



## Legislative Update

### LEGISLATION ENACTED IN THE FIRST REGULAR SESSION OF THE 124<sup>th</sup> LEGISLATURE

**An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011**

**PL 2009, c. 213 [L.D. #353]  
Effective Date: May 28, 2009**

This is the State's biennial budget and it contains several sections that pertain to the laws that govern the System. Specifically, the bill (1) provides funding for a subset of the members who are awaiting such funding in order to be eligible to purchase military service credit at a subsidized rate; (2) codifies current practice that group life insurance coverage provided for legislators through MainePERS is based on an average of the salary paid over the 2-year term; and (3) establishes the conditions under which State employees subject to shutdown days, merit pay freezes and suspended longevity in fiscal years 2010 and 2011 may include those missed earnings towards their retirement benefit.

**An Act to Correct Inequities for Certain Maine Community College System Employees in the Maine Public Employees Retirement System**

**PL 2009, c. 236 [L.D. #1219]  
Effective Date: June 2, 2009**

This bill makes Group Life Insurance available to two groups of Maine Community College System employees previously either not eligible for that coverage or required to file evidence of insurability in order to obtain that coverage.

**An Act to Address an Inequity in the Judicial Retirement System**

**PL 2009, c. 254 [L.D. #488]  
Effective Date: September 12, 2009**

This bill permits judges who had retired prior to the effective date of PL 2007, c. 449 to pay the full actuarial cost to include unfunded cost-of-living salary increases for fiscal years 2004 and 2005 in the calculation of their retirement benefits.

**An Act to Amend the Laws to Ensure Equity in the Judicial Retirement Program**

**PL 2009, c. 267 [L.D. #947]  
Effective Date: September 12, 2009**

This bill permits a judge with previous creditable service in the Legislative Retirement Program to pay the full actuarial cost to have that service portable to the Judicial Retirement Program.

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## **Legislative Update** *continued*

### **LEGISLATION ENACTED IN THE FIRST REGULAR SESSION OF THE 124<sup>th</sup> LEGISLATURE**

#### **An Act to Provide More Transparency and Protection for Public Employees in the Laws Governing the Maine Public Employees Retirement System**

**PL 2009, c. 322 [L.D. #322]  
Effective Date: September 12, 2009**

This bill makes several changes to retirement laws as well as System areas of operation. The key substantive changes impact the manner in which the System recovers money owed to it and the process by which final eligibility for disability retirement benefits is determined.

#### **An Act to Protect Benefits for State Retirees**

**PL 2009, c. 433 [L.D. #1496]  
Effective Date: June 17, 2009**

This bill changes how cost-of-living adjustments are made when the Consumer Price Index is negative. Specifically, in a year in which the index is negative, no adjustment will be made. In the subsequent year, rather than making an adjustment based on the full Consumer Price Index, the actual cost-of-living adjustment will be actuarially compounded to include the impact of the negative index in the previous year.

#### **Resolve, To Reform Public Retirement Benefits and Eliminate Social Security Offsets**

**Resolve c. 111 [L.D. #1431]  
Effective Date: September 12, 2009**

This resolve establishes a task force whose purpose is to design a unified pension and benefit plan for state employees and teachers first hired after December 31, 2010. The resolve sets forth the composition of the task force as well as some guidance as to the design of the new plan. The task force must submit a report on its design of the plan by March 1, 2010, along with any legislation necessary to implement the plan.