MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

PLD Advisory Committee

Meeting Packet

July 28, 2026

MainePERS PLD ADVISORY COMMITTEE
July 28, 2026 at 1:00 p.m.
139 Capitol Street, Augusta, and via Zoom

AGENDA

1:00 p.m.	CALL TO ORDER		Dr. Rebecca M. Wyke
	1. MINUTES of April 28, 2026	**ACTION**	Dr. Rebecca M. Wyke
	2. LEGISLATIVE and RULEMAKING UPDATE	**ACTION**	Bill Brown Nanette Ardry
	3. CEO UPDATE • Transitions • Annual Member Survey		Dr. Rebecca M. Wyke
	4. UPCOMING VALUATION/RATE SETTING		Fiona Liston, Bonnie Rightnour, Greg Reardon, Cheiron Bill Brown
	5. 2026 COLA		Bill Brown
	6. GROUP LIFE INSURANCE • GLI Premium Study Results • GLI Premium Setting	**ACTION**	Bill Brown Ryan Benitez, Cheiron
	7. ADMINISTRATIVE • Annual Open Enrollment Reminder • Current PLD Activity Report • PLD Activity Trend Report		Deanna Doyle
3:00 p.m.	ADJOURNMENT		Dr. Rebecca M. Wyke

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Minutes

PLD Advisory Committee	MainePERS
Regular Meeting	Board Room
April 28, 2026	1:00 p.m.

The PLD Advisory Committee met at 139 Capitol Street, Augusta, ME 04330 at 1:00 p.m. on April 28, 2026, Dr. Rebecca M. Wyke, Chief Executive Officer, presided.

Members present: Rick Cailler, Professional Firefighters of Maine (remote); Deborah Roberts, Maine School Management Association (remote); Eben Gilman, Maine Municipal Association; John Bracciodieta, Maine Education Association; Ed Marzano, Teamsters Local 340 (remote); Michele Sawtelle, Maine School Management Association (remote); Sophia Wilson, Maine Municipal Association and, Dr. Rebecca M. Wyke, Chief Executive Officer. Members absent: Steve Butterfield, Maine Service Employees Association; Brendan O'Connell, Maine Municipal Association; John Nuttal, AFSCME Counsel 93 and Dick Thompson, Governor's Designee. Joining the Committee were: Michael Colleran, Chief Operating Officer and General Counsel; Chip Gavin, Chief Services Officer; Deanna Doyle, PLD Plan Administrator; Bill Brown, Director of Actuarial and Legislative Affairs; and Monica Gorman, Executive Assistant.

MINUTES

Deb Roberts made the motion, seconded by Rick Cailler to approve the minutes of January 27, 2026. Six voted in the affirmative (Bracciodieta, Cailler, Gilman, Marzano, Roberts, and Sawtelle).

Sophie Wilson joined the meeting at 1:03 p.m.

LEGISLATIVE AND RULEMAKING UPDATE

Bill Brown provided an update on the status of bills pertaining to the PLD Consolidated Retirement Plan. Bill discussed upcoming rulemaking in May including Chapter 410 (RRTW Rule) which will align MainePERS requirements with IRS requirements by changing the definition of "same employer" and modifying return-to-work restrictions.

Retirees Returning to Work Rule

Deanna Doyle provided a presentation on the proposed changes to the RRTW Rule, stating the change in the definition of same employer would eliminate restrictions for some retirees returning to work. The proposed changes also add clarity to when the early distribution tax and return-to-work restrictions apply. Deanna answered questions from the Committee.

CEO UPDATE

PLD Plan Experience Study

Dr. Wyke shared that Cheiron will be presenting the experience study for the PLD Consolidated Plan which covers plan experience from July 1, 2020 through June 30, 2025. The experience study will be reflected in the FY 2026 valuation, which will be used for setting the FY 2028 contribution rates.

Member Portal Update

Dr. Wyke stated the portal has over 36,000 registrants and 5,700 demographic updates processed to date.

Preliminary to Final Benefit Initiative

Dr. Wyke reported that since August 2025, more workflows were closed than created which resulted in a 30% reduction in year-over-year backlogs.

PAS Update – Employer Advisory Panel

Chip Gavin presented an update on the PAS project, reporting the system is on target for a fall 2028 implementation. Chip shared the project continues to be on track for quality, scope, schedule, and budget. Chip reported on the PAS Employer Advisory Panel, a diverse mix of employers, which was established to help keep the Panel updated about the project and provide their feedback to MainePERS.

ACTUARIAL - Experience Study

Bonnie Rightnour, Fiona Liston, and Greg Reardon from Cheiron presented their findings from the experience study to the Committee. The group answered questions from the Committee.

ADMINISTRATIVE

Maine Paid Family and Medical Leave

Deanna Doyle provided an update on the Maine Paid Family and Medical Leave law that took effect on January 1, 2025. She shared beginning on May 1, 2026 employees are eligible and may begin to receive PFML benefits. Deanna stated PFML is earnable compensation for retirement and MainePERS will be administering PFML similar to how it administers Workers' Compensation. Deanna reminded the Committee that MainePERS does not administer the PFML program, that is done through the Maine Department of Labor.

Current PLD Activity Report

Deanna Doyle shared PLD activity has leveled off over the past several months.

ADJOURNMENT

The meeting adjourned at 2:25 p.m.

July 28, 2026
Date Approved

Dr. Rebecca M. Wyke, Chief Executive Officer

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MEMORANDUM

Date: July 28, 2026

To: PLD Advisory Committee Members

From: Bill Brown, Director, Actuarial and Legislative Affairs
Nanette Ardry, Associate General Counsel

Re: Legislative and Rulemaking Update

Legislative Update

The Second Regular Session of the 132nd Maine Legislature adjourned on April 29, 2026. The Legislature considered several bills pertaining to the programs administered by MainePERS. This memo provides a summary of bills that impact the Participating Local District Consolidated Plan and the effective date of the law.

ENACTED LAWS IMPACTING PLD PLAN

PL 2025, c. 562 (LD 2022) – GROUP LIFE NSURANCE

This law changes the source of information used to set Group Life Insurance (GLI) coverage levels to “earnable compensation.” Previously coverage was established based on “gross compensation” as reported on the member’s W-2 Since the W-2 does not have a box for gross compensation, this has created confusion and inconsistency.

PL 2025, c. 598 (LD 2169) – DISABILITY RETIREMENT PROGRAM

This law changes the disability retirement program. The current earnings limitations applicable to recipients of disability retirement benefits is increased to at least $35,500 or the greater of AFC or final annual rate of pay (FAC), all to be indexed by the Consumer Price Index (CPI). It also increases the amount of income to be considered substantially gainful activity (SGA) to at least $35,500 or the greater of AFC or FAC, all to be indexed by CPI. The law also changes the consequence of exceeding earnings limitations from a recoupment to a waivable, prorated reduction of benefits for one year. It also provides a definition of FAC and ensures the elimination of debts due to earnings limitations and ensuring waivers of future benefit reductions if it is demonstrated that the overearnings will not continue.

The effective date of both laws is July 29, 2026.

Rulemaking Update

I. Notices

MainePERS intends to publish notices of intent to amend Rule Chapter 803 (Participating Local District Consolidated Retirement Plan) to update a reference to the definition of part-time, seasonal or temporary employee to refer to the federal law instead of Rule 802; and intent to repeal Rule Chapter 802 (Participating Local District: Membership for Part-time, Seasonal or Temporary Employees) as obsolete.

Recommendation: That the Advisory Committee concur with an amendment to Rule Chapter 803 to update a reference to the definition of part-time, seasonal or temporary employee to refer to the federal law and to allow a member in a position under the plan may purchase creditable service if they were otherwise eligible regardless of whether the district specified the employee's position under the plan.

II. **Adoptions**

The Board of Trustees finally adopted a restated rule, an amendment to a rule and a new rule on July 8. Rule Chapter 410 (Retirees Returning to Work) has been restated to narrow the restrictions placed on retirees returning to work to only those otherwise required by law, to incorporate information on early distribution taxes, and to rewrite the language to provide greater clarity. Most significantly, restrictions will apply only where the retiree returns to work with the same employer, not where the retiree goes back to work with another employer in the same plan.

Rule Chapter 602 (Procedures for Contract Awards) is amended to provide clarifications about the applicability of the rule, conforms to updated practices and updates language for clarity and accuracy. Rule Chapter 703 is a new rule establishing the process for the System to respond to advisory ruling requests.

Final regulatory review is underway for these rules.

II. **Pending Adoption**

The Boad of Trustees held public hearings for two rule proposals at their July meeting.

Amendments are proposed to Rule Chapter 506 (Eligibility for Disability Retirement Benefits) and Rule Chapter 513 (Disability Retirement Compensation). The amendments are primarily intended to conform these rules to recently enacted PL 2025, c. 598, by removing or correcting language and references. Among other things, Chapter 598 allows members to earn more before they are considered capable of substantially gainful activity, makes earning limitations less confusing and higher for many members, and eliminates the prospect of owing MainePERS money if a member exceeds earnings limitations. Proposed amended Rule Chapter 506 also allows a member who is reinstated to have been considered to be in service in the interim.

The Board of Trustees will consider final adoption of these rules at the August meeting.

94-411 MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Chapter 803: PARTICIPATING LOCAL DISTRICT CONSOLIDATED RETIREMENT PLAN

SUMMARY: This chapter establishes a consolidated retirement plan, as required by 5 M.R.S. §18801 *et seq*. for local districts that are participating local districts under 5 M.R.S., Chapter 425 before the date the plan is put into operation and for local districts that enter into agreements for the participation of their employees in the Maine Public Employees Retirement System after The Plan is put into operation.

NOTE: 5 M.R.S., Chapter 421, *General Provisions*, is applicable to all activities relating to the Maine Public Employees Retirement System, including the subject matter of this chapter of the rules of the Board of Trustees ("Board"). 5 M.R.S., Chapter 427, *Participating Local Districts Consolidated Plan*, is the statute from which this chapter of the rules of the Board derives its authority and is applicable to all activity based upon this chapter.

