1   L.D. 176

2   Date: (Filing No. H-   )

APPROPRIATIONS AND FINANCIAL AFFAIRS

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

128TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "   " to H.P. 132, L.D. 176, Bill, "An Act To Amend the Laws Pertaining to Disability Retirement Benefits Administered by the Maine Public Employees Retirement System"

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

'An Act To Authorize the Maine Public Employees Retirement System To Procure and Offer Long-term Disability Insurance'

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

'**Sec. 1. 5 MRSA c. 423, sub-c. 7** is enacted to read:

<u>SUBCHAPTER 7</u>

<u>LONG-TERM DISABILITY INSURANCE</u>

<u>§18101. Long-term disability insurance coverage authorized</u>

<u>The board may offer long-term disability insurance coverage to members through their employer and may contract with one or more insurance companies to provide this coverage.</u>

<u>1. Premiums.</u> <u>All premiums and any other amounts due to an insurance company or other 3rd party in connection with coverage under this subchapter must be borne by the covered person, the covered person's employer or both the covered person and the covered person's employer.</u>

<u>2. Rules.</u> <u>The board may adopt rules to implement this subchapter. Rules adopted pursuant to this subsection are routine technical rules pursuant to chapter 375, subchapter 2-A.</u>

Sec. 2. 5 MRSA c. 425, sub-c. 7 is enacted to read:

COMMITTEE AMENDMENT

1   **SUBCHAPTER 7**

2   **LONG-TERM DISABILITY INSURANCE**

3   **§18701. Long-term disability insurance coverage authorized**

4   The board may offer long-term disability insurance coverage to members and
5   employees who choose not to become members but participate in the defined contribution
6   plan pursuant to section 18801, subsection 1 through their employer and may contract
7   with one or more insurance companies to provide this coverage.

8   **1. Premiums.** All premiums and any other amounts due to an insurance company or
9   other 3rd party in connection with coverage under this subchapter must be borne by the
10   covered person, the covered person's employer or both the covered person and the
11   covered person's employer.

12   **2. Rules.** The board may adopt rules to implement this subchapter. Rules adopted
13   pursuant to this subsection are routine technical rules pursuant to chapter 375, subchapter
14   2-A.

15   **Sec. 3. Report.** The Maine Public Employees Retirement System shall report
16   twice to the joint standing committee of the Legislature having jurisdiction over
17   retirement matters, no later than January 31, 2019 and January 31, 2020, on the use of the
18   authority granted to the Board of Trustees of the Maine Public Employees Retirement
19   System pursuant to the Maine Revised Statutes, Title 5, chapter 423, subchapter 7 and
20   Title 5, chapter 425, subchapter 7, including the results of any offering of long-term
21   disability insurance by the board.'

22   **SUMMARY**

23   This amendment replaces the bill, which is a concept draft.

24   The amendment authorizes the Board of Trustees of the Maine Public Employees
25   Retirement System to procure and offer long-term disability insurance to the retirement
26   system's members and employees who choose not to become members but participate in
27   the defined contribution plan pursuant to the Maine Revised Statutes, section 18801,
28   subsection 1. The decision about whether to offer coverage is made by the employer.
29   Premiums would not be paid for by the retirement system, but would be paid by
30   employers, by employees electing the coverage or by a combination of both.

31   The amendment also directs the retirement system to report twice to the joint standing
32   committee of the Legislature having jurisdiction over retirement matters on the use of the
33   authority granted by this bill, once in 2019 and once in 2020.

34   **FISCAL NOTE REQUIRED**

35   **(See attached)**

COMMITTEE AMENDMENT