

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 240

S.P. 106

In Senate, January 21, 2025

**An Act to Create Consistency in Retirement Service Benefits
Deferral Under the Maine Public Employees Retirement System**

Received by the Secretary of the Senate on January 16, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator HICKMAN of Kennebec.

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

2 **Sec. 1. 5 MRSA §17851, sub-§17**, as corrected by RR 2023, c. 1, Pt. A, §3, is
3 amended to read:

4 **17. Member eligible to retire from plans with different normal retirement ages.**
5 A member who meets eligibility requirements to retire from plans with different normal
6 retirement ages may retire and, at the election of the member, defer initiation of service
7 retirement benefits from any plan in which the benefits would be reduced because the
8 member has not reached normal retirement age. The deferral ends when the member
9 reaches normal retirement age for the plan. The election to defer is irrevocable and must
10 be made before payment of a service retirement benefit begins. Service retirement benefits
11 deferred under this subsection must be paid by the retirement system without an early
12 retirement reduction and without any retroactive payment for the deferral period. If the
13 member dies before the end of the deferral period, the deferral of benefits applies to any
14 continuing beneficiary payments for the same deferral period that would have been
15 applicable to the member. This subsection applies to a member with service credit from a
16 participating local district who retires under a plan in this chapter.

17 **SUMMARY**

18 This bill allows a member of a participating local district of the Maine Public
19 Employees Retirement System to defer initiation of service retirement benefits from any
20 plan in which the benefits would be reduced because the member has not reached normal
21 retirement age under the plan if the member retires under the State Employee and Teacher
22 Retirement Program.