SECTION 1. DEFINITIONS

1. **Local District**. "Local district" means:

   A. Any county, municipality, quasi-municipal corporation or incorporated instrumentality of the State or of one or more of its political subdivisions;

   B. Any incorporated association of employees of the State or employees of any of the entities set out in paragraph A;

   C. Any incorporated association of any of the entities set out in paragraph A;

   D. Any entity eligible to become a participating local district before January 1, 1976;

   E. Any entity participating in the Retirement System before January 1, 1976; or

   F. Any educational institution in the State teaching courses equivalent to or higher than secondary institutions.

   G. Any public charter school, as authorized by Title 20-A, chapter 112.

2. "**Consumer Price Index**" means:

   A. The Consumer Price Index for All Urban Consumers, CPI-U, as compiled by the Bureau of Labor Statistics, United States Department of Labor; or

   B. If the index described in paragraph A is revised or superseded, the Board must employ the Consumer Price Index compiled by the Bureau of Labor Statistics, United States Department of Labor that the Board finds to be most reflective of changes in the purchasing power of the dollar for the broadest population of consumers, including retired consumers.

3. "**Current Employer**" means the employer who is the member's employer at the time the member becomes a member under The Plan.

4. "**Member**" means any employee included in the membership of The Plan.

5. "**Normal Retirement Age**" means the specified age, the years of service requirement or any combination of age and years of service requirements at which a member becomes eligible for an unreduced retirement benefit.

6. "**Participant**" means any employee included in the defined contribution plan under this chapter.

7. "**Participating Local District**" means a local district which has approved the participation of its employees in the Retirement System under 5 M.R.S. §18201 or §18804.

8. "**The Plan**" means the defined benefit plan under the consolidated retirement plan for local districts established by 5 M.R.S., Chapter 427 (§18801 *et seq*.) and this chapter.

9. **Other Terms**. All other terms used in this chapter, unless the context otherwise indicates, shall have the same definitions as in 5 M.R.S. §17001.

SECTION 2. LOCAL DISTRICT PARTICIPATION

1. **Participating Local District Election**. Before July 1, 1996, the executive body or legislative body of each local district that is a participating local district under 5 M.R.S., Chapter 425 (§18201 *et seq*.) must, by resolution or order, elect one of the following options. Failure to make an election will have the same effect as electing paragraph B.

A. **To Join The Plan**. A participating local district may elect to participate in The Plan in accordance with the requirements of 5 M.R.S. §18804. Upon receipt of the certified copy of the resolution or order and record of the vote, the Executive Director shall prepare an agreement, to be signed by the authorized representative of the district and the Executive Director, specifying the parts of The Plan applicable to the district and the duties and rights of the district and the Retirement System. The resolution or order shall include:

(1) Approval of the participation in The Plan;

(2) The regular service retirement benefit plan and, if applicable, the special service retirement benefit plan elected from those provided by this chapter for the district's employees; and

(3) The name or title of the person authorized to sign the agreement on behalf of the local district.

B. **To Be Transferred to The Plan**. A participating local district may elect to have its participation in the Retirement System transferred to The Plan without electing the retirement benefit plan or plans for the district's employees.

(1) The Retirement System will transfer the district's employees to the plan or plans with the benefit level or levels closest to the district's current plan or plans.

(2) The resolution or order shall include the same information as that required under paragraph A, except that it shall state that the Retirement System is to determine the retirement benefit plan or plan that apply to the district's employees.

(3) The agreement as prepared by the Executive Director shall be as provided in paragraph A.

C. **To Withdraw from the Maine Public Employees Retirement System**. Subject to 5 M.R.S. §18203, a participating local district may withdraw from participation in the Retirement System. The effect of withdrawal on the district's employees is governed by 5 M.R.S. §18254.

2. **Local District May Enter into Agreement for The Plan**. Any local district that is not a participating local district before July 1, 1993, may enter into an agreement for participation of its employees in the Retirement System only under The Plan and in the manner provided by 5 M.R.S. §18804, sub-§1 or 2. Upon receipt of the certified copy of the resolution or order and record of the vote, the Executive Director shall prepare an agreement specifying the parts of The Plan applicable to the district and the duties and rights of the district and the Retirement System. The resolution or order shall include:

A. Approval of the participation in The Plan;

B. The regular service retirement benefit plan and, if applicable, the special service retirement benefit plan elected from those provided by this chapter for the district's employees;

C. A list of classes, and a list by name and social security number, of any employees who are excluded from membership based upon their being provided for by local pension provisions;

D. Any limitations on the granting of service credits to employees for service before the beginning date of the participation of its employees in The Plan; and

E. The name or title of the person authorized to sign the agreement on behalf of the local district.

3. **Effective Date; Date of Operation; Date of Participation**

A. **Effective Date**. July 1, 1993, is the effective date of The Plan. Participating local districts and other local districts may enter into an agreement to participate in The Plan on and after that date.

B. **Date the Plan Goes into Operation**. The Plan will be put into operation as of July 1 immediately following the date when:

(1) The number of local districts that have entered into agreements for participation in The Plan with an election of regular service retirement benefits for their employees exceeds 3% of the districts which as of that date are participating in the Retirement System in regular service retirement benefit plans;

(2) The number of local districts that have entered into agreements for participation in The Plan with an election of special service retirement benefits for their employees exceeds 3% of the districts which as of that date are participating in the Retirement System special service retirement benefit plans; and

(3) In each instance the total number of members employed by districts that have entered agreements exceeds 5% of the total of all participating local district members in each category as of that date.

C. **Date of Participation**. The date of participation in The Plan for a participating local district is the first day of the month that most immediately follows the date on which the agreement for participation is signed by the Executive Director and the authorized representative of the participating local district or such later date stated in the agreement or amendment, unless The Plan is not then in operation, in which case, the date of participation is the date on which The Plan goes into operation.

4. **Full Withdrawal from The Plan**. A participating local district may fully withdraw from participation in The Plan by filing with the Board of Trustees a duly certified copy of the withdrawal vote of the body entitled to approve participation under 5 M.R.S. §18804, sub-§1 or 2. The withdrawal date is the later of the last day of the month following the month in which the certified notice is received by the Board or the last day of a later month specified in the notice. The effect of withdrawal on the district's employees is governed by 5 M.R.S. §18254, sub-§1 through 4.

1. A participating local district that withdraws from participation in The Plan must continue to make payments as required under Section 5, subsection 2.

2. Additionally, the withdrawing participating local district must make a withdrawal liability payment determined as follows:

(1) The System's actuary will calculate the pooled unfunded actuarial liability of The Plan as of the most recent valuation date that precedes the withdrawal date. The actuary will allocate a portion of the pooled unfunded actuarial liability to the withdrawing participating local district on the basis of the proportion of the withdrawing participating local district's total covered payroll to the total covered payroll of The Plan as of the valuation date.

(2) Unless otherwise agreed under subparagraph 3, the actuary will subtract from the withdrawing participating local district's portion calculated under subparagraph 1 the present value, as of the withdrawal date, of pooled unfunded actuarial liability payments the participating local district has made since the valuation and pooled unfunded actuarial liability payments the participating local district is expected to pay through the payment of employer contributions after withdrawal on those employees who remain active members. The difference is the withdrawal liability payment amount.

(3) As an alternative to subparagraph 2, the Executive Director and the withdrawing participating local district may agree that the withdrawal liability payment amount is the withdrawing participating local district's portion as calculated under subparagraph 1, reduced only by the present value, as of the withdrawal date, of any pooled unfunded actuarial liability payments the participating local district has made since the valuation. In that case, the withdrawing participating local district's obligations under paragraph A do not include payments under Section 5, subsection 2, paragraph C.

(4) The withdrawing participating local district may pay this withdrawal liability amount in a lump sum or amortize it over a period of up to 30 years at the actuarial assumed rate of return used in the most recent valuation that precedes the withdrawal date.

3. The withdrawing participating local district remains a participating local district subject to this rule until it has no remaining active members and all of its liabilities for inactive vested members, retired members and beneficiaries of retired members have been satisfied according to the requirements of federal and state law, and rules and policies governing satisfaction of liabilities.

4-1. **Partial Withdrawal from The Plan.** For purposes of this subsection, a partial withdrawal occurs when a participating local district elects a change under subsection 7 that excludes a category of employees from membership who would have been eligible for membership absent the change. In the case of a partial withdrawal, the participating local district must make a withdrawal liability payment calculated and paid in the same manner as set forth in subsection 4, paragraph B, except that the portion of The Plan's pooled unfunded actuarial liability that will be allocated to the partially-withdrawing participating local district will be based on the proportion of the district's covered payroll for that category of employees to the total covered payroll of The Plan as of the valuation date.

5. **Resumption of Participation after Withdrawal**. A participating local district that has withdrawn from The Plan under subsection 1, paragraph C or subsection 4 may resume participation in The Plan by taking the actions required by subsection 2.

A. A participating local district which has resumed participation and which thereafter again withdraws may not subsequently again resume participation before 3 years from the date of its immediately prior withdrawal.

B. A local district may resume participation only under the consolidated plan. The retirement benefit plan adopted by the local district on resumption is applicable to all current and future employees who are members if the plan results in a higher level of benefits for the district's employees. The plan adopted on resumption is applicable only to new employees if the plan results in a lower level of benefits for the district's employees or results in a change from a plan with cost of living adjustments to a plan without cost of living adjustments.

C. **Effect on employees**. Except as set forth below in this paragraph C, employees of a local district which resumes participation in the Retirement System are eligible for membership in the System on the same basis as employees of a local district upon initial participation.

(1) Employees who did not withdraw from membership when the local district withdrew from participation in the System may continue membership on the same basis as before the resumption of participation and are entitled to any additional benefit provisions selected and any increase in the level of benefits provided under The Plan.

(2) Employees for whom membership was compulsory who withdrew from membership when the local district withdrew from participation in the System must resume membership in the System if membership with the local district remains compulsory upon the resumption of participation by the local district.

(a) These employees may receive service credits for previous membership service upon repayment of withdrawn accumulated contributions and applicable interest.

(b) These employees may not purchase service credits for periods of employment between withdrawal from membership and resumption of participation by the local district.

(3) Employees for whom membership was not compulsory and who elected not to become or remain a member may not be a member as an employee of that local district unless the employee is electing to rejoin The Plan and:

(a) The employee is covered by a plan provided by the employer under section 5 M.R.S. §18252-B with an employee contribution rate that is not lower than the employee contribution rate for the applicable plan under The Plan; and

(b) Employee contributions after rejoining The Plan qualify for treatment as pick-up contributions for federal tax purposes and the person's membership otherwise complies with the United States Internal Revenue Code as applicable to governmental qualified defined benefit plans.

