

§18801. Plan

There is established the Participating Local District Consolidated Retirement Plan as a governmental qualified defined benefit plan pursuant to Sections 401(a) and 414(d) of the Internal Revenue Code and such other provisions of the Internal Revenue Code and United States Treasury regulations and other guidance as are applicable, which has the powers and privileges of a corporation. The purpose of the Participating Local District Consolidated Retirement Plan is to provide retirement allowances and other benefits under this chapter for employees of participating local districts that contract with the retirement system in accordance with section 18804. The board shall establish by rule the plan provisions of the Participating Local District Consolidated Retirement Plan. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. [PL 2017, c. 392, §10 (AMD).]

1. Plan content. Benefits provided by the plan must be selected from benefits included in chapter 423, chapter 425 or this chapter and must include, but are not limited to:

A. Service retirement benefits, including:

- (1) Several plans, with levels of benefits to meet the needs of various classes of employees and employers; and
- (2) Portability of benefits when a member changes plans or employers; [PL 1989, c. 811, §3 (NEW).]

B. Death benefits; [PL 1989, c. 811, §3 (NEW).]

C. Disability retirement benefits; [PL 1989, c. 811, §3 (NEW).]

D. Compulsory requirements except:

- (1) Optional membership for those employees permitted optional membership under chapter 425; and
- (2) Optional membership for those employees who are not subject to the municipal public employees labor relations laws contained in Title 26, chapter 9-A; and [PL 1991, c. 300, §1 (AMD).]

E. A defined contribution plan consistent with the United States Internal Revenue Code. [PL 1989, c. 811, §3 (NEW).]
[PL 1991, c. 300, §1 (AMD).]

2. Amendments. Any benefit provision selected from chapter 423, chapter 425 or this chapter to be included in the plan that is subsequently amended is not considered to have been amended for purposes of the plan until the rule that established the plan is amended to include the amended version of the benefit provision.
[PL 1991, c. 300, §1 (AMD).]

3. No reduction of benefits. The level of service retirement benefits for employees of participating local districts that adopt the plan may not be reduced with relation to either benefits based upon service before adoption of the plan or benefits based upon service after adoption of the plan. As used in this subsection, "level of service retirement benefits" means the service credit accrual rate, the number of years included in the definition of "average final compensation," the age and creditable service requirements for receiving an unreduced benefit and the basic benefit formula of years of creditable service multiplied by the service credit accrual rate and average final compensation.
[PL 2017, c. 392, §11 (AMD).]

4. Implementation of plan. The board, as part of its rules, shall set the minimum number of local districts that must contract for participation and the minimum number of members before the plan is put into operation. The rules must contain provisions related to the transition from participation in

chapter 425 to participation in this plan by local districts and for setting the date when participation of the employees of a participating local district in this plan begins. All local districts that are participating local districts under chapter 425 on the date the plan is put into operation must elect to join the consolidated plan, be transferred to the consolidated plan or withdraw from the Participating Local District Retirement Program, in accordance with rules established by the board.

[PL 2007, c. 491, §251 (AMD).]

5. Disbanded or dissolved local district. The board, as part of its rules, shall provide for the procedure to be followed regarding the membership and benefits of employees of a participating local district that disbands or is dissolved.

[PL 1989, c. 811, §3 (NEW).]

6. Plan design and amendments. The rules adopted by the board must be based entirely upon proposals for the consolidated retirement plan and proposed amendments to the consolidated retirement plan received from the Participating Local District Advisory Committee or from the retirement system staff. The board shall adopt as a rule any proposal received from the Participating Local District Advisory Committee or return the proposal to the advisory committee with a statement setting forth the reasons for not adopting the proposal.

[PL 2003, c. 387, §12 (AMD).]

7. Rule-making procedure. The rules and amendments established by the board must be adopted in accordance with and subject to judicial review as set forth in chapter 375, subchapter II, to the extent chapter 375 is applicable.

[PL 1989, c. 811, §3 (NEW).]

SECTION HISTORY

PL 1989, c. 811, §3 (NEW). PL 1991, c. 300, §1 (AMD). PL 1993, c. 250, §§3,4 (AMD). PL 2003, c. 387, §12 (AMD). PL 2007, c. 491, §251 (AMD). PL 2009, c. 474, §44 (AMD). PL 2017, c. 392, §§10, 11 (AMD).

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