



# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 526

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H.P. 370

House of Representatives, February 9, 2017

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

(EMERGENCY)

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Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative COLLINGS of Portland.  
Cosponsored by Senator MILLETT of Cumberland and  
Representatives: BERRY of Bowdoinham, KORNFIELD of Bangor, MARTIN of Eagle Lake,  
PIERCE of Falmouth, SYLVESTER of Portland, TALBOT ROSS of Portland, Senators:  
CHIPMAN of Cumberland, JACKSON of Aroostook.

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

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

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

11           **Sec. 1. 20-A MRSA §13451, sub-§3,** as amended by PL 2013, c. 368, Pt. H, §3,  
12 is further amended to read:

13           **3. Payment by State.** The State shall pay a percentage of the retired teacher  
14 members' share of this insurance according to the following schedule:

15           A. Thirty percent until July 1, 2002;

16           B. Thirty-five percent from July 1, 2002 to July 31, 2003;

17           C. Forty percent from August 1, 2003 to December 31, 2005; ~~and~~

18           D. Forty-five percent ~~after December 31, 2005.~~ from January 1, 2006 to June 30,  
19 2017;

20           E. Fifty percent from July 1, 2017 to June 30, 2019;

21           F. Fifty-five percent from July 1, 2019 to June 30, 2021; and

22           G. Sixty percent after June 30, 2021.

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

27           For the fiscal years ending June 30, 2012, June 30, 2013, June 30, 2014 and June 30,  
28 2015, the State's total cost for retired teachers' health insurance premiums is budgeted at  
29 the fiscal year 2010-11 funding level adjusted for projected membership growth. ~~The~~  
30 ~~increase in the State's total cost for retired teachers' health insurance premiums for fiscal~~  
31 ~~years ending after June 30, 2015 is budgeted at no more than any percentage increase in~~  
32 ~~the Consumer Price Index as defined in Title 5, section 17001, subsection 9 plus 3%. A~~  
33 provider of a health insurance benefit plan for retired teachers must make available data  
34 related to the provider's premium costs and any related data as requested by the Executive  
35 Director of Health Insurance within the Department of Administrative and Financial  
36 Services.

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

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## SUMMARY

Current law requires the State to pay 45% of a retired teacher's share of the premium for group accident and sickness or health insurance. This bill raises that percentage to 50% from July 1, 2017 to June 30, 2019; 55% from July 1, 2019 to June 30, 2021; and 60% after June 30, 2021. It also removes the cap on the increase in the State's total cost for retired teachers' health insurance premiums for fiscal years ending after June 30, 2015.