(4) The participating local district may allow current employees who began service with the district after the district withdrew from participation to purchase service credits for service rendered from the time of hire to the resumption of participation. The purchase of such service credits is governed by 5 M.R.S. §18253, sub-§2, paragraphs A and B.

(5) If the district grants prior service credits, those service credits shall be based only upon the employee's employment with the district before the district's initial date of participation.

6. **Disbanded or Dissolved Districts**. The effect of the disbanding or dissolution of a district that participates in The Plan on the membership and benefits of its employees is governed by 5 M.R.S. §18255 and §18408.

7. **Change of Service Retirement Benefit Plan or Plans**. After beginning participation in The Plan, a participating local district may elect to change the service retirement benefit plan or plans which apply to the district's employees by following the same process set forth in Section 2 for participation in The Plan. The change is applicable to all current and future

employees who are members, if the change results in a higher level of benefits for the district's employees. The change is applicable to new employees only, if the change results in a lower level of benefits for the district's employees or results in a change from a plan with cost of living adjustments to a plan without cost of living adjustments.

The Executive Director shall prepare either a new agreement or an amendment to the district's agreement which will be signed by the authorized representative of the district and the Executive Director. The effective date of the change is the first day of the month that most immediately follows the date the new agreement or amendment to the agreement is signed by the authorized representative of the district and the Executive Director or such later date stated in the agreement or amendment.

8. If the retirement system determines that a certified action received under Section 2 is unclear, the chief administrative officer of the participating local district may clarify in writing any ambiguity in the certified action, and the retirement system may rely on that clarification.

SECTION 3. MEMBERSHIP

1. **Compulsory Membership**. Membership is compulsory for all employees who are in the service of a participating local district on the date when participation of the employees of that district in The Plan begins and who are members of the System on that date and for all employees entering the service of that district after that date, except as provided under subsection 2 and 3. A local district that is not a participating local district before July 1, 1993, shall designate in its resolution or order approving participation any class of employees otherwise provided for by local pension provisions who are excluded from membership in The Plan as provided under 5 M.R.S. §18804, sub-§3.

2. **Optional Membership**. Optional membership under The Plan for employees of participating local districts is governed as follows:

   A. **Member When Participation of Employees Begins**. Membership is optional for employees in the service of a local district on the date when the participation in the Retirement System of the employees of the local district first begins, whether under 5 M.R.S., Chapters 425 or 427.

   B. **Elected or Appointed Officials**. Membership is optional for elected officials and officials appointed for a fixed term.

   C. **Trustees of Water, Sanitary and Sewer Districts**. Membership of trustees of water, sanitary and sewer districts is subject to the following:

      (1) **Water districts**. Membership of trustees of a water district is governed by 35-A M.R.S., §6410, subsection 8;

      (2) **Sanitary districts**. Membership of trustees of a sanitary district is governed by 38 M.R.S. §1104.

      (3) **Sewer districts**. Membership of trustees of a sewer district is governed by 38 M.R.S. §1036.

D. **Employees Covered by Social Security**. Membership is optional for an employee of a participating local district who is covered under the *United States Social Security Act*. Except as provided by paragraph H, optional membership for those employees is subject to 5 M.R.S. §18252.

E. **Employees Not Covered by Social Security**. Membership is optional for any employee of a participating local district that does not provide Social Security coverage provided that the district offers an alternative plan that meets the requirements of 5 M.R.S. §18252-B, and provided that the employee participates in the alternative plan. Optional membership for those employees is subject to 5 M.R.S. §18252-A as amended by PL 2021, c. 90.

F. **Chief Administrative Officer**. Membership is optional for a chief administrative officer of a participating local district, whether appointed for a fixed term or whether appointed with tenure.

G. **Employees Not Subject to Municipal Public Employees Labor Relations Law**. Membership is optional for those employees who are not subject to the municipal public employees labor relations laws contained in 26 M.R.S., Chapter 9-A.

H. Membership for employees of a participating local district that provides a plan under 5 M.R.S. §18252-B is governed by 5 M.R.S. §18252-A as amended by PL 2021, c. 90.

I. The provisions of 5 M.R.S. §18252-C apply only to employees of participating local districts who specifically adopt them in their participation agreement.

3. **Part-Time, Seasonal or Temporary Employees**. Membership of part-time, seasonal and temporary employees, as defined by 26 CFR Part 31~~Chapter 802 (94-411 CMR 802) of the rules of the Board~~ is determined by the election made by each participating local district under Section 2.

4. **Cessation of Membership**. A member ceases to be a member of the Retirement System if the member:

A. **Withdrawal**. Withdraws accumulated contributions;

B. **Beneficiary**. Becomes a beneficiary as a result of the member's own retirement; or

C. **Death**. Dies.

5. **Service in the Armed Forces**. The membership of the following members under The Plan is considered to have continued during the period of the member's service in the Armed Forces of the United States:

A. Any member entering a class of service in the Armed Forces of the United States approved by resolution of the Board, if the member does not withdraw accumulated contributions;

B. Any member who enlists in or is inducted or drafted into the service of the Armed Forces of the United States; and

C. Any member who enlists in or is inducted or drafted into the service of the Armed Forces of the United States while the *United States Selective Service Act of 1948*, Public Law 759, or any of its amendments or extensions is in effect.

SECTION 4. PORTABILITY OF SERVICE CREDITS; ELIGIBILITY TO RETIRE, COMPUTATION OF BENEFIT

1. **Two or More Employers under The Plan**. A member's benefits are based upon all creditable service with all participating employers while a member under The Plan, and creditable service with the member's employer on the date the member began participation under The Plan. When a member under The Plan terminates employment and is subsequently reemployed by another employer whose employees participate in The Plan, the member is not considered to be reemployed by a new employer. If the member is reemployed by the subsequent employer as of the first work day following termination of employment with the previous employer, for the purpose of determining eligibility for benefits, the member is considered to have continuous membership and creditable service.

2. **Previous Employer Not under The Plan**; Subsequent Employer under The Plan. When a member either terminates employment with an employer that has withdrawn from the System, or terminates employment with another employer under the System whose employees are not covered by The Plan, and is employed by a subsequent employer whose employees are members under The Plan, the member's creditable service with the previous employer is used in determining eligibility to retire under the subsequent employer's regular service retirement benefit plan under Section 7. Benefits for service with the previous employer are based upon creditable service and earnable compensation with the previous employer and the provisions of 5 M.R.S., Part 20 in effect with respect to the previous employer at the date of termination of service by the member. A county or municipal law enforcement officer or a municipal firefighter who is eligible under 5 M.R.S. §18253, sub-§1, paragraph E, and who elects to make the contribution necessary under Section 5, subsection 1, paragraph K may include all or part of the creditable service earned with a previous employer with service earned with the new employer both for the purpose of qualification for a service retirement benefit and for the benefit computation.

3. **Previous Employer under The Plan**; Subsequent Employer Not under The Plan. Membership, creditable service and benefits of a member under The Plan who terminates employment and is reemployed as a state employee or teacher are governed by 5 M.R.S. §17656, sub-§1. Until July 1, 1996, membership, creditable service and benefits of a member under The Plan who terminates employment and is reemployed by a participating local district whose employees do not participate in The Plan are governed by 5 M.R.S. §18253, sub-§1. As required by Section 2, paragraph 1, as of July 1, 1996, each local district that is a participating local district must have either entered into an agreement to participate in The Plan or have withdrawn from participation in the Retirement System.

4. **Service under Two or More Special Service Retirement Benefit Plans; Eligibility to Retire**. If a member accrues service credits under more than one special service retirement benefit plan in The Plan, whether with the same employer or more than one employer, credit from service under other special plans toward meeting the retirement eligibility requirements of the special plan from which the member retires is transferred based upon the percentage of the eligibility requirements for the previous plan or plans which were met while under the previous plan or plans. For example, a member who accrues 10 years of creditable service under Special Service Retirement Benefit Plan 1 (1/2 of AFC after 20 years) would have completed 50% of the eligibility requirement under that plan and upon transferring to employment under Special Service Retirement Benefit Plan 2 (1/2 of AFC after 25 years) would be entitled to 50% of the eligibility requirements for that plan; i.e., 12.5 years. The member's benefit would be calculated at 2.5% of AFC for each year under Plan 1 and at 2% for each year under Plan 2.

5. **Service under Two or More Service Retirement Benefit Plans – One Regular and One Special; Eligibility to Retire**

A. **Regular Service before Special Service**. If a member under The Plan accrues service credits under a regular service retirement plan before accruing service credits under a special service retirement benefit plan, whether with the same employer or more than one employer,

(1) the member may retire at any time after the member qualifies for a special service retirement benefit under Section 8. The regular plan service credits may be used toward qualifying to retire under a special service retirement benefit as provided in Section 8. The regular plan service credits used towards qualification for a special service retirement benefit are considered to be special plan service credits for the purpose of computation of the special service retirement benefit as provided in Section 8. If the application of the provisions of Section 4, subsection 6 would result in a greater service retirement benefit, then the benefit will be computed under that section.

(2) A member who does not qualify to retire under a special service retirement plan may retire under a regular service retirement plan at any time after the member qualifies under Section 7. The service retirement benefit for all service is computed as provided in Section 7.

B. **Special Service before Regular Service**. If a member under The Plan accrues service credits under a special service retirement benefit plan before accruing service credits under a regular service retirement benefit plan, whether with the same employer or more than one employer,

(1) before qualifying to retire under a special service retirement plan, the member may retire at any time after completing 25 years total service or reaching normal retirement age with at least one year of service. The service retirement benefit for all service is computed as provided in Section 7.

(2) after qualifying to retire under a special service retirement plan, the member may retire at any time. The portion of the benefit that is based upon service credits under a regular service retirement benefit plan is subject to early retirement reduction if retirement is before normal retirement age. The portion of any benefit paid to a member that is based upon service credits under Special Service Retirement Benefit Plan 4 is also subject to early retirement reduction, if retirement is before age 55.

6. **Service under Two or More Service Retirement Benefit Plans; Computation of Benefits.** When a member has creditable service under two or more service retirement benefit plans, the appropriate benefit formula is applied to each period of service as provided by Section 7, "Regular Service Retirement Benefits Plans" and Section 8, "Special Service Retirement Benefit Plans". All benefits based upon creditable service under The Plan are based upon one calculation of average final compensation.

