998 for employees
33 identified in subsection 1, paragraphs C to H; after December 31, 1999 for
34 employees identified in subsection 1, paragraphs I to K; after December 31, 2001
35 for employees identified in subsection 1, paragraph L; ~~and~~ after June 30, 2002 for
36 employees identified in subsection 1, paragraph M; and after June 30, 2020 for
37 employees identified in subsection 1, paragraph N must be computed under
38 section 17852, subsection 1, paragraph A. If the member is qualified under
39 subsection 2, paragraph B and:

40 (a) Had 10 years of creditable service on July 1, 1993, the segment amount
41 must be reduced in the manner provided in section 17852, subsection 3,
42 paragraphs A and B for each year that the member's age precedes 55 years of
43 age; or

1 (b) Had fewer than 10 years of creditable service on July 1, 1993, the
2 segment amount must be reduced by 6% for each year that the member's age
3 precedes 55 years of age.

4 **Sec. 9. 5 MRSA §17851-A, sub-§5**, as amended by PL 2007, c. 491, §157, is
5 further amended to read:

6 **5. Contributions.** Notwithstanding any other provision of subchapter 3, after June
7 30, 1998 and before September 1, 2002 for employees identified in subsection 1,
8 paragraphs A and B; after June 30, 1998 for employees identified in subsection 1,
9 paragraphs C to H; after December 31, 1999 for employees identified in subsection 1,
10 paragraphs I to K; after December 31, 2001 for employees identified in subsection 1,
11 paragraph L; ~~and~~ after June 30, 2002 for employees identified in subsection 1, paragraph
12 M; and after June 30, 2020 for employees identified in subsection 1, paragraph N, a
13 member in the capacities specified in subsection 1 must contribute to the State Employee
14 and Teacher Retirement Program or have pick-up contributions made at the rate of 8.65%
15 of earnable compensation until the member has completed 25 years of creditable service
16 as provided in this section and at the rate of 7.65% thereafter.

17 **Sec. 10. 5 MRSA §17851-A, sub-§6-B** is enacted to read:

18 **6-B. Consequences of participation in retirement plan under section 17851,**
19 **subsection 14.** A member in the capacity specified in subsection 1, paragraph N who,
20 prior to July 1, 2020, elected the retirement option provided in section 17851, subsection
21 14 is treated as follows under the 1998 Special Plan.

22 A. A member who made the election at the time of first employment in a position
23 covered under section 17851, subsection 14 is considered to be a member under the
24 1998 Special Plan as of the date of hire. Beginning July 1, 2020, a member covered
25 by this paragraph shall contribute to the State Employee and Teacher Retirement
26 Program or have pick-up contributions made at a rate of 8.65% of earnable
27 compensation until completion of 25 years of creditable service and shall contribute
28 at a rate of 7.65% thereafter.

29 B. A member who was serving in a position covered under section 17851, subsection
30 14 at the time of the election and who elected to participate in the retirement option
31 prospectively from the time of election is considered to be a member under the 1998
32 Special Plan as of the effective date of the election. Beginning July 1, 2020, a
33 member covered by this paragraph shall contribute to the State Employee and
34 Teacher Retirement Program or have pick-up contributions made at a rate of 8.65%
35 of earnable compensation until completion of 25 years of creditable service and shall
36 contribute at a rate of 7.65% thereafter.

37 C. A member who was serving in a position covered under section 17851, subsection
38 14 at the time of the election and who elected to participate in the retirement option
39 prospectively from the time of election and also elected to purchase credit for service
40 earned while serving in the same capacity before exercising the election is considered
41 to be a member under the 1998 Special Plan as of the beginning date of the service
42 for which credit is purchased, as long as all of the payments required under section
43 17852, subsection 15 are made before retirement. If all the required payments are not

1 made before retirement, that member is considered to be a member under the 1998
2 Special Plan as of the effective date of the election. Beginning July 1, 2020, for
3 employees identified in subsection 1, paragraph N, a member covered by this
4 paragraph shall contribute to the State Employee and Teacher Retirement Program or
5 have pick-up contributions made at a rate of 8.65% of earnable compensation until
6 completion of 25 years of creditable service and shall contribute at a rate of 7.65%
7 thereafter.

