



# Maine State Retirement System Employer Update

DECEMBER 2005

## NEW EMPLOYER SECTION AT MSRS.ORG

Be sure to check out the new [Employer Section](#) of our Web site. You can access the site from the main MSRS home page or by typing the following in your browser address line:

[www.msrs.org/employer\\_section/home.htm](http://www.msrs.org/employer_section/home.htm)

You now can log in for electronic payroll filing, download or request forms, and obtain other employer related information. We also will post current employer news via this section—click on "Spotlight."

We want this section to meet employer needs and interests. Your feedback will help us improve the site. E-mail your suggestions and/or comments to [communication@msrs.org](mailto:communication@msrs.org).

## INTEREST ON LATE PAYMENTS (Public Schools and Participating Local Districts)

Just a reminder that the assessment of interest on late payroll reporting payments and other debits will take effect with the November payroll report. You can avoid interest charges by clearing any current debits and by submitting your monthly payroll reports and remittances by the date due. Employer payroll reports and remittances are due on December 15th for the November 2005 pay period. Payroll report and remittance due dates for 2006 are:

January 17th	July 17th
February 15th	August 15th
March 15th	September 15th
April 18th	October 16th
May 15th	November 15th
June 15th	December 15th

## TRAINING and TECHNICAL ASSISTANCE

### NEW PAYROLL PERSONNEL

The Employer Services Unit provides training for new payroll personnel on-site at the MSRS Office in Augusta. To schedule new payroll personnel training, contact the Unit at (207) 512-3200 or toll-free 1-800-451-9800. Any employer responsible for preparing payroll reports for the MSRS may register for training. Space is limited and sessions fill quickly.

### EMPLOYER TRAINING

As part of our on-going efforts to assist employers, the Employer Services Unit schedules quarterly training sessions. The training focuses primarily on payroll reporting and on how to complete forms. Participants receive an updated payroll reporting manual, an electronic payroll filing manual, a sample of forms with instructions, and a list of frequently asked questions.

The schedule for the remainder of 2005 and for 2006 is:

#### **Teacher and School Support Employers:**

Tuesday, February 28, 2006  
Tuesday, May 23, 2006  
Tuesday, August 22, 2006  
Tuesday, November 14, 2006

#### **Participating Local District Employers:**

Tuesday, December 20, 2005  
Tuesday, March 21, 2006  
Tuesday, June 20, 2006  
Tuesday, September 26, 2006  
Tuesday, December 19, 2006

**Note to State of Maine Employers:** At this time, no training sessions specific to State of Maine payroll reporting are scheduled. If you have questions about State of Maine payroll reporting, please call the State Department of Administration & Financial Services Central Payroll Office.

## NEW LEGISLATION AFFECTS PLDs WHERE SOCIAL SECURITY COVERAGE IS MANDATORY

The Legislature passed "An Act to Increase the Limit on the Right to Rejoin the Maine State Retirement System," PL 2005, Chapter 76 [LD 515]. The bill was effective September 17, 2005 and the MSRS recently amended its rules to reflect the change. The law allows PLD employees who terminated membership in the Maine State Retirement System (MSRS) an additional opportunity to rejoin. Previously, PLD employees whose Social Security coverage is mandatory could terminate MSRS membership and rejoin the System only one time. The change allows these employees one additional opportunity to rejoin the MSRS. Members will exhaust their membership rights if they terminate membership a third time within the same participating local district.

If your organization has employees who could benefit from the new eligibility standards, please contact the MSRS. The PLD Retirement Services Unit is available to assist your organization in determining all employee eligibility questions. You may reach the PLD Unit directly at 512-3247, or by the System's toll free number at 1-800-451-9800. For assistance with PLD employer-related issues, please contact John McGough at 512-3305 or by e-mail at [jmcgough@msrs.org](mailto:jmcgough@msrs.org)

For additional information about this change or other MSRS questions, please visit the Maine State Retirement System online at [www.msrs.org](http://www.msrs.org). You can find information on the legislation and the MSRS rule through the [Laws & Rules](#) link on the MSRS home page. The rule is Chapter 803 and the statutory reference is Title 5, Section 18252.

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### OFFERING MEMBERSHIP IN THE MAINE STATE RETIREMENT SYSTEM

Are you an active Participating Local District (PLD) employer in the Maine State Retirement System? If so, do you give eligible employees the opportunity to join the MSRS at their dates of hire? If an eligible employee declines membership with the Retirement System, do you document it in the employee's personnel file?

Title 5, Sections 18251 and 18252 provide MSRS membership to eligible employees of an active Participating Local District, whether that membership is mandatory or optional. Active Participating Local Districts are required to offer MSRS membership to eligible employees by providing an Application for Membership that must be completed and submitted to the MSRS, whether the employee elects or declines membership. A failure to offer membership to an eligible employee may result in future costs to the employer, even if the employee subsequently terminates employment.

To learn more about an employer's obligation for membership enrollment, please contact John McGough, PLD Plan Administrator at (207) 512-3100 or toll free 1-800-451-9800.

### PLD DEFINED CONTRIBUTION PLAN PROGRAMS CHANGING

MSRS sponsors two defined contribution plan programs for eligible PLD employers: a Section 401(a) Defined Contribution Plan and a Section 457 Deferred Compensation Plan. These plans, similar in some respects to 401(k) plans, permit participating PLD employees to set aside a portion of their income on a pre-tax basis and invest it to supplement their retirement income.

CitiStreet, which administers both programs for MSRS, announced this fall that due to an internal reorganization, administration of the plans will change at the end of November. Current participants will be unable to make investment changes during a "blackout period." The period will commence November 30 and run until complete, but likely end by December 15.

Once the changes are complete, participants will have a new set of investment funds to choose from, and additional services, including Internet access in addition to continued options to use paper forms or voice response telephone systems.

If you are a participating employer, you should have already received some communications, including a "blackout period notice" to distribute to your participating employees. Soon, you will receive more information on employer reporting and remittance, the new investment funds, and plan informational materials.