SECTION 5. CONTRIBUTIONS

1. **Member contributions**

A. **Active Member**. Each member under The Plan shall contribute to the Retirement System or have pick-up contributions made by the employer at a rate provided by Sections 7, 8, and 9. The contribution rate for a member is the rate assigned to the retirement benefit plan under which the member is accruing service credits.

B. **Former Members; Service under The Plan**. Any former member who, after having terminated service while a member under The Plan and having withdrawn accumulated contributions, again becomes a member under The Plan may repay the withdrawn contributions to the Members' Contribution Fund under the following conditions:

(1) **Time**. The repayment must be made before the date any retirement benefit becomes effective for the member.

(2) **Manner of Repayment**. The repayment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

(3) **Amount of Repayment**. The amount of repayment must be equal to the withdrawn accumulated contributions plus interest on the amount of those accumulated contributions, beginning on the date of withdrawal to the date the repayment or repayments are made, at a rate to be set by the Board not to exceed regular interest by 5 or more percentage points.

(4) **Credit under The Plan**. Except as provided in paragraph C, only withdrawn contributions relating to creditable service under The Plan may be repaid for service credit under The Plan.

C. **Service Not under The Plan**

(1) **Withdrawn Contributions**

(a) Any member who had service while not a member under The Plan and having withdrawn contributions relating to that service may repay the withdrawn contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 1 to 3. Creditable service related to these repaid contributions is used in determining eligibility to retire under the applicable regular service retirement benefit plan under Section 7. Benefits for that service are calculated based on that service and on earnable compensation related to that service in accordance with applicable provisions of 5 M.R.S., Part 20 in effect with respect to the previous employer's regular service retirement plan immediately before that employer's employees became members under The Plan. The additional liability relating to the service credits granted under this division becomes part of the previous employer's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

(b) Any member who had service while not a member under The Plan and having withdrawn contributions relating to that service may repay the withdrawn contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 1 to 3. Creditable service related to these repaid contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. Unless the service was with the same employer that is the member's employer at the time the contributions are repaid, the contributions provided for under this subparagraph may be repaid only after the participating local district that is the member's employer at the time the contributions are repaid agrees to assume the additional liability incurred as part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

(2) **Non-member Service**

(a) Subject to the personnel rules or policies of the member's employer at the time of the service; provided the member has continued to be employed by that employer; and subject to 5 M.R.S. §18305-B, a member who had service as an employee of a participating local district for which contributions were not made may receive service credit for that service upon paying the appropriate contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 2 and 3. Creditable service related to these contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. The additional liability relating to the service credits granted under this division becomes part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

(b) Subject to 5 M.R.S. §18305-B, a member who had service as an employee of any participating local district for which contributions were not made may receive service credit for that service upon paying the appropriate contributions to the Members Contribution Fund under the conditions specified in paragraph B, subparagraphs 2 and 3. Creditable service related to these contributions is used in determining that a member is qualified to retire and in the computation of retirement benefit under the applicable service retirement benefit plan under Section 7 or Section 8. The contributions provided for under this subparagraph may be made only after the participating local district that is the member's employer at the time the contributions are made and the service credits are granted agrees to assume the additional liability incurred as part of the district's unpooled unfunded actuarial liability as provided in subsection 2, paragraph A, subparagraph 2.

D. **Optional Members with non-member service**. The purchase of service credit for a member for whom membership is optional under Section 3, subsection 2 who had service as an employee of a participating local district for which contributions were not made is governed by 5 M.R.S. §18305-B, provided that the member has continued to be employed by the same employer as that during which no contributions were paid.

E. **Former Member**; Withdrawal by Employees Not Covered by Social Security. In addition to paragraphs B and C, the repayment of contributions that were withdrawn by a member who is an employee of a participating local district that is not covered under a Social Security Section 218 agreement but that has a plan that meets the requirements of 5 M.R.S. §18252-B is subject to the provisions of 5 M.R.S. §18252-A as amended by PL 2021, c. 90.

F. **Service in the Armed Forces before Becoming a Member**. A member who qualifies under Section 6, subsection 4, paragraph B, sub-paragraphs 1 through 4, shall contribute to the Retirement System for the period of service in the Armed Forces under the following terms and conditions:

(1) Contributions are calculated at the percentage rate required of active members during the period of time covered by the service in the Armed Forces applied to the member's earnable compensation during the first year as an employee subsequent to service in the Armed Forces under the following terms and conditions:

(a) The payment may not be made until the member has accumulated at least 15 years of creditable service and must be made before the date any retirement benefit becomes effective for the member;

(b) If 2 or more percentage rates were in effect during the period of service in the Armed Forces, the highest percentage rate is used;

(c) The minimum rate is 5%; and

(d) Interest at a rate set by the board not to exceed regular interest by 2 or more percentage points is paid on the unpaid balance beginning January 1, 1976, or the date of attaining 15 years of creditable service, if later, to the date payment is made.

(2) **Manner of Repayment**. The repayment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

G. **Service in the Armed Forces after Becoming a Member**. For members who qualify to have their membership in the Retirement System continued under Section 3, subsection 5 because of service in the Armed Forces of the United States, the participating local district shall contribute to the Members' Contribution Fund the same amount that the member would have been required to contribute if the member had been serving the district during the period of service in the Armed Forces in the same capacity in which the member was serving at the time the member joined the Armed Forces. Any member whose contributions to the Members' Contribution Fund are paid by the district under this subsection, who withdraws or ceases to be a member of the Retirement System, may not withdraw any of the contributions made by the district under this subsection. Upon receiving written certification and substantiation from the member's employer that a member has met the requirements of Section 3, subsection 5 and Section 6, subsection 4, paragraph A, the System shall calculate the member contributions applicable to the period of service in the Armed Forces. The participating local district by which the member is employed is responsible for those contributions and will be billed by the System.

H. **Out-of-state Service**. A member who qualifies under Section 6, subsection 5, must make contributions into the Members' Contribution Fund for the years of out-of-state service under the following terms and conditions:

(1) Contributions are calculated on the same basis as the member would have made contributions had the service been in the State;

(a) The payment may not be made until the member has accumulated at least 20 years of creditable service in the Retirement System and must be made before the date any retirement benefit becomes effective for the member; and

(b) Interest at a rate, to be set by the Board, not to exceed regular interest by 5 or more percentage points is paid on the unpaid balance. Interest shall be computed from the end of the year when those contributions would have been made, if the service had been in the State, to the date of payment.

(2) **Manner of Payment**. The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

I. **Refund of Contributions**. Refunds of contributions to members under The Plan are subject to 5 M.R.S. §§ 18306-A and 18307-A.

J. **Teachers in Private, Parochial and Other Schools**. A member who qualifies under Section 6, subsection 8, must make contributions into the Members' Contribution Fund for the years of private, parochial or other school service under the following terms and conditions:

(1) Contributions are calculated on the same basis as the member would have made contributions had the service been as a state employee or teacher in the State. The member's earnings for the years of private or parochial teaching must be assumed to have been the same as the average salary for teachers in the State as determined by the Department of Education for each of the years when the private or parochial school teaching took place.

(a) The payment may not be made until the member has accumulated at least 20 years of creditable service in the Retirement system as a member of the participating local district and must be made before the date any retirement benefit becomes effective for the member;

(b) Interest at a rate, to be set by the Board, not to exceed regular interest by 5 or more percentage points is paid on the unpaid balance. Interest shall be computed from the end of the year when those contributions would have been made, if the service had been as a state employee or teacher in the State, to the date of payment.

(2) **Manner of Payment**. The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

K. **Portability of Service**. A member who elects under 5 M.R.S. §18253, sub-§1, paragraph E to include all or part of the creditable service and earnable compensation from a prior plan with service earned under The Plan may do so under the following terms and conditions:

(1) Before any retirement benefit becomes effective for that member, the member must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior plan creditable service and earnable compensation with service earned under The Plan.

(2) **Manner of Payment**. The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

L. **Back contributions for certain days off without pay**. A member who elects under 5 M.R.S. §18305-C to include compensation that would have been paid for days off without pay in order to include those earnings in the calculation of the member's average final compensation as provided in 5 M.R.S. §17001, sub-§4, paragraph A, may do so under the following terms and conditions:

(1) **Election**. If the retirement system determines at the time a member retires that the member's benefit would be increased as a result of the inclusion of compensation that would have been paid for days off without pay, the retirement system shall advise the member of that result and shall allow the member to elect to have that compensation included in the calculation of the member's benefit and to make payments as set forth in subsection 2.

(2) **Payment**. The amount that a member who makes the election permitted in subsection 1 must pay is the amount equal to the employee contribution that member would have made on compensation that would have been paid to that member on the days off without pay, plus interest at the same rate as

that required for repayment of withdrawn contributions pursuant to section 18304. If the member elects to make the payment, the retirement system shall withhold the required amount from the member's first retirement benefit check.

(3) **Benefit calculation**. If a member fails to make the election within 31 days of the notification provided under subsection 1, the retirement system shall calculate the member's retirement benefit without inclusion of the compensation that would have been paid for the days off without pay.

M. **Law enforcement service before becoming a member.** A member who qualifies under Section 6, subsection 10 must make contributions into the Members' Contribution Fund for the period of law enforcement service under the following terms and conditions:

(1) Before any retirement benefit becomes effective for that member, the member must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior law enforcement service credit with service earned under The Plan.

(2) **Manner of Payment**. The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

N. **Nonmilitary public employee of the United States Government service before becoming a member.** A member who qualifies under Section 6, subsection 11 must make contributions into the Member's Contribution Fund for the period of nonmilitary public employment with the United States Government under the following terms and conditions:

(1) Before any retirement benefit becomes effective for that member, the member must pay into the Member's Contribution Fund an amount that together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the inclusion of the prior nonmilitary public employment with the United States Government service credit with service earned under The Plan.

(2) **Manner of Payment.** The payment must be made to the Retirement System consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

2. **Employer Contributions**. Contributions by participating local districts whose employees are members under The Plan are subject to 5 M.R.S. §18303, except that contributions and pickup contributions are to be calculated according to Sections 7, 8, and 9, and the following:

A. **Unpooled Unfunded Actuarial Liability Contribution**. Each participating local district with employees who are members under The Plan shall make a contribution known as the "Unpooled Unfunded Actuarial Liability Contribution" based upon:

(1) its Initial Unpooled Unfunded Actuarial Liability, which is the excess of projected liabilities allocated to future benefit payments to current recipients of benefits and to current members as of the date its employees begin participation under The Plan over the sum of the participating local district's assets on hand as of that date and its future employer and member normal contributions. The rate for this portion of Unpooled Unfunded Actuarial Liability Contribution shall be determined by a valuation made by the System's actuary for each participating local district with employees who are members under The Plan; and

(2) any adjustments to the Initial Unpooled Unfunded Actuarial Liability attributable to that district separately. The rate for this portion of the Unpooled Unfunded Actuarial Liability Contribution shall be added to or subtracted from the rate determined under a.

