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Date: (Filing No. H-)

LABOR AND HOUSING

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 920, L.D. 1424, “An Act to Remove the Age Requirement for Correctional Staff Retirement Under the 1998 Special Plan”

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

'An Act to Establish a Special Retirement Plan for Department of Corrections Employees and Other Correctional Staff'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 5 MRSA §17851, sub-§16, as enacted by PL 2021, c. 548, §28, is amended to read:

16. Member whose position is moved from one special plan to another special plan. A member whose position is subject to subsection 4, 5-B, 6-B or 7, section 17851-A, ~~or~~ section 17851-B, section 17851-C or section 17851-D and, due to a change in law, becomes subject to different benefit qualification requirements may retire under the former benefit qualification requirements and the associated benefit computation provisions if the member remains in the position until the former requirements would have been met had the change in law not occurred.

Sec. 2. 5 MRSA §17851-A, sub-§1, ¶E, as amended by PL 1999, c. 493, §4, is further amended to read:

E. Until September 30, 2024, Maine State Prison employees to whom section 17851, subsection 11, paragraph B applies and who were employed after August 31, 1984 and before January 1, 2000;

Sec. 3. 5 MRSA §17851-A, sub-§1, ¶I, as amended by PL 2005, c. 519, Pt. FF, §1, is further amended to read:

I. ~~Employees~~ Until September 30, 2024, employees of the Department of Corrections or the Department of Administrative and Financial Services on January 1, 2000 or hired thereafter, other than those described in paragraph E, who are employed in a correctional facility, as defined in Title 34-A, section 1001; or those whose duties

COMMITTEE AMENDMENT

1 involve contact with prisoners, probationers, parolees or juvenile offenders or any
2 person employed as the supervisor of those employees. Those employees of the
3 Department of Corrections on January 3, 2006 whose positions were transferred to the
4 Department of Administrative and Financial Services remain eligible for the 1998
5 Special Retirement Plan as long as they are assigned to work in a correctional facility,
6 as defined in Title 34-A, section 1001, or their duties involve contact with prisoners,
7 probationers, parolees or juvenile offenders. An employee of the Department of
8 Administrative and Financial Services hired after January 3, 2006 to replace an
9 employee whose position was transferred and who remained eligible for the 1998
10 Special Retirement Plan is also eligible for the plan as long as that employee is assigned
11 to work in a correctional facility, as defined in Title 34-A, section 1001, and that
12 employee's duties involve contact with prisoners, probationers, parolees or juvenile
13 offenders;

14 **Sec. 4. 5 MRSA §17851-D** is enacted to read:

15 **§17851-D. Special plan for correctional staff**

16 **1. Establishment and applicability.** Effective October 1, 2024, there is established
17 a special retirement plan, referred to in this section as "the special plan," for:

18 A. Employees of the Department of Corrections or the Department of Administrative
19 and Financial Services who are employed in a correctional facility, as defined in Title
20 34-A, section 1001, or those whose duties involve contact with prisoners, probationers,
21 parolees or juvenile offenders or any person employed as the supervisor of those
22 employees; and

23 B. Employees of the Department of Corrections on January 3, 2006 whose positions
24 were transferred to the Department of Administrative and Financial Services as long
25 as the employees are assigned to work in a correctional facility, as defined in Title
26 34-A, section 1001, or those whose duties involve contact with prisoners, probationers,
27 parolees or juvenile offenders.

28 An employee of the Department of Administrative and Financial Services hired after
29 January 3, 2006 to replace an employee whose position was transferred and who remained
30 eligible for the 1998 Special Plan is also eligible for the special plan as long as that
31 employee is assigned to work in a correctional facility, as defined in Title 34-A, section
32 1001, and whose duties involve contact with prisoners, probationers, parolees or juvenile
33 offenders.

34 **2. Qualification for benefits.** A member employed in any of the positions described
35 in subsection 1 qualifies for a service retirement benefit after completing 25 years of
36 creditable service in that capacity, whether or not the creditable service included in
37 determining that the 25-year requirement has been met was earned under the special plan
38 established in this section or prior to its establishment.

39 **3. Purchase of service credit to be used for qualification for benefits.** This
40 subsection governs the use of purchased service credit in order to qualify for benefits under
41 this section. For the purpose of meeting the qualification requirement of subsection 2:

42 A. Service credit purchased by repayment of an earlier refund of accumulated
43 contributions following termination of service is included if the time to which the

1 refund relates was served in any one or a combination of the positions described in
 2 subsection 1;

3 B. Service credit purchased under section 17760 is considered service under the special
 4 plan; and

5 C. Service credit purchased other than as provided under paragraphs A and B is not
 6 included.

7 **4. Computation of benefits.** The amount of the service retirement benefit for
 8 members qualified under subsection 2 is 1/2 of the member's average final compensation
 9 and an additional 2% of the member's average final compensation for each year of
 10 membership service not included in determining qualification under subsection 2.

