

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

Amend the bill by striking out the title and substituting the following:

'An Act To Protect Retirement Income'

Amend the bill by inserting after the title before the enacting clause the following:

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

Whereas, there are members of the retirement system who are subject to furloughs and who may be planning to retire for fiscal years ending June 30, 2010 and June 30, 2011; 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,'

Amend the bill in section 1 in paragraph A in the 3rd line from the end (page 1, line 29 in L.D.) by inserting after the following: "June 30, 1993," the following: 'or if a member is subject to days off without pay during the fiscal year beginning July 1, 2009 or July 1, 2010 as a result of actions of a participating local district and the member elects to make the payments as set forth in section 18305C,'

Amend the bill by inserting after section 1 the following:

'Sec. 2. 5 MRSA §18305-C is enacted to read:

§ 18305-C. Back contributions for certain days off without pay

1. Election. If the 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 days off without pay in fiscal year 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A, 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 member would have made on compensation that would have been paid to that member on the days off without pay during fiscal year 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A, plus interest at the same rate as that required for repayment of withdrawn contributions pursuant to section 18304. If the member elects to make the payment, the retirement system shall withhold the required amount from the member's first retirement benefit check.

3. Benefit calculation. If a member fails to make the election within 31 days of the notification provided under subsection 1, the retirement system shall calculate the member's retirement benefit without inclusion of compensation that would have been paid for days off without pay during fiscal year 2009-10 or 2010-11, or a combination thereof, as provided in section 17001, subsection 4, paragraph A.

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

SUMMARY

This amendment allows participating local district employees covered by the Maine Public Employees Retirement System to make payments equal to retirement contributions that would have been made if the employees had been paid on days off without pay as a result of budget decisions made by a participating local district for the fiscal years ending June 30, 2010 and June 30, 2011. This amendment provides to those employees the same benefits available to other system members.