(3) if the calculation required by (1) or (2) above results in a credit balance, the balance may, at the discretion of the participating local district, be applied as an offset against the monthly contribution required in an amount no greater than the total amount of the monthly contribution against which the offset is applied.

B. **Normal Contribution**. Each participating local district with employees who are members under The Plan, along with those members pursuant to Sections 7, 8, and 9, shall make a contribution known as a "Normal Contribution" based upon the portion of projected liabilities attributable to service of all members under the several benefit plans under The Plan for the year following the valuation. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and in accordance with Sections 7, 8, and 9.

C. **Pooled Unfunded Actuarial Liability Contribution**. Each participating local district with employees who are members under The Plan, along with those members pursuant to Sections 7, 8, and 9, shall make a contribution known as the "Pooled Unfunded Actuarial Liability Contribution" based upon the Pooled Unfunded Actuarial Liability. This liability is equal to the present value of all projected benefits for current and future members, including employer contributions related to military service credit under The Plan, less the present value of future member and employer normal contributions, the assets of The Plan and the present value of all Unpooled Unfunded Actuarial Liability contributions. This rate of this contribution shall be determined annually in accordance with Sections 7, 8, and 9.

D. **Disability Benefit Contribution**. Each participating local district with employees who are members under The Plan shall make a contribution known as a "disability benefit contribution" based upon the expected value of future disability benefits to be paid to those employees, and to employees who are participants in the defined contribution 401(a) plan under this chapter but who are not members under The Plan, as a result of disablements occurring during the year following the valuation date. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and participants in the defined contribution 401(a) plan under this chapter who are not members under The Plan.

E. **Death Benefit Contribution**. Each participating local district with employees who are members under The Plan shall make a contribution known as a "death benefit contribution" based upon the expected value of future death benefits to be paid to beneficiaries of those employees and to beneficiaries of employees who are participants in the defined contribution plan under this chapter as a result of deaths occurring during the year following the valuation date. The rate of this contribution shall be determined annually by a valuation made by the System's actuary based upon the membership data relating to all members under each benefit plan under The Plan and participants in the defined contribution plan under this chapter.

SECTION 6. CREDITABLE SERVICE

1. **Determination of Service Credits**. The determination of service credits for members under The Plan is subject to Chapter 401 (94-411 CMR 401) of the rules of the Board.

2. **Prior Service**; Service Before Effective Date of District’s Participation. Service credit for service as an employee of a local district before the beginning date of the participation of the

employees of a participating local district in the Retirement System shall be granted upon certification by the district, subject to limitations in the district's agreement as provided by Section 2, subsection 2, paragraph D and statutes and rules in effect at the time the service was rendered.

3. **Former Member**

A. **Member who Terminated Service**. Upon complete payment of the withdrawn contributions under Section 5, subsection 1, paragraph B, a member shall be granted service credit for the period of time for which the contributions have been repaid. Upon making partial payment of the withdrawn contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the Board.

B. **Service Not under The Plan**. Upon complete payment of the contributions under Section 5, subsection 1, paragraph C, a member shall be granted service credit for the period of time for which the contributions have been paid. Upon making partial payment of the contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the Board.

C. **Contributions Withdrawn by Employees Not Covered by Social Security**. The granting of creditable service upon repayment of contributions, under section 5, subsection 1, paragraph E, that were withdrawn by a member who is an employee of a participating local district that is not covered under a Social Security Section 218 agreement but that has a plan that meets the requirements of 5 M.R.S. §18252-B is subject to the provisions of 5 M.R.S. §18252-A as amended by PL 2021, c. 90.

4. **Service in the Armed Forces**. Service credit for service in the Armed Forces of the United States is governed as follows:

A. **Service after Becoming a Member**. A member is entitled to service credit for the period of time during which the member's membership is continued under Section 3, subsection 5 under the following terms and conditions. Except as provided in subparagraph 3, service credit under this subsection is limited to 5 years.

(1) A member's separation from service in the Armed Forces of the United States must be under conditions other than dishonorable.

(2) A member is not entitled to service credit for military leave if the member's return to membership service is delayed beyond 90 days after separation from the service in the Armed Forces, unless the delay is caused by an illness or disability incurred in the service in the Armed Forces.

(3) A member may not receive service credit for military leave beyond the end of the period of first enlistment or induction or beyond 5 years from the date of original call to active duty in the Armed Forces, whichever is less, unless:

(a) The member's return to active duty in the Armed Forces or the extension of the period of service beyond 5 years is required by some mandatory provision; and

(b) The member presents proof of the return to or extension of service satisfactory to the Board.

B. **Service before Becoming a Member**. A member who served as a full-time active duty member of the Armed Forces of the United States before becoming a member of the Retirement System is entitled to service credit for the period of time the member served in the Armed Forces, under the following terms and conditions. Service credit under this subsection is limited to 4 years.

(1) Except as provided in paragraph 6, on the date of retirement, the member must have at least 15 years of creditable service.

(2) The member must have separated from the Armed Forces under conditions other than dishonorable.

(3) Except as provided in subparagraph 4, the member must have begun membership before January 1, 1976.

(4) Except as provided in paragraph 6, a member who served in the Armed Forces during any federally recognized period of conflict, as defined in 5 M.R.S. §18360(2)(E), is entitled to service credit under this paragraph.

(5) Upon complete payment of the back contributions under Section 5, subsection 1, paragraph F, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

(6) **Alternative**. A member who fails to meet one or more of the terms and conditions required under paragraphs 1, 3 and 4 may purchase service credit as provided in this paragraph. The member must have at least 5 years of creditable service and, before any retirement benefit becomes effective for that member, must pay into the Members' Contribution Fund, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Any member who purchases service credit under this paragraph who subsequently, without inclusion of the purchased service credit and prior to retirement, meets the terms and conditions of paragraphs 1, 2 and 4 is entitled to purchase the service credit under Section 5, subsection 1, paragraph F and to receive a refund of the amount paid under this paragraph that exceeds the cost to purchase the service under Section 5.

5. **Out-of-state Service**. For members who began membership before January 1, 1976, additional service credit shall be allowed for out-of-state service, subject to the following conditions.

A. **20 Years of Creditable Service**. The member must have creditable service in the Retirement System of at least 20 years in the aggregate;

B. **Last 10 Years in Maine; 10 Year Limit**. The member's last 10 years of creditable service before the date of retirement must be in the State and no more than 10 years of service credit may be allowed for out-of-state service; and

C. **Payment of Contributions**. Upon complete payment of the back contributions under Section 5, subsection 1, paragraph H, subparagraph 2, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, subsection 1, paragraph H, subparagraph 2, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

D. **Alternative**. If service credit for out-of-state service is not allowed under paragraph A and B, service credit for out-of-state service shall be allowed if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

(1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.

(2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

E. **Service Credit not to be Used in Another State**. Any application for a retirement benefit for which out-of-state service credit is to be granted must be accompanied by a certified statement from the appropriate retirement system that the out-of-state service credit granted has not been or will not be used to obtain benefits in another state.

6. **Disability Retirement Service Credit**. A recipient of a disability retirement benefit shall receive service credit for the purpose of determining benefits under The Plan for the period of time following termination of service during which disability retirement benefits are being received under 5 M.R.S. Chapter 425, subchapter V, article 3-A.

7. **Unused Sick Leave or Vacation Leave**

A. **Earnable Compensation.** A member's earnable compensation does not include payment for unused accumulated or accrued sick leave, unused vacation time, or a combination of both, or any other payment that is not compensation for actual services rendered or that is not paid at the time the actual services are rendered, except that for a member with at least 20 years of creditable service under The Plan at the effective date of the member's retirement, and for a recipient of a disability retirement benefit, earnable compensation includes payment for unused accumulated or accrued sick leave, unused vacation time, or a combination of both, up to a maximum of 30 days, if paid upon the member's last termination before the member applies for retirement benefits.

B. **Service Credit.** A member may not receive service credit for unused accumulated or accrued sick leave, unused vacation leave, or a combination of both, for which a member is credited on termination of service, but for which the member does not receive payment, except under the following conditions.

(1) Leave, up to a lifetime maximum of 90 days, qualifies for service credit for a member with at least 20 years of creditable service under The Plan, before the application of this sub-paragraph, at the effective date of the member's retirement.

(2) Leave, up to a lifetime maximum of 90 days, qualifies for service credit for a recipient of a disability retirement benefit, at the effective date of the member's disability retirement.

(3) Leave, including leave beyond 90 days, may qualify for service credit, up to the maximum number of days of leave, set by personnel rules or by contract, that a person is allowed to accumulate, if, the member, before any retirement benefit becomes effective for the member, pays into the Members' Contribution Fund, a single payment which is the actuarial equivalent, at the effective date of the member's retirement benefit, of the portion of the member's retirement benefit based on the additional creditable service beyond 90 days.

8. **Teachers in Private, Parochial and Other Schools**. A member who taught in a parochial school or in a public or private academy may purchase up to 10 years of service credit for that service under the following conditions.

A. The member must have taught in a school approved by the Department of Education or the education department of another state while holding an appropriate teaching certificate;

B. **20 Years of Creditable Service**. The member must have 20 years of creditable service as a member of the participating local district;

C. **Membership before January 1, 1976**. The member must have begun membership before January 1, 1976;

D. **Last 10 Years in Participating Local District**. The member's last 10 years of creditable service before the date of retirement must be as a member of the participating local district; and

E. **Payment of Contributions**. Upon complete payment of the back contributions under Section 5, subsection 1, paragraph K, subparagraph 2, the member shall be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under Section 5, subsection 1, paragraph K, subparagraph 2, the member shall be granted service credit on a pro rata basis in accordance with rules adopted by the board.

F. **Alternative**. If service credit for private, parochial or other school service is not allowed under paragraphs B and C, additional service credit is allowed for any member who meets the requirements of paragraphs A and D, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

(1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.