11 **5. Contributions.** Notwithstanding any provision of subchapter 3 to the contrary, on
 12 or after September 30, 2024, a member in a position described in subsection 1 shall
 13 contribute to the State Employee and Teacher Retirement Program or have pick-up
 14 contributions made at the rate of 8.65% of earnable compensation until the member has
 15 completed 25 years of creditable service as provided in this section and at the rate of 7.65%
 16 thereafter.

17 **Sec. 5. Appropriations and allocations.** The following appropriations and
 18 allocations are made.

19 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

20 **Financial and Personnel Services - Division of 0713**

21 Initiative: Allocates funds for the prospective costs of allowing the service retirement
 22 benefit of certain employees earned under the 1998 Special Plan to be calculated under a
 23 special retirement plan that provides for retirement after 25 years of creditable service,
 24 regardless of age.

25	FINANCIAL AND PERSONNEL SERVICES FUND	2023-24	2024-25
26	All Other	\$0	\$72
27			
28	FINANCIAL AND PERSONNEL SERVICES FUND	\$0	\$72
29	TOTAL		

31 **ADMINISTRATIVE AND FINANCIAL**
 32 **SERVICES, DEPARTMENT OF**
 33 **DEPARTMENT TOTALS**

34		2023-24	2024-25
35	FINANCIAL AND PERSONNEL SERVICES	\$0	\$72
36	FUND		
37			
38	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$72

39 **CORRECTIONS, DEPARTMENT OF**

40 **Administration - Corrections 0141**

41 Initiative: Provides funds for the prospective costs of allowing the service retirement
 42 benefit of certain employees earned under the 1998 Special Plan to be calculated under a

1 special retirement plan that provides for retirement after 25 years of creditable service,
 2 regardless of age.

3	GENERAL FUND	2023-24	2024-25
4	All Other	\$0	\$4,220
5			
6	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$4,220</u>

7 **Administration - Corrections 0141**

8 Initiative: Allocates funds for the prospective costs of allowing the service retirement
 9 benefit of certain employees earned under the 1998 Special Plan to be calculated under a
 10 special retirement plan that provides for retirement after 25 years of creditable service,
 11 regardless of age.

12	OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
13	All Other	\$0	\$140
14			
15	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$140</u>

16 **Adult Community Corrections 0124**

17 Initiative: Provides funds for the prospective costs of allowing the service retirement
 18 benefit of certain employees earned under the 1998 Special Plan to be calculated under a
 19 special retirement plan that provides for retirement after 25 years of creditable service,
 20 regardless of age.

21	GENERAL FUND	2023-24	2024-25
22	All Other	\$0	\$12,935
23			
24	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$12,935</u>

25 **Bolduc Correctional Facility Z155**

26 Initiative: Provides funds for the prospective costs of allowing the service retirement
 27 benefit of certain employees earned under the 1998 Special Plan to be calculated under a
 28 special retirement plan that provides for retirement after 25 years of creditable service,
 29 regardless of age.

30	GENERAL FUND	2023-24	2024-25
31	All Other	\$0	\$5,302
32			
33	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$5,302</u>

34 **Correctional Center 0162**

35 Initiative: Provides funds for the prospective costs of allowing the service retirement
 36 benefit of certain employees earned under the 1998 Special Plan to be calculated under a
 37 special retirement plan that provides for retirement after 25 years of creditable service,
 38 regardless of age.

39	GENERAL FUND	2023-24	2024-25
40	All Other	\$0	\$27,818
41			
42	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$27,818</u>

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Correctional Center 0162

Initiative: Allocates funds for the prospective costs of allowing the service retirement benefit of certain employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of creditable service, regardless of age.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$0	\$83
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$83</u>

Corrections Industries Z166

Initiative: Allocates funds for the prospective costs of allowing the service retirement benefit of certain employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of creditable service, regardless of age.

PRISON INDUSTRIES FUND	2023-24	2024-25
All Other	\$0	\$540
PRISON INDUSTRIES FUND TOTAL	<u>\$0</u>	<u>\$540</u>

Downeast Correctional Facility 0542

Initiative: Provides funds for the prospective costs of allowing the service retirement benefit of certain employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of creditable service, regardless of age.

GENERAL FUND	2023-24	2024-25
All Other	\$0	\$1,595
GENERAL FUND TOTAL	<u>\$0</u>	<u>\$1,595</u>

Justice - Planning, Projects and Statistics 0502

Initiative: Allocates funds for the prospective costs of allowing the service retirement benefit of certain employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of creditable service, regardless of age.

