



# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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Legislative Document

No. 1481

S.P. 462

In Senate, April 14, 2011

**An Act To Require the State To Transfer Employee Pension  
Premium Payments to the Employee's Pension Plan within 2  
Business Days**

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

*Joseph G. Carleton Jr.*

JOSEPH G. CARLETON, JR.  
Secretary of the Senate

Presented by Senator JACKSON of Aroostook.

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

2 **Sec. 1. 5 MRSA §883**, as amended by PL 1997, c. 204, §4, is further amended to  
3 read:

4 **§883. Administration**

5 Administration of tax-deferred arrangements under this chapter, within state agencies,  
6 departments, boards, commissions or institutions, is under the direction of the Department  
7 of Administrative and Financial Services. Each county, city, town or other political  
8 subdivision may designate an officer to administer tax-deferred arrangements. Payroll  
9 deductions must be made in each instance by the appropriate payroll officer. The  
10 appropriate payroll officer for payroll deductions for tax-deferred arrangements under this  
11 chapter shall transfer the deductions into the tax-deferred arrangement account within 2  
12 business days of the deduction.

13 **Sec. 2. 5 MRSA §893**, as amended by PL 1991, c. 780, Pt. Y, §34, is further  
14 amended to read:

15 **§893. Administration**

16 Payroll deductions must be made by the appropriate payroll officer of each county,  
17 municipality or other political subdivision. The Commissioner of Administrative and  
18 Financial Services is responsible for the administration of this chapter as it applies to state  
19 employees. The appropriate payroll officer for payroll deductions for individual  
20 retirement accounts and simplified employee pension plans shall transfer the deductions  
21 permitted for state employees as established under this Part into the individual retirement  
22 account and simplified employee pension plan within 2 business days of the deduction.  
23 Any costs incurred by the Commissioner of Administrative and Financial Services to  
24 administer the state program must be borne equally by state employee participants, and  
25 these costs may be compensated by means of payroll deductions.

26 **SUMMARY**

27 This bill provides the requirement that payroll deductions for individual retirement  
28 accounts, simplified employee pension plans and tax-deferred arrangements for state  
29 employees must be transferred into the accounts within 2 business days of the deduction.