(2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement

benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

9. **Other Schools and Programs**. A member who terminates service in the State and teaches under the Volunteers in Service to America Program, the Fulbright Exchange Program or the Peace Corps, foreign or domestic, or teaches children of United States Foreign Corps personnel outside the continental limits of the United States is entitled to service credit for that service under the following conditions.

A. **2 Year Limit**. The service credit may not exceed 2 years.

B. **Return to Active Service**. The member must return to active service as a member of the retirement system within one year of the completion of the teaching outside of the State described in this section.

C. **Payment of Contributions**. The member, before any retirement benefit becomes effective for that member, must pay into the Members' Contribution Fund an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Payments must be made consistent with Chapter 406 (94-411 CMR 406) of the rules of the Board.

10. **Law enforcement service before becoming a member.** A member who served as a full-time law enforcement officer with a federal, state, county or local law enforcement agency before becoming a member, and who did not decline membership under section 3, subsection 2, during the period of prior law enforcement service, is entitled under this subsection to purchase service credit for the period of time that the member served as a law enforcement officer under the following conditions:

A. **15 years of creditable service.** The member must have at least 15 years of creditable service at the time of retirement.

B. **4 year limit.** Service credit purchased under this subsection is limited to 4 years.

C. **Service credit not to be used for other benefits.** The member must provide a certified statement from the appropriate retirement system that the service credit to be granted has not been and will not be used to obtain other retirement benefits.

D. **Payment of contributions.** The member must complete payment of contributions as required by Section 5, subsection 1, paragraph M.

(1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.

(2) If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

11. **Nonmilitary public employee of the United States Government service.** A member who served as a nonmilitary public employee of the United States Government before becoming a member is entitled under this subsection to purchase service credit for the period of time that the member served as a nonmilitary public employee of the United States Government under the following conditions:

A. **5 year limit.** Service credit purchased under this subsection is limited to 5 years.

B. **Payment of contributions.** The member must complete payment of contributions as required by Section 5, subsection 1, paragraph N.

(1) Additional amounts paid under this subsection shall become a part of the member's accumulated contributions.

(2) If any retirement benefit becomes effective before the completion of payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service.

SECTION 7. REGULAR SERVICE RETIREMENT BENEFIT PLANS

Payment of benefits to members under The Plan is subject to the provisions of 5 M.R.S. §§ 18403 – 18405-A, 18409 - 18413.

1. **Regular Benefit Plan AC**. Regular Benefit Plan AC may be elected by any participating local district or local district.

A. **Contribution Rate**. Subject to Section 15, subsection 1, and the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

(1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

(2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee;

(3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.; and

(4) Rates shall reflect any differences in actuarial assumptions and experience and shall be based on whether the member is subject to paragraphs B or B-1.

B. **Qualification for Benefit Prior to July 1, 2014**. A member of The Plan prior to July 1, 2014 qualifies for a service retirement benefit under this paragraph when one of the following occurs:

(1) The member is in service when reaching 60 years of age, or is in service after reaching 60 years of age, and has been in service for a minimum of one-year immediately before retirement or except as provided in sub-paragraph 4 has at least 10 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8;

(2) The member is not in service when reaching 60 years of age, and except as provided in sub-paragraph 4 has at least 10 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8; or

(3) The member has completed 25 or more years of creditable service, which may include, for the purpose of meeting eligibility requirements, creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8.

(4) The member has at least 5 years of creditable service, which, for the purpose of determining completion of the 5-year requirement, may include creditable service as a member of the Legislative Retirement Program, and:

(a) Was in service on October 1, 1999;

(b) Had left prior to October 1, 1999 with or without withdrawing contributions and on or after October 1, 1999 returned to service; or

(c) Was first in service on or after October 1, 1999.

B-1. **Qualification for Benefit after July 1, 2014**. A member who was not covered by The Plan prior to July 1, 2014 qualifies for a service retirement benefit under this paragraph when one of the following occurs:

(1) The member is in service when reaching 65 years of age, or is in service after reaching 65 years of age, and has been in service for a minimum of one year immediately before retirement or has at least 5 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8;

(2) The member is not in service when reaching 65 years of age and has at least 5 years of creditable service, which may include creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8; or

(3) The member has completed 25 or more years of creditable service, which may include, for the purpose of meeting eligibility requirements, creditable service as a member of the Legislative Retirement Program under 3 M.R.S. §701, sub-§8.

C. **Computation of Benefit - Retirement at Normal Retirement Age or Later**. Subject to the requirements of Section 4, subsection 6, the total amount of the service retirement benefit for a member qualified under paragraph B, subparagraphs 1, 2 or 4 or under paragraph B-1, equals:

(1) 1/50 of the member's average final compensation multiplied by the number of years of creditable service under The Plan; and

(2) For members retiring prior to September 1, 2028, if the member had creditable service, with the member's current employer before that employer's employees were under The Plan, the benefit for that creditable service is calculated on the basis of:

(a) 1/50 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/50 formula;

(b) 1/60 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/60 formula; and

(c) 1/70 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/70 formula.

For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under The Plan.

(3) For members retiring prior to September 1, 2028, if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under The Plan.

(4) For members retiring prior to September 1, 2028, if the member has prior service credit, the benefit for that service is calculated on the basis of the applicable formula of paragraph C (2) above, as adopted by the district for prior service credit. For members retiring on or after September 1, 2028 the benefit will be calculated as if the service had been under The Plan.

D. **Computation of Benefit - Retirement before Normal Retirement Age - With Creditable Service of 25 Years or More**. Subject to the requirements of Section 4, subsections 5 and 6, the amount of the service retirement benefit for a member who retires prior to normal retirement age shall be computed as follows:

(1) The amount of the service retirement benefit for a member qualified under paragraph B, subparagraph 3, who has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that:

(a) The amount arrived at under paragraph C shall be reduced by applying to that amount the percentage that a life annuity due at age 60 bears to the life annuity due at the age of retirement.

(b) For the purpose of making the computation under division a, the Board-approved tables of annuities in effect at the date of the member's retirement shall be used.

(2) The amount of the service retirement benefit for a member qualified under paragraph B-1, subparagraph 3, who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that the benefit is reduced by 6% for each year that the member’s age precedes 65 years of age.

(3) The amount of the service retirement benefit for all other members shall be computed in accordance with paragraph C, except that the amount arrived at under paragraph C shall be reduced to reflect the full actuarial impact of the early retirement.

E. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

2. **Regular Benefit Plan AN**. Regular Benefit Plan AN may be elected by any participating local district or local district.

This benefit plan is the same as Regular Benefit Plan AC, except that there is no provision for cost of living adjustments.

3. **Regular Benefit Plan BC**. Regular Benefit Plan BC may be elected by any participating local district or local district which covers its employees under the Federal Social Security program under a Section 218 Agreement. Any current employee who was a member under a plan which provided benefits under the 1/50 or 1/60 formula with a cost of living adjustment may elect to be under Regular Benefit Plan A and any current employee who was under a plan which provided benefits under the 1/50 or 1/60 or 1/70 formula without cost of living adjustments may elect to be under Regular Benefit Plan AN. Regular Benefit Plans AC and AN require that members make contributions at the rate as set forth in subsections 1 and 2. For the purposes of this subsection, "current employee" means a person whose employment with a participating local district began prior to the date on which participation in The Plan for that district's employees begins and who is a member as an employee of that district on that date.

A. **Contribution Rate**. Employer and employee contribution rates are set in the same manner and subject to the same requirements as Regular Benefit Plan AC.

B. **Qualification for Benefit**. The requirements for a member to qualify for a service retirement benefit under this paragraph are exactly the same as under Regular Benefit Plan AC - subsection 1, paragraphs B and B-1.

C. **Computation of Benefit - Retirement at Normal Retirement Age or Later**. Subject to the requirements of Section 4, subsection 6, the total amount of the service retirement benefit for a member qualified as specified in subsection 1, paragraph B, subparagraph 1, 2 or 4 or under subsection 1, paragraph B-1 equals:

(1) 1/100 of the member's average final compensation multiplied by the number of years of membership service under The Plan; and

(2) For members retiring prior to September 1, 2028, if the member had creditable service, with the member's current employer before that employer's employees were under The Plan, the benefit for that creditable service is calculated on the basis of:

(a) 1/50 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/50 formula;

(b) 1/60 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/60 formula; and

(c) 1/70 of the member's average final compensation multiplied by the number of years of creditable service, if, before being under The Plan, the service retirement benefit for that employer's employees was based upon the 1/70 formula.

For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under Regular Benefit Plan AC.

(3) For member retiring prior to September 1, 2028 if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under Regular Benefit Plan AC.

(4) For members retiring prior to September 1, 2028, if the member has prior service credit, the benefit for that service is calculated on the basis of the applicable formula of paragraph C (2) above, as adopted by the district for prior service credit. For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under Regular Benefit Plan AC.

D. **Computation of Benefit - Retirement before Normal Retirement Age - With Creditable Service of 25 Years or More**. Subject to the requirements of Section 4, subsections 5 and 6, the amount of the service retirement benefit for a member who retires prior to normal retirement age shall be computed as follows:

(1) The amount of the service retirement benefit for a member qualified as specified in subsection 1, paragraph B, subparagraph 3, who has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with paragraph C, except that:

(a) The amount arrived at under paragraph C shall be reduced by applying to that amount the percentage that a life annuity due at age 60 bears to the life annuity due at the age of retirement.

(b) For the purpose of making the computation under subparagraph 1, the board-approved tables of annuities in effect at the date of the member's retirement shall be used.

(2) The amount of the service retirement benefit for a member qualified under subsection 1, paragraph B-1, subparagraph 3, who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, shall be computed in accordance with subsection 1, paragraph C, except that the benefit is reduced by 6% for each year that the member’s age precedes 65 years of age.

(3) The amount of the service retirement benefit for all other members shall be computed in accordance with paragraph C, except that the amount arrived at under Paragraph C shall be reduced to reflect the full actuarial impact of the early retirement.

E. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

4. **Minimum Benefit**. Any member under The Plan who has 10 or more years of creditable service at retirement is entitled to a minimum service retirement benefit of $100 per month.

