

# Maine Legislative Retirement System

Maine Public Employees Retirement System

## DISABILITY RETIREMENT BENEFIT

You may be eligible for a disability retirement benefit if you become mentally or physically disabled, as defined by MainePERS law, while you are in service. The amount of your disability benefit is either 66⅔% or 59% of your average final compensation, depending on whether you are in the “age-limited” disability plan or the “no-age-limit” disability plan.

## GROUP LIFE INSURANCE & PRE-RETIREMENT DEATH BENEFIT

MainePERS also administers the Group Life Insurance Program. This program provides life insurance and accidental death and dismemberment insurance to eligible Legislators. Basic life insurance coverage (equal to a Legislator’s annual salary rounded up to the next \$1,000), supplemental insurance and dependent insurance is available and is paid for by the Legislator.

Ordinary Death Benefit: If your death occurs before you retire, one of several benefit options is available to your named beneficiary.

Accidental Death Benefit: If your death occurs before you retire and is the result of an injury sustained on the job, accidental death benefits may be available if your named beneficiary is your spouse and/or dependent children.



## Maine Public Employees Retirement System

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[www.maineopers.org](http://www.maineopers.org)

# Maine Legislative Retirement Program

An Overview of Benefits for Legislative Members

August 2011



[maineopers.org](http://maineopers.org)

## The Maine Legislative Retirement Program

The Maine Legislative Retirement Program was established to ensure that certain benefits are available to Legislators. For more information contact us:

Phone: 512-3100 or toll-free 1-800-451-9800

E-mail: RetirementServices@mainepers.org

### MEMBERSHIP

- ◆ Every Legislator serving in the Legislature on or after December 3, 1986 must be a member of the Maine Legislative Retirement System.
- ◆ Membership may be waived in certain situations.

### HOW SERVICE CREDIT ACCUMULATES

- ◆ As a full-time Legislator you receive a year of service credit for each year in your term, as long as you fulfill your obligations as a Legislator.
- ◆ MainePERS service as a State employee is transferable to the Maine Legislative Retirement Program.
- ◆ You may be eligible to purchase service credit that you previously refunded.

### VESTING

- ◆ You are vested after five years of service if you terminate after September 30, 1999.
- ◆ You are vested after ten years of service if your final termination was before October 1, 1999.

### QUALIFYING FOR A RETIREMENT BENEFIT

You qualify to receive a retirement benefit when:

- ◆ You have at least 25 years of creditable service. For this purpose, service credit can include service with the State & Teacher Retirement Program; or
- ◆ You reach Normal Retirement Age (NRA) of 60, 62 or 65, whether or not you are in service, provided you are vested with 5 or 10 years of service, whichever is applicable to you.

Your normal retirement age is 60 if you had at least 10 years of service on July 1, 1993.

Your normal retirement age is 62 if you had at least 5 years of service on July 1, 2011.

Your normal retirement age is 65 if you had less than 5 years of service on July 1, 2011.

### CALCULATION OF BENEFIT

- ◆ Your benefit is based on Average Final Compensation (average of the three highest years of earnable compensation), years of service credit, and your age.
- ◆ The retirement calculation formula is:

$$\begin{aligned} & \text{Average Final Compensation} \div 50 \\ & \times \text{Years of Service} \\ & = \text{Annual Full Retirement Benefit} \\ & \text{at Normal Retirement Age (60, 62 or 65)} \end{aligned}$$

The following example uses an Average Final Compensation of \$10,870 with 8 years of service:

$$(\$10,870 \div 50) \times 8 \text{ years} = \$1,739.20 \text{ annual benefit (or } \$144.93 \text{ monthly) at NRA}$$

You must have at least 25 years of creditable service to retire before your NRA.

- ◆ If you retire before NRA, an age reduction factor is applied for each full year that you are below NRA. If your NRA is 60, the age reduction factor is approximately 2.25% per year. If your NRA is 62 or 65, the age reduction factor is 6% per year.