A Reminder for PLD Consolidated Plan Employers
To Report Retirees Returned to Work

PLD employers that hire an individual to fill a MainePERS-covered position who is also retired from the PLD consolidated plan are subject to Retire Return to Work (RRTW) requirements. This is true regardless of the PLD employer from which the individual retired prior to you hiring them because all PLD covered employers are in the same plan.

RRTW requirements were adopted in 2018 to help protect the funding of the plan when the use of RRTW was increasing. Employers are required to report any employee in this category to MainePERS. Employers are also responsible for making payments equal to 5% of the RRTW employee’s earnable compensation to MainePERS. This amount covers only the Unfunded Actuarial Liability (UAL) costs for the position, and is therefore less than regular contribution rates.

While you as the employer are responsible for making these payments to MainePERS, you may determine or reach agreement with the employee or employee’s representative on the source of the payments – the RRTW employee, you as employer, or some split between you and the employee. These payments must be reported and remitted as part of your regular pension contribution activities.

The obligation to make the 5% payment does not apply to RRTW employees who were in a covered position before October 2, 2018. This exemption from the UAL cost payment will continue until June 30, 2021, as long as the individual does not have a break in employment. Like any other RRTW employee, you should still be reporting the individual to MainePERS as a retiree returned to work. Employers will have to make payments on these employees starting in July of 2021.

If you need assistance determining whether or not a new hire is also a MainePERS PLD plan retiree, please contact us at PLD@mainepers.org. If you need assistance with your reporting obligations regarding an RRTW employee, please contact us at employer@mainepers.org.