

## 125th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-2012**

**Legislative Document** 

No. 1657

S.P. 556

In Senate, December 21, 2011

An Act To Amend the Laws Governing Health Insurance for Certain State Employees

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 19, 2011. Referred to the Committee on Appropriations and Financial Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR. Secretary of the Senate

Presented by Senator MARTIN of Kennebec.

Cosponsored by Senators: SAVIELLO of Franklin, SNOWE-MELLO of Androscoggin,

Representatives: PICCHIOTTI of Fairfield, RICHARDSON of Warren.

1 Emergency preamble. Whereas, acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and 3 Whereas, current law requires those state employees eligible to retire but who have 4 not met the age requirement to choose between retiring by January 1, 2012 or having to 5 pay the cost of their health insurance once they retire until they reach retirement age; and Whereas, this requirement will result in the loss of qualified appointees in the 6 7 executive and legislative branches of Maine government; and 8 Whereas, in the judgment of the Legislature, these facts create an emergency within 9 the meaning of the Constitution of Maine and require the following legislation as 10 immediately necessary for the preservation of the public peace, health and safety; now, 11 therefore, 12 Be it enacted by the People of the State of Maine as follows: 13 Sec. 1. 5 MRSA §285, sub-§7, ¶J, as enacted by PL 2011, c. 380, Pt. V, §1 and 14 affected by §7, is amended to read: J. Those state employees that retire after January 1, 2012, or those state employees 15 employed as teachers in the unorganized territory or the Maine Center for the Deaf 16 and Hard of Hearing and the Governor Baxter School for the Deaf that retire after 17 July 1, 2012, under the provisions of section 17851, subsections 1-B, 1-C, 2-B, 2-C 18 and 3 shall contribute 100% of the individual premium until such time as the retiree 19 20 reaches normal retirement age. For purposes of this paragraph, "state employees" 21 does not include those state employees that are appointed to office pursuant to statute, 22 ordinance or resolution for a specified term by the Governor, a department head or a body having appointive power within the executive department or by the Legislature 23 24 if those state employees have not yet reached normal retirement age but have at least 25 years of creditable service under chapter 423, subchapter 4. 25 26 Sec. 2. Retroactivity. That section of this Act that amends the Maine Revised 27 Statutes, Title 5, section 285, subsection 7, paragraph J applies retroactively to January 1, 28 2012. 29 **Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved. 30 31 **SUMMARY** 32 Pursuant to changes made by Public Law 2011, chapter 380, a state employee who 33 retires after January 1, 2012 but who has not yet reached the applicable normal retirement age is required to pay 100% of individual health care insurance premiums until that 34

This bill exempts from that requirement a state employee who is appointed by the Governor, a department head or a body in the executive branch or the Legislature as long

person reaches the normal retirement age.

35

36

37

- as that appointee has at least 25 years of creditable service but has not yet reached normal retirement age. This exemption is retroactive to January 1, 2012. 1
- 2