

2008 Legislative Update

LEGISLATION ENACTED IN THE SECOND REGULAR AND FIRST SPECIAL SESSIONS OF THE 123RD LEGISLATURE

An Act to Clarify Retirement Programs for Participating Local Districts

**PL 2007, Chapter 490 [L.D. #2150]
Effective Date: March 7, 2008**

This bill makes changes to participation eligibility for both participating local district employees and entities that are interested in becoming participating local districts. Specifically, this bill makes System membership more readily available to individuals who have previously declined membership. It also gives more flexibility to entities that are joining/rejoining the System as a participating local district, and to existing participating local districts seeking to amend the terms of participation.

An Act to Improve the Codification of Retirement Plans Administered by the Maine Public Employees Retirement System

**PL 2007, Chapter 491 [L.D. #2146]
Effective Date: June 30, 2008**

This bill establishes a new referencing structure for the System and the programs and plans that it administers. Specifically, Maine Public Employees Retirement System, as the entity, will administer four retirement programs: the Judicial Retirement Program, the Legislative Retirement Program, the State and Teacher Retirement Program, and the Participating Local District Retirement Program. Each of these programs will consist of one or more retirement plans. This new referencing structure is intended to make clear whether benefits and provisions apply only to members of specific retirement programs, or whether those benefits and provisions apply more broadly. This new referencing structure will be incorporated into the System's communications and publications.

An Act to Allow Changes of Beneficiaries under the Maine Public Employees Retirement System

**PL 2007, Chapter 523 [L.D. #1996]
Effective Date: March 27, 2008**

This bill permits a retiree who has executed a one-time change in beneficiary, to subsequently revert back to the originally named beneficiary. When such a reversion is executed, there is an impact to the benefit that the beneficiary receives if predeceased by the retiree.

An Act to Correct the Law Regarding Portability of Pension Benefits for Law Enforcement Officers and Firefighters

**PL 2007, Chapter 542 [L.D. #2177]
Effective Date: June 30, 2008**

This bill corrects the portability provisions that were enacted by PL 2005, Chapter 636 (*see Summer 2006 Retirement News article*). The prior law was enacted in such a way that the System could not administer it. Under the provisions of this new bill, the eligibility for members in specific job classifications to purchase portability of retirement service credit is no longer linked to eligibility for subsidized retiree medical insurance, as established and enacted in the original bill.