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

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it is necessary that this legislation be enacted as soon as possible in order to avoid undue financial hardship for the employees of the Maine Community College System who were denied group life insurance through the Maine Public Employees Retirement System; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §18058, sub-§1, as amended by PL 1993, c. 386, §3, is further amended to read:

1. Employees automatically insured. ~~Any~~ Except as provided in Title 20-A, section 12722, subsection 8, paragraph D, all employees eligible for basic insurance under this subchapter are automatically insured for the amounts of basic coverage applicable under this subchapter, beginning on the first day of the month following one month of employment after the employee becomes eligible. Each employee shall complete an application for insurance coverage within 31 days of becoming eligible.

A. The employee shall indicate the types of coverage elected.

B. If an application is completed in a timely manner, any coverage in addition to basic becomes effective on the first day of the month following one month of employment after the employee becomes eligible.

C. If an application is not completed within 31 days of the employee's first becoming eligible, the employee may subsequently apply for supplemental and dependent insurance but must produce evidence of insurability at the employee's own expense and in accordance with the requirements of the insurance underwriter.

Sec. 2. 5 MRSA §18058, sub-§2, as amended by PL 2007, c. 17, §1 and affected by §3, is further amended to read:

2. Employees not wanting to be insured. ~~Any~~ Except as provided in Title 20-A, section 12722, subsection 8, paragraph D, any employee not wanting to be insured under this subchapter, at the time the employee first becomes eligible, shall, on the application form, give written notice to the employee's employing officer and to the retirement system that the employee does not want to be insured.

A. If after being insured, the employee wishes to cancel or reduce coverage, written notice must be given by the employee to the employee's employing officer and to the retirement system.

B. The employee's insurance coverage must cease or be reduced at the end of the month in which the notice is received by the employing office.

C. Any employee who does not want to be insured or who cancels insurance coverage may subsequently apply for insurance, but must produce evidence of insurability at the employee's own expense and in accordance with the requirements of the insurance underwriter.

D. Any employee who, during a period of unpaid military leave of absence, does not continue coverage while on unpaid military leave must be reinstated to the levels of coverage in effect immediately prior to the unpaid military leave. A request for reinstatement by the employee must be made within 31 days of the employee's return to work following unpaid military leave. An employee who wants to be reinstated and who does not apply for reinstatement within 31 days of the employee's return to work from unpaid military leave must produce evidence of insurability at the employee's own expense and in accordance with the requirements of the insurance underwriter.

Sec. 3. 20-A MRSA §12722, sub-§8, ¶D is enacted to read:

D. A person who participated in the defined contribution plan described in subsection 1 and subsequently resumed participation or commenced participation in the defined benefit plan administered by the Maine Public Employees Retirement System pursuant to paragraph A or B is eligible for coverage under the group life insurance program as of the date of resumption or commencement of participation in the defined benefit plan. A person who elects to participate in the group life insurance program as of the date of resumption or commencement of participation in the defined benefit plan does not need to provide evidence of insurability in order to receive coverage under the group life insurance program provided to employees of the Maine Community College System.

Sec. 4. Application. A confidential employee of the Maine Community College System who joins or rejoins the defined benefit plan administered by the Maine Public Employees Retirement System under the provisions of Public Law 2003, chapter 261 on or before January 1, 2010 is eligible for coverage under the group life insurance program as of the date of commencement or resumption of participation in the defined benefit plan. A person who elects to participate in the group life insurance program as of the date of commencement or resumption of participation in the defined benefit plan pursuant to this section does not need to provide evidence of insurability in order to receive coverage under the group life insurance program.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

Effective June 2, 2009.