

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

## **An Act Relating to the Computation of Benefits for Correctional Officers in the 1998 Special Retirement Plan**

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

**Sec. 1. Computation of service retirement benefits for certain employees of the Department of Corrections.** Notwithstanding the Maine Revised Statutes, Title 5, section 17851-A, subsection 4 or any other provision of law to the contrary, the service retirement benefit of a qualified member must be computed on the basis of all of the qualified member's creditable service in the capacity specified in Title 5, section 17851-A, subsection 1, paragraph I, regardless of when that creditable service was earned, except that for a member qualifying for a retirement benefit under Title 5, section 17851-A, subsection 2, paragraph B:

1. If the member had 10 years of service on July 1, 1993, the benefit must be reduced as provided in Title 5, section 17852, subsection 3, paragraphs A and B for each year the member's age precedes 55 years of age; or

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

**Sec. 2. Qualified member; definition.** As used in this Act, "qualified member" means a member on the effective date of this Act to whom the Maine Revised Statutes, Title 5, section 17851-A, subsection 1, paragraph I applies and who:

1. Was employed by the Department of Corrections prior to January 1, 2000;
2. Is employed in a correctional facility as defined in Title 34-A, section 1001, subsection 6; and
3. Receives a direct care stipend pursuant to a collective bargaining agreement in effect on the effective date of this Act.

As used in this Act, the terms "creditable service," "member" and "retirement benefit" have the same meanings as in Title 5, section 17001.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

### **RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES**

#### **Retirement System - Retirement Allowance Fund 0085**

Initiative: Provides one-time funds for the cost of the unfunded actuarial liability created by allowing service retirement benefits of certain workers in the Department of Corrections who receive a direct care stipend and who are currently under the 1998 Special Plan but had previously earned retirement benefits under the regular state employee and teacher plan to have all their benefits calculated under the 1998 Special Plan.

<b>GENERAL FUND</b>	<b>2019-20</b>	<b>2020-21</b>
All Other	\$543,000	\$0
<b>GENERAL FUND TOTAL</b>	<hr/> \$543,000	<hr/> \$0

## **SUMMARY**

This bill is being reported out by the Joint Standing Committee on Labor and Housing pursuant to Joint Order 2019, S.P. 584, and is the majority report of the committee. The bill requires that service retirement benefits for employees of the Department of Corrections included in the 1998 Special Plan as of the effective date of the bill who receive a direct care stipend pursuant to a collective bargaining agreement and who were employed prior to January 1, 2000 be computed on the same basis as benefits for other members under the plan are computed; creditable service is included regardless of when that service was earned.

The bill includes an appropriations and allocations section to provide funding.

## **FISCAL NOTE REQUIRED**

**(See attached)**