SECTION 8. SPECIAL SERVICE RETIREMENT BENEFIT PLANS

Payment of benefits to members under The Plan is subject to the provisions of 5 M.R.S. §§ 18403 – 18405-A, 18409-18413. If, upon electing to participate in The Plan, a participating local district elects a special benefit plan other than the special benefit plan that a member is then covered under, the member may elect to continue under the special benefit plan under which the member is then covered. The member's election must be made as of the date on which the district's participation in The Plan begins and may not be changed thereafter. Members having membership service under special plans prior to July 1, 1977, are entitled to the alternative benefit computation based on that service in accordance with the applicable provision of 5 M.R.S. §18453. A member who does not qualify to retire under a special service retirement plan may retire under a regular service retirement plan at any time after the member qualifies under Section 7. The service retirement benefit for all service is computed as provided in Section 7.

1. **Special Benefit Plan 1C**. Special Benefit Plan 1C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, and emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics.

A. **Contribution Rate**. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

(1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

(2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and

(3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. **Qualification for Benefit**

(1) A member qualifies for a service retirement benefit under this subsection when the member has completed 20 years of creditable service as an employee in one or more of the types of employment specified in this subsection and ~~specified by the district as covered~~ under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit. A member in a position specified under this

plan may purchase creditable service under this plan if otherwise eligible regardless of whether the district has specified the employee's position as covered under this plan;

(2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of one year of special plan service credit for each two years of regular plan service credit; and

(3) Except for employees who are entitled, under the current employer's plan in effect before the employer's employees become members under The Plan, to use military service credits to qualify for service retirement benefits, service credits for service in the Armed Forces before becoming a member, under Section 6, subsection 4, paragraph B, apply only to additional retirement benefits under this plan and the service credits do not apply to service requirements to qualify for retirement benefits.

(4) Service credits for law enforcement service before becoming a member, under Section 6, subsection 10, apply only to additional retirement benefits under this plan and the service credits do not apply to service requirements to qualify for retirement benefits.

C. **Computation of Benefit**. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph B, equals 1/2 of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.

(1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.

(2) For members retiring prior to September 1, 2028, if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on after September 1, 2028, credible service under this subparagraph is used when calculating the benefit under this paragraph.

D. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

2. **Special Benefit Plan 1N**. Special Benefit Plan 1N may be elected by any participating local district or local district.

This benefit plan is identical to Special Benefit Plan 1C, except that there is no provision for cost of living adjustments.

3. **Special Benefit Plan 2C**. Special Benefit Plan 2C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1. A district may also elect this plan for all of its employees.

A. **Contribution Rate**. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

(1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

(2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and

(3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. **Qualification for Benefit**

(1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and ~~specified by the district as covered~~ under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit. A member in a position specified under this plan may purchase creditable service under this plan if otherwise eligible regardless of whether the district has specified the employee's position as covered under this plan; and

(2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

C. **Computation of Benefit**. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph 2, equals 1/2 of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.

(1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under

this paragraph.

(2) For members retiring prior to September 1, 2028, if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on or after September 1, 2028, credible service under this subparagraph is used when calculating the benefit under this paragraph.

D. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

4. **Special Benefit Plan 2N**. Special Benefit Plan 2N may be elected by any participating local district or local district.

This benefit plan is identical to Special Benefit Plan 2C, except that there is no provision for cost of living adjustments.

5. **Special Benefit Plan 3C**. Special Benefit Plan 3C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1.

A. **Contribution Rate**. The contribution rate for members under Special Benefit Plan 3C is as set out below until the completion of 25 years of creditable service under this special benefit plan, after which the members contribute at the same rate of earnable compensation as paid by members who contribute under Regular Plan AC as set forth in Section 7, subsection 1, paragraph A. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System’s actuary in accordance with the following:

(1) The Plan’s unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

(2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and

(3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. **Qualification for Benefit**

(1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and ~~specified by the district as covered~~ under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit. A member in a position specified under this plan may purchase creditable service under this plan if otherwise eligible regardless of whether the district has specified the employee's position as covered under this plan; and

(2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

C. **Computation of Benefit**. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph 2, equals 2/3 of the member's average final compensation and, subject to the limitations of subsection J, an additional 2% of the member's average final compensation for each year of creditable service not included in determining qualification under paragraph B.

(1) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.

(2) For members retiring prior to September 1, 2028, if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on or after September 1, 2028, credible service under this subparagraph is used when calculating the benefit under this paragraph.

D. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

6. **Special Benefit Plan 3N**. Special Benefit Plan 3N may be elected by any participating local district or local district.

This benefit plan is identical to Special Benefit Plan 3C, except that there is no provision for cost of living adjustments.

7. **Special Benefit Plan 4C**. Special Benefit Plan 4C may be elected by any participating local district or local district for police officers, firefighters, sheriffs, full-time deputy sheriffs, county corrections employees who are employed at a county jail and whose duties include contact with prisoners or juvenile detainees, emergency medical services persons as defined in Title 32 M.R.S. §83, sub-§12, including but not limited to first responders, emergency medical technicians, advanced emergency medical technicians and paramedics, and dispatchers as defined in 5 M.R.S. §18313, sub-§1.

A. **Contribution Rate**. The contribution rate for members under Special Benefit Plan 4C is as set out below until the completion of 25 years of creditable service under this special benefit plan, after which the members contribute at the same rate of earnable compensation as paid by members who contribute under Regular Plan AC as set forth in Section 7, subsection 1, paragraph A. Subject to Section 15, subsection 1, and to the rate caps under Section 9, employer and employee contributions shall be set annually by the Board based on the recommendations of the System's actuary in accordance with the following:

(1) The Plan's unfunded actuarial liability as of June 30, 2018, shall be paid in an actuarially sound manner and allocated between the employer and employee in a ratio approved by the Board based on the recommendation of the Participating Local District Advisory Committee;

(2) Any Plan unfunded actuarial liability created beginning July 1, 2018, shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee; and

(3) The normal cost shall be paid through employer and employee contributions allocated 58% to the employer and 42% to the employee.

B. **Qualification for Benefit**

(1) A member qualifies for a service retirement benefit under this subsection when the member has completed 25 years of creditable service as an employee in one or more of the types of employment specified in this subsection and ~~specified by the district as covered~~ under this plan. If the member had creditable service under a special plan with the member's current employer before that employer's employees became members under The Plan, that creditable service is counted when determining the member's qualification for this benefit. A member in a position specified under this plan may purchase creditable service under this plan if otherwise eligible regardless of whether the district has specified the employee's position as covered under this plan; and

(2) A member who has accrued service credits under a regular service retirement plan before accruing service under this plan, and for whom the regular plan service credits are considered service under The Plan as provided by Section 4, subsection 1, may use those service credits toward qualifying to retire under this plan at the rate of two years of special plan service credit for each three years of regular plan service credit.

C. **Computation of Benefit**. Subject to the requirements of Section 4, subsections 5 and 6, the total amount of the service retirement benefit for a member qualified under paragraph B, equals:

(1) If the member retires after reaching age 55, 1/50 of the member's average final compensation multiplied by the number of years of creditable service;

(2) If the member retires before reaching age 55, 1/50 of the member's average

final compensation multiplied by the number of years of creditable service reduced as follows:

(a) For a member who was covered by The Plan prior to July 1, 2014, who has 20 or more years of creditable service under The Plan as of July 1, 2019, the benefit is reduced by applying to that amount the percentage that a life annuity due at age 55 bears to the life annuity due at the age of retirement.

(b) For a member who was not covered by The Plan prior to July 1, 2014, but who, pursuant to Title 5, Section 18253, has 20 or more years of creditable service under The Plan as of July 1, 2019, the benefit is reduced by 6% for each year that the member's age precedes 55 years of age.

(c) For all other members, the benefit is reduced to reflect the full actuarial impact of the early retirement.

(3) If the member had creditable service under a special plan, with the member's current employer, before that employer's employees became members under The Plan, that creditable service is used when calculating the benefit under this paragraph.

(4) For members retiring prior to September 1, 2028, if the member had creditable service with an employer other than the member's current employer before becoming a member under The Plan for which the member's current employer has not accepted liability, and for which the member has not made the election under 5 M.R.S. §18253, sub-§1, paragraph E, the benefit for that creditable service is calculated on the basis of creditable service and earnable compensation with the previous employer and in accordance with the previous employer's regular service retirement plan immediately before the previous employer's employees became members under The Plan or the previous employer withdrew from the System. If the previous employer has neither begun participation in The Plan nor withdrawn from the System, the benefit is calculated on the basis of the previous employer's plan at the time of the member's retirement. For members retiring on or after September 1, 2028, credible service under this subparagraph is used when calculating the benefit under this paragraph.

D. **Cost of Living Adjustments**. All benefits based upon creditable service under this service retirement benefit plan are subject to cost of living adjustments as provided by Section 9. Benefits based upon creditable service earned before a member was under The Plan will be subject to cost of living adjustments only if the employer's plan provided for cost of living adjustments.

8. **Special Benefit Plan 4N**. Special Benefit Plan 4N may be elected by any participating local district or local district prior to February 1, 2024.

This benefit plan is identical to Special Benefit Plan 4C, except that there is no provision for cost of living adjustments.

9. **Transfer from Special Plan Position to Non-Special Plan Position Due to Disability**. A member who has not completed the service requirements for retirement under a special service retirement benefit plan, upon becoming disabled as defined in section 18521, and upon becoming reemployed in a position not under a special service retirement benefit plan shall upon retirement receive retirement benefits as follows:

A. The part of the member's service retirement based upon membership service before becoming disabled shall be computed according to the formula for computing benefits under the member's previous special plan.

B. The part of the member's service retirement based upon membership service after becoming reemployed in a position not under a special plan shall be computed according to the formula for computing benefits under the member's previous special plan.

C. If the member is found to be no longer disabled, as defined in section 18521, the member may:

(1) Return to a position in the member's previous special plan; or

(2) Remain in the position which is not under a special plan and have the part of the member's service retirement benefit based upon post-disability service computed in accordance with the applicable regular service retirement benefit plan under Section 7.

D. The executive director may require that a member subject to this subsection submit records and undergo medical examinations or tests to determine the member's disability for purposes of paragraph C.

(1) If the member refuses to submit records or undergo the examination or tests under this paragraph, the member's retirement benefit shall be based upon the applicable regular service retirement benefit plan under Section 7 until the member withdraws the refusal.

(2) If the member's refusal under subparagraph 1 continues for one year, all the member's rights to any further benefit under this subsection shall cease.

