DRAWING YOUR BENEFIT

MainePERS issues payments at the end of the month, for that month. You can expect your benefit payment to be deposited on or around the last business day of the month. You can find a benefit payment schedule in the Retiree section of our web site. Typically, you receive your first benefit payment in the month you retire. However, if we receive your application on or after your retirement effective date, you can expect to receive your first benefit payment the month following application. When you receive your first payment, it will include all months from your retirement effective date through the payment date. Filing your application more than 31 days after your termination date can result in the loss of life insurance coverage.

NOTE: You cannot change your decision to retire after you receive your first benefit payment.

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.
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: Retirement.Services@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 as a member of any other MainePERS retirement program.

♦ 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:

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

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

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

LEAVING YOUR MAINEPERS-COVERED EMPLOYMENT

If you stop working for your Legislative Retirement Program-covered employer, you may leave your contributions and interest on account with MainePERS, or you may take a refund of your contributions and interest.

Leaving Your Contributions on Account with MainePERS

If you stop working in a MainePERS-covered job and do not take a refund, your contributions continue to earn interest. You may withdraw your contributions at a later date or apply for a retirement benefit if and when you qualify. You cannot borrow against the funds you leave in your MainePERS account. If you are not vested, your account balance may automatically be refunded to you three years after you terminate.

You are required to receive your benefits, whether monthly or as a refund, no later than age 70½. This is known as a required minimum distribution (RMD). Failing to take your RMD on time may result in additional taxes and/or penalties.

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.