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Legislative Document

No. 84

H.P. 50

House of Representatives, January 13, 2021

An Act To Increase the State Share of the Cost of Health Insurance for Retired Teachers

(EMERGENCY)

Received by the Clerk of the House on January 11, 2021. Referred to the Committee on Education and Cultural Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

ROBERT B. HUNT

R(+ B. Hunt

Clerk

Presented by Representative FAULKINGHAM of Winter Harbor.

Cosponsored by Senator WOODSOME of York and

Representatives: DRINKWATER of Milford, FECTEAU of Augusta, ROCHE of Wells,

STEARNS of Guilford.

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to provide an increase in the State's share of the cost of health insurance for retired teachers at the beginning of the next fiscal year; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore.

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

- **Sec. 1. 20-A MRSA §13451, sub-§3,** as amended by PL 2013, c. 368, Pt. H, §3, is further amended to read:
- **3. Payment by State.** The State shall pay a percentage of the retired teacher members' share of this insurance according to the following schedule:
 - A. Thirty percent until July 1, 2002;

- B. Thirty-five percent from July 1, 2002 to July 31, 2003;
- C. Forty percent from August 1, 2003 to December 31, 2005; and
- D. Forty-five percent after December 31, 2005. from January 1, 2006 to June 30, 2021; and
 - E. Fifty-five percent after June 30, 2021.

Except for individuals who are receiving or who have received retirement benefits under Title 5, section 17907 or 17929, for a teacher who retires after July 1, 2012, the State shall begin paying the percentage of the retired teacher member's share pursuant to this subsection when the retiree reaches normal retirement age.

For the fiscal years ending June 30, 2012, June 30, 2013, June 30, 2014 and June 30, 2015, the State's total cost for retired teachers' health insurance premiums is budgeted at the fiscal year 2010-11 funding level adjusted for projected membership growth. The increase in the State's total cost for retired teachers' health insurance premiums for fiscal years ending after June 30, 2015 is budgeted at no more than any percentage increase in the Consumer Price Index as defined in Title 5, section 17001, subsection 9 plus 3%. A provider of a health insurance benefit plan for retired teachers must make available data related to the provider's premium costs and any related data as requested by the Executive Director of Health Insurance within the Department of Administrative and Financial Services.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

36 SUMMARY

This bill requires the State to pay 55% of a retired teacher's share of the premium for group accident and sickness or health insurance after June 30, 2021. It also removes some outdated language.