10. **Additional 2% Benefit**. For members retiring prior to September 1, 2028, the additional 2% of average final compensation benefit provided to members under the special service retirement plans in this section is applicable only to service credits earned with relation to service rendered after a member becomes a member under The Plan. A member is also entitled to this benefit for service rendered before becoming a member under The Plan to the extent that the member was entitled to the benefit under the member's current employer's retirement plan that was in effect immediately before the employer's employees became members under The Plan. For members retiring on or after September 1, 2028, the benefit will be calculated as if the service had been under The Plan.

SECTION 9. COST OF LIVING ADJUSTMENTS; CONTRIBUTION CAPS

1. **Cost of Living Adjustments.** Subject to subsections 2, 3, 4 and 5, the cost-of-living adjustment shall be determined as follows.

A. Except as provided in subsections 2, 3 and 4, whenever there is a percentage increase in the Consumer Price Index from July 1 of the previous year to June 30 of the current year, the Board shall automatically make an equal percentage increase in retirement benefits, beginning in September, up to a maximum annual increase of 2.5%.

B. If there is a percentage decrease in the Consumer Price Index from July 1st to June 30th, the Board shall set the percentage change at 0% for that September. The adjustment for the following year must be set based on the actuarially compounded Consumer Price Index for both years in a cost-neutral manner. If the Consumer Price Index in the subsequent year or years is not sufficient to allow for the adjustment to be cost-neutral for the 2 years, then the adjustment needed for cost-neutrality must continue to be applied to following years until such time as the cost-neutrality requirement is met.

C. The Board shall determine the costs of the adjustments under this Section and shall include those costs in the annual valuation.

D. Cost-of-living adjustments under this Section shall be applied to the retirement benefits of retirees as follows:

(1) For retirees who retire prior to September 1, 2019, a cost-of-living adjustment is applied if the retiree has been retired for at least 12 months before the date that the adjustment becomes payable.

(2) For retirees who retire on or after September 1, 2019, a cost-of-living adjustment is applied if the retiree has been retired for at least 24 months before the date that the adjustment becomes payable. Beneficiaries of deceased retirees shall be eligible for the cost-of-living adjustment at the same time the deceased retiree would have become eligible.

2. **Contribution Caps.** The employer and employee contribution rates, as calculated in the aggregate across all benefit plans in The Plan, are capped at 12.5% and 9%, respectively. If the rates calculated by the System's actuary would exceed the caps for a particular year, the following shall occur:

A. The aggregated employer and employee rates will be reduced to the cap amounts, and the Board will set individual benefit plan rates based on the System's actuary's recommendation for allocating the reductions.

B. The cost of living adjustment calculated under subsection 1 shall be reduced to maintain cost-neutrality, but not below zero. If the reduction otherwise would have been below zero, then an adjustment will be applied to contribution rates, up to the caps set forth in this subsection, and the cost of living adjustment, but not below zero, in following years until such time as cost-neutrality is achieved.

3. Notwithstanding subsection 1, paragraph A, the cost-of-living adjustment for the period from September 1, 2021 through August 31, 2022 shall be 3.5%.

4. Notwithstanding subsection 1, paragraph A, the cost-of-living adjustment for the period from September 1, 2022 through August 31, 2023 shall be 3.5%.

5. In addition to the cost-of-living adjustment under subsection 1, paragraph A, a one-time noncumulative cost-of-living adjustment payment equal to 0.5% of retirement benefits will be paid to those eligible for a cost-of-living adjustment for the period from September 1, 2023 through August 31, 2024.

SECTION 10. DISABILITY BENEFITS

1. **Members of The Plan**. Disability retirement benefits for members under The Plan are subject to 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, *Disability Retirement Benefits After September 30, 1989*, as amended by PL 2025, chapters 221 and 270, except section 18534.

2. **Election Regarding Age-limit or No-age-limit Disability**. The election made by each member under PL 1991, c. 887 whether to be covered under age-limit or no-age-limit

disability remains in effect after a member's participation in The Plan begins. Depending upon a member's election, the member is covered under the age-limit or no-age-limit version of the disability plan specified in this Section.

3. **Current Recipients of Disability Benefits**. After having begun to participate in The Plan, a participating local district which before participating in The Plan did not have as part of its plan 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, *Disability Retirement Benefits After September 30, 1989*, may elect to adopt 5 M.R.S. §18534, thereby allowing its former employees who are recipients of disability retirement benefits under prior law the option of being governed by disability retirement provisions applicable to members under The Plan. Any former employee of a district which adopts §18534 who is a recipient of a disability retirement benefit under 5 M.R.S., Article 3, as in effect immediately before October 1, 1989, or under section 1122 of the former retirement system law, as in effect immediately before July 1, 1977, may elect to be governed by 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 3-A, by making written application to the executive director within 6 months after adoption of this provision by the participating local district. If the disability retirement benefit recipient makes the election, Article 3-A shall apply from the date of the recipient's original eligibility for disability retirement, but any increase in benefits may only be granted from the date of election by the recipient. The district's adoption and the recipient's election are irrevocable. The additional liability resulting from the adoption of this provision will be included in the district's Additional Unpooled Unfunded Actuarial Liability.

SECTION 11. ORDINARY DEATH BENEFITS

Ordinary death benefits for members under The Plan are subject to 5 M.R.S., Chapter 425, subchapter V, *Benefits*, Article 4, *Ordinary Death Benefits*.

SECTION 12. ACCIDENTAL DEATH BENEFITS

1. **Definitions**. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

   A. **Professional firefighter**. “Professional firefighter” means an employee of a municipal fire department who is a member of the Participating Local District Retirement Program or who is a participating member under chapter 425 and who aids in the extinguishment of fires, whether or not the employee has other administrative duties.

   B. **Qualifying member**. “Qualifying member” means:

      (1) A member who dies as a result of an injury arising out of and in the course of employment as an employee;

      (2) After October 31, 2004, an active member who is a professional firefighter who dies as a result of an injury or disease as described in Title 39-A, section 328 if the injury or disease that causes the death is the result of a condition that develops within 30 days of the active member’s participating in firefighting or training or a drill that involves firefighting. If the professional firefighter dies after 30 days but within 6 months of participating in firefighting or training or a drill that involves firefighting, there is a rebuttable

presumption that the death is the result of an injury arising out of and in the course of employment as a professional firefighter; or

(3) A former member receiving a disability retirement benefit who dies as a result of an injury arising out of and in the course of employment as an employee.

2. **Qualification for Benefit**. The beneficiary of a qualifying member shall receive a benefit in accordance with section 18603.

3. **Computation of Benefit**. Benefits under this section are determined as follows:

A. **Surviving spouse; no dependent children**. If the qualifying member is survived by a spouse and no dependent child, the surviving spouse shall be paid 2/3 of the average final compensation of the qualifying member.

B. **Surviving spouse having care of dependent children**. If the qualifying member is survived by a spouse who has the care of the dependent child or dependent children of the qualifying member, the surviving spouse shall be paid an annual sum equal to the average final compensation of the qualifying member.

C. **Surviving spouse not having care of dependent children**. If the qualifying member is survived by a spouse who does not have the care of the dependent child or dependent children of the qualifying member, the surviving spouse shall share with the dependent child or dependent children an annual sum equal to the average final compensation of the qualifying member, the benefit to be divided equally among the surviving spouse and the dependent child or dependent children.

D. **No surviving spouse**. If no spouse survives the qualifying member, the dependent child or dependent children shall be paid an annual sum equal to the average final compensation of the qualifying member.

4. **Method of Payment**. All benefits paid under this section shall be paid in equal monthly installments beginning the first month after the death of the qualifying member.

5. **Adjustment of Benefits**. Benefits under this section are subject to the following adjustments:

A. **Cessation of eligibility**. When a person sharing benefits under section 18603 ceases to be eligible to receive benefits, the subsequent benefits of the remaining beneficiaries shall be recalculated as if the remaining beneficiaries had been the only beneficiaries to survive the qualifying member.

B. **Workers' compensation or similar law**. The amount payable under this section must be reduced by any amount received by the surviving spouse and dependent child or dependent children under former Title 39, the *Workers' Compensation Act* or Title 39-A, Part 1, the *Maine Workers' Compensation Act of 1992*, or a similar law.

(1) Lump-sum settlements of benefits that would reduce the accidental death benefits under this subsection must be prorated on a monthly basis in an equitable manner prescribed by the board.

(2) The prorated lump-sum settlement amounts must reduce the accidental death benefits payable monthly under this section.

C. **Cost-of-living adjustments**. Benefits under this section are subject to adjustment as provided in section 9.

6. **Termination of Benefits**. The benefits under this section shall be paid to:

A. **Surviving spouse**. The surviving spouse until the spouse dies; and

B. **Dependent children**. The dependent child or dependent children until they die or until they no longer meet the definition of "dependent child" under section 17001, subsection 12.

SECTION 13. DEFINED CONTRIBUTION/DEFERRED COMPENSATION PLANS

1. **Defined Contribution/Deferred Compensation Plans**. A participating local district may provide for the participation of its employees in a defined contribution and/or deferred compensation plan or plans for which the System is The Plan Sponsor. To provide for its employees' participation, the participating local district employer must comply with the procedure for adoption set out in paragraph 6.

2. **District is Employer**. For all purposes related to such a plan or plans, the participating local district is the employer of its employees who participate in the plan or plans.

3. **Federal Law Requirements**. The plan or plans for which the System is Plan Sponsor must meet all applicable federal law requirements.

4. **Terms and Requirements of Plan**. The rights, obligations, conditions and terms of each plan or plans for which the System is Plan Sponsor are those provided in the relevant Plan Document, as revised or amended from time to time.

5 **Plan under 5 MRSA Section 18252-B**. Adoption of a plan or plans under this section does not by itself satisfy the requirements of 5 M.R.S. §18252-B. A participating local district that intends a plan or plans that it adopts under this section to comply with 5 M.R.S. §18252-B must also meet that section's requirements.

6. **Procedure for Adoption**

A. **Adoption Agreement**. A participating local district that acts to adopt a plan or plans under this section must complete the relevant Adoption Agreement or Agreements in a form provided or authorized by the System. An Adoption Agreement constitutes documentation of the participating local district's decision to adopt the plan to which the Agreement applies and signifies its understanding and acceptance of the provisions of the plan as set out in The Plan Document.

B. **401(a) Plan: Contribution Rates**. In the case of a plan established in accordance with the requirements of Section 401(a) of the United States Internal Revenue Code of 1986, as amended,

(1) the Adoption Agreement must specify the required employee contribution as established by the participating local district