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

12 **Sec. 11. 5 MRSA §17852, sub-§15**, as amended by PL 2017, c. 229, §3, is
13 further amended to read:

14 **15. Motor vehicle detectives; option.** The Except as provided in section 17851-A,
15 the retirement benefit of a person who qualifies under section 17851, subsection 14 and
16 who retires upon or after reaching 55 years of age is computed in accordance with
17 subsection 1 if:

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

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

29 A person who requests calculation of the full actuarial cost, regardless of whether the
30 person elects the option, must pay to the retirement system by a single lump sum payment
31 the reasonable administrative costs of determining the full actuarial costs. Payment of the
32 full actuarial cost related to service on or after October 1, 1997 is made as part of the
33 employee payroll contribution.

34 For the purposes of this subsection, "full actuarial cost" means that the person's payment
35 or payments must fully offset any unfunded liability that would or does result from
36 retirement under the option provided in section 17851, subsection 14 and must fully fund
37 the cost of the person's retirement prior to normal retirement age so that an additional
38 employer contribution is not required.

39 A person who makes the election provided in section 17851, subsection 14 at any time
40 after the date on which the person is first employed as a motor vehicle ~~investigator~~ or a
41 motor vehicle detective must include interest, at a rate to be set by the board not to exceed
42 regular interest by 5 or more percentage points, applied as of the date on which the person
43 was first employed in that capacity to the contributions the person would have paid or had

1 picked up by the employer had the person elected that option at the date of first
2 employment.

3 This subsection takes effect October 1, 1997. Election to retire under this subsection is a
4 one-time irrevocable election. A person who was first employed as a motor vehicle
5 ~~investigator or a motor vehicle~~ detective on or after October 1, 1997 must make the
6 election no later than 90 days after the date of first employment. A person who was first
7 employed in that capacity before October 1, 1997 must make the election no later than
8 January 1, 1998.

9 **Sec. 12. 5 MRSA §17852, sub-§16**, as amended by PL 2017, c. 229, §4, is
10 further amended to read:

11 **16. Motor vehicle detectives exercising option; retirement before 55 years of**
12 **age.** ~~For~~ Except as provided in section 17851-A, for a person exercising the option
13 provided in section 17851, subsection 14 who makes the payments required in subsection
14 15 and who retires before reaching 55 years of age, the retirement benefit is determined
15 as follows.

16 A. For members with 10 years of creditable service on July 1, 1993, the retirement
17 benefit is determined in accordance with subsection 1, except that:

18 (1) The amount arrived at under subsection 1 is reduced by applying to that
19 amount the percentage that a life annuity due at 55 years of age bears to the life
20 annuity due at the age of retirement; and

21 (2) For the purpose of making the computation under subparagraph (1), the
22 board-approved tables of annuities in effect at the date of the member's retirement
23 are used.

24 For the purpose of calculating creditable service under this subsection only,
25 "creditable service" includes time during which a member participated in the
26 voluntary cost-savings plan or the voluntary employee incentive program authorized
27 by Public Law 1989, chapter 702, Part F, section 6 and Public Law 1991, chapter
28 591, Part BB and chapter 780, Part VV; 10 years of combined creditable service
29 under this Part and Title 3, chapter 29; or creditable service available to a member
30 that the member was eligible to purchase on June 30, 1993 and that the member does
31 purchase in accordance with rules adopted by the board.

32 B. For members who do not have 10 years of creditable service on July 1, 1993, the
33 retirement benefit is determined in accordance with subsection 1, except that the
34 benefit is reduced by 6% for each year that the person's age precedes 55 years of age.

35 **Sec. 13. Transition.** If a detective in the employment of the office of
36 investigations within the Department of the Secretary of State, Bureau of Motor Vehicles
37 on July 1, 2020 elects to participate in the 1998 Special Plan of the Maine Public
38 Employees Retirement System, as provided in the Maine Revised Statutes, Title 5,
39 section 17851-A, subsection 1, that detective must make that election not later than 180
40 days after the effective date of this Act.

1
2
3
4
5
6

SUMMARY

This bill allows detectives in the employment of the office of investigations within the Department of the Secretary of State, Bureau of Motor Vehicles to elect to participate in the 1998 Special Plan of the Maine Public Employees Retirement System. Under that plan, a person may retire at 55 years of age with 10 years of creditable service or may retire before 55 years of age with 25 years of creditable service and at a reduced benefit.