FEDERAL EXPENDITURES FUND	2023-24	2024-25
All Other	\$0	\$211
FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$211</u>

Juvenile Community Corrections 0892

Initiative: Provides funds for the prospective costs of allowing the service retirement benefit of certain employees earned under the 1998 Special Plan to be calculated under a special retirement plan that provides for retirement after 25 years of creditable service, regardless of age.

GENERAL FUND	2023-24	2024-25
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1	All Other	\$0	\$7,523
2			
3	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$7,523</u>
4	Long Creek Youth Development Center 0163		
5	Initiative: Provides funds for the prospective costs of allowing the service retirement		
6	benefit of certain employees earned under the 1998 Special Plan to be calculated under a		
7	special retirement plan that provides for retirement after 25 years of creditable service,		
8	regardless of age.		
9	GENERAL FUND	2023-24	2024-25
10	All Other	\$0	\$13,588
11			
12	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$13,588</u>
13	Mountain View Correctional Facility 0857		
14	Initiative: Provides funds for the prospective costs of allowing the service retirement		
15	benefit of certain employees earned under the 1998 Special Plan to be calculated under a		
16	special retirement plan that provides for retirement after 25 years of creditable service,		
17	regardless of age.		
18	GENERAL FUND	2023-24	2024-25
19	All Other	\$0	\$15,951
20			
21	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$15,951</u>
22	Office of Victim Services 0046		
23	Initiative: Provides funds for the prospective costs of allowing the service retirement		
24	benefit of certain employees earned under the 1998 Special Plan to be calculated under a		
25	special retirement plan that provides for retirement after 25 years of creditable service,		
26	regardless of age.		
27	GENERAL FUND	2023-24	2024-25
28	All Other	\$0	\$151
29			
30	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$151</u>
31	State Prison 0144		
32	Initiative: Provides funds for the prospective costs of allowing the service retirement		
33	benefit of certain employees earned under the 1998 Special Plan to be calculated under a		
34	special retirement plan that provides for retirement after 25 years of creditable service,		
35	regardless of age.		
36	GENERAL FUND	2023-24	2024-25
37	All Other	\$0	\$29,810
38			
39	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$29,810</u>
40			
41	CORRECTIONS, DEPARTMENT OF		
42	DEPARTMENT TOTALS	2023-24	2024-25

1			
2	GENERAL FUND	\$0	\$118,893
3	FEDERAL EXPENDITURES FUND	\$0	\$211
4	OTHER SPECIAL REVENUE FUNDS	\$0	\$223
5	PRISON INDUSTRIES FUND	\$0	\$540
6			
7	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$119,867
8	RETIREMENT SYSTEM, MAINE PUBLIC EMPLOYEES		
9	Retirement System - Retirement Allowance Fund 0085		
10	Initiative: Provides one-time funds for the increase in the unfunded actuarial liability		
11	created as a result of allowing the service retirement benefits for certain employees in the		
12	Department of Corrections earned under the 1998 Special Plan to be calculated under a		
13	special retirement plan that provides for retirement after 25 years of creditable service,		
14	regardless of age.		
15	GENERAL FUND	2023-24	2024-25
16	All Other	\$0	\$15,304,317
17			
18	GENERAL FUND TOTAL	\$0	\$15,304,317
19			
20	RETIREMENT SYSTEM, MAINE PUBLIC		
21	EMPLOYEES		
22	DEPARTMENT TOTALS	2023-24	2024-25
23			
24	GENERAL FUND	\$0	\$15,304,317
25			
26	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$15,304,317
27			
28	SECTION TOTALS	2023-24	2024-25
29			
30	GENERAL FUND	\$0	\$15,423,210
31	FEDERAL EXPENDITURES FUND	\$0	\$211
32	OTHER SPECIAL REVENUE FUNDS	\$0	\$223
33	FINANCIAL AND PERSONNEL SERVICES	\$0	\$72
34	FUND		
35	PRISON INDUSTRIES FUND	\$0	\$540
36			
37	SECTION TOTAL - ALL FUNDS	\$0	\$15,424,256

38 '
 39 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
 40 number to read consecutively.

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SUMMARY

This amendment, which is the unanimous report of the committee, replaces the bill and changes the title. The amendment removes from the 1998 Special Plan certain employees of the Department of Corrections and the Department of Administrative and Financial Services who work in correctional facilities or whose duties involve contact with prisoners, probationers, parolees or juvenile offenders. The amendment establishes a special retirement plan for those employees that provides for retirement after 25 years of creditable service, regardless of age, and includes qualifications and methods for computing benefits and contribution rates. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)