

## **125th MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2011

**Legislative Document** 

No. 298

H.P. 242

House of Representatives, February 3, 2011

An Act To Amend the Retirement Benefit Provisions for State Employees Working under Special Plans Who Remain Employed beyond the Minimum Years Necessary To Qualify for Retirement Benefits

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Heath & Print

HEATHER J.R. PRIEST Clerk

Presented by Representative SARTY of Denmark. Cosponsored by Senator COURTNEY of York and Representatives: COTTA of China, CURTIS of Madison, CUSHING of Hampden, DAVIS of Sangerville, HAYES of Buckfield, JOHNSON of Greenville, McKANE of Newcastle, Senator: President RAYE of Washington.

Printed on recycled paper

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 5 MRSA §17852, sub-§4, ¶A, as amended by PL 1997, c. 396, §1 and affected by §4, is further amended to read:
4	A. For a person member qualifying under section 17851, subsection 4, paragraph A:
5	(1) The total amount of the service retirement benefit is:
6 7 8 9 10	(a) Except as provided in division (b), 1/2 of the <u>person's member's</u> average final compensation and an additional 2% of the <u>person's member's</u> average final compensation for each year of membership service <u>before October 1, 2011</u> not included in determining qualification under section 17851, subsection 4, paragraph A; or
11 12 13 14 15 16	(b) If the benefit would be greater, the part of the person's <u>member's</u> service retirement benefit based upon membership service before July 1, 1976, determined, on a pro rata basis, on the person's <u>member's</u> current annual salary on the date of retirement and the part of the person's <u>member's</u> service retirement benefit based upon membership service after June 30, 1976, determined in accordance with division (a); and
17 18 19 20 21 22	(2) Upon the death of a state police officer who is receiving a retirement benefit after qualifying under section 17851, subsection 4, paragraph A, without optional modification, or is retired under article 3 or article 3-A, the surviving spouse is entitled to a retirement benefit that is 1/2 of the amount being paid at the time of the officer's death. The payment must continue for the remainder of the surviving spouse's lifetime.
23 24 25 26 27	For the purpose of this subparagraph, "surviving spouse" means the person the retired officer was married to at the time of retirement. If the retired officer was not married at the time of retirement or subsequent to retirement was divorced or widowed, the term means the person legally married to the officer at the time of the officer's death <del>.;</del> and
28 29 30 31 32 33	(3) Notwithstanding subparagraph (2), the benefit to which a surviving spouse is entitled under subparagraph (2) may be awarded in whole or in part to another person or persons under a domestic relations order that is determined to be a qualified domestic relations order under section 17059 and, when so awarded, the benefit must be distributed in accordance with the qualified domestic relations order.
34 35	<b>Sec. 2. 5 MRSA §17852, sub-§5,</b> ¶ <b>A</b> , as enacted by PL 1985, c. 801, §§5 and 7, is amended to read:
36	A. The total amount of the service retirement benefit is:
37 38 39 40	(1) Except as provided in subparagraph (2), 1/2 of his the member's average final compensation and an additional 2% of his the member's average final compensation for each year of membership service before October 1, 2011 not included in determining qualifications under section 17851, subsection 5; or

1 (2) If his the benefit would be greater, the part of his the member's service 2 retirement benefit based upon membership service before July 1, 1976, shall be 3 determined, on a pro rata basis, on his the member's current annual salary on the 4 date of retirement and the part of his the member's service retirement benefit based upon membership service after June 30, 1976, shall be determined in 5 accordance with subparagraph (1). 6 7 Sec. 3. 5 MRSA §17852, sub-§6, ¶A, as enacted by PL 1985, c. 801, §§5 and 7, 8 is amended to read: 9 A. The total amount of the service retirement benefit is: 10 (1) Except as provided in subparagraph (2), 1/2 of his the member's average final compensation and an additional 2% of his the member's average final 11 12 compensation for each year of membership service before October 1, 2011 not included in determining qualification under section 17851, subsection 6 or 7; or 13 14 (2) If his the benefit would be greater, the part of his the member's service 15 retirement benefit based upon membership service before July 1, 1976, shall be determined, on a pro rata basis, on his the member's current annual salary on the 16 date of retirement and the part of his the member's service retirement benefit 17 based upon membership service after June 30, 1976, shall be determined in 18 19 accordance with subparagraph (1). 20 Sec. 4. 5 MRSA §17852, sub-§7, ¶A, as enacted by PL 1985, c. 801, §§5 and 7, 21 is amended to read: 22 A. Except as provided in paragraph B, 1/2 of his the member's average final compensation and an additional 2% of his the member's average final compensation 23 24 for each year of membership service before October 1, 2011 not included in 25 determining qualifications under section 17851, subsection 8; or Sec. 5. 5 MRSA §17852, sub-§8, ¶A, as enacted by PL 1985, c. 801, §§5 and 7, 26 27 is amended to read: 28 A. 1/2 of his the member's average final compensation and an additional 2% of his 29 the member's average final compensation for each year of membership service before 30 October 1, 2011 not included in determining qualification under section 17851, 31 subsection 9; or Sec. 6. 5 MRSA §17852, sub-§9, ¶A, as enacted by PL 1993, c. 387, Pt. A, §14, 32 33 is amended to read: 34 A. Except as provided in paragraph B, the total amount of the service retirement 35 benefit is 1/2 of the member's average final compensation and an additional 2% of the member's average final compensation for each year of membership service before 36 37 October 1, 2011 not included in determining qualification under section 17851, 38 subsection 10; or 39 Sec. 7. 5 MRSA §17852, sub-§10, ¶A, as enacted by PL 1985, c. 801, §§5 and 7. is amended to read: 40

A. For members qualifying under section 17851, subsection 11, paragraph A, 1/2 of his the member's average final compensation and an additional 2% of his the member's average final compensation for each year of membership service before October 1, 2011 not included in determining qualification under section 17851, subsection 11, paragraph A.

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## SUMMARY

7 Under current law, certain state employees in special retirement plans, such as the Maine State Police, marine resources officers and liquor inspectors, earn an additional 2% 8 9 of average final compensation for each year those employees work beyond the minimum retirement age. This bill prospectively eliminates, beginning October 1, 2011, that 10 additional 2% of the average final compensation computed each year past a member's 11 minimum retirement age. The bill does not affect the inclusion of the additional 2% of 12 average final compensation computed for each year beyond a member's minimum 13 retirement age that occurs prior to October 1, 2011. The bill also amends language to 14 make it gender-neutral. 15