

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

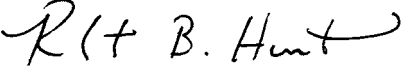
No. 106

H.P. 74

House of Representatives, January 9, 2023

An Act to Standardize Service Credit Qualifications for State Retirees

Reference to the Committee on Labor and Housing suggested and ordered printed.


ROBERT B. HUNT
Clerk

Presented by Representative PARRY of Arundel.
Cosponsored by President JACKSON of Aroostook and
Representatives: COLLINGS of Portland, GATTINE of Westbrook, TERRY of Gorham,
Senators: DAUGHTRY of Cumberland, HARRINGTON of York, INGWERSEN of York.

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

2 **Sec. 1. 5 MRSA §17857, sub-§2**, as amended by PL 2001, c. 442, §2 and PL 2021,
3 c. 548, §45, is further amended to read:

4 **2. Additional creditable service.** Additional creditable service is earned by a former
5 participant in a special plan as follows.

6 A. A member who has completed the service requirements for retirement under a
7 special plan, including a member who completes the requirements of section 17851-A,
8 subsection 2, paragraph A, may transfer to a position not under a special plan and earn
9 service credit for additional service retirement benefits.

10 (1) The part of the member's service retirement benefit based upon membership
11 service before being transferred must be computed according to the formula for
12 computing benefits under the special plan that the member was under previously.

13 (2) The part of the member's benefit based upon membership service after being
14 transferred must be computed in accordance with section 17852, subsection 1,
15 except that, if the member has completed 80% of the member's service under the
16 special plan, the member's benefit must be computed according to the formula for
17 computing benefits under the special plan that the member was under previously.

18 C. A member who has not completed the service requirements for retirement under a
19 special plan may transfer to a position not under a special plan and receive service
20 retirement benefits as follows. This paragraph does not apply to section 17851-A,
21 subsection 2, paragraph A.

22 (1) If the benefit is greater, the part of the member's service retirement benefit
23 based upon membership service before being transferred must be computed
24 according to the formula for computing benefits under the special plan that the
25 member was under previously.

26 (2) The part of the member's benefit based upon membership service after being
27 transferred must be computed in accordance with section 17852, subsection 1,
28 except that, if the member has completed 80% of the member's service under the
29 special plan, the member's benefit must be computed according to the formula for
30 computing benefits under the special plan that the member was under previously.

31 D. A member who has not completed the service requirements for retirement under a
32 special plan, including a member who completes the requirements of section 17851-A,
33 subsection 2, paragraph A, on becoming disabled as defined in section 17901, or, after
34 September 30, 1989, section 17921, and on becoming reemployed in a position not
35 under a special plan on retirement receives retirement benefits as follows.

36 (1) The part of the member's service retirement based on membership service
37 before becoming disabled must be computed according to the formula for
38 computing benefits under the member's previous special plan.

39 (2) The part of the member's service retirement based on membership service after
40 becoming reemployed in a position not under a special plan must be computed
41 according to the formula for computing benefits under the member's previous
42 special plan, except that, if the member has completed 80% of the member's
43 service under the special plan, the member's benefit must be computed according

1 to the formula for computing benefits under the special plan that the member was
2 under previously.

3 (3) If the member is found to be no longer disabled, as defined in section 17901,
4 or, after September 30, 1989, section 17921, the member may:

5 (a) Return to a position under the member's previous special plan; or

6 (b) Remain in the position that is not under a special plan and have the part of
7 the member's service retirement benefit based on post-disability service
8 computed in accordance with section 17852, subsection 1, except that, if the
9 member has completed 80% of the member's service under the special plan,
10 the member's benefit must be computed according to the formula for
11 computing benefits under the special plan that the member was under
12 previously.

13 (4) The chief executive officer may require that a member subject to this paragraph
14 undergo medical examinations or tests once each year to determine the member's
15 disability in accordance with section 17903 or, after September 30, 1989, section
16 17926.

17 (a) If the member refuses to submit to the examination or tests under this
18 subparagraph, the member's retirement benefit must be based on section
19 17852, subsection 1, until the member withdraws the refusal.

20 (b) If the member's refusal under division (a) continues for one year, all the
21 member's rights to any further benefits under this paragraph shall cease.

22 SUMMARY

23 This bill specifies that when a member of the Maine Public Employees Retirement
24 System in a position covered by a special plan transfers to a position that is not covered by
25 a special plan and has completed 80% of the member's service under the special plan, that
26 additional time in the position not covered by the special plan is calculated as though the
27 member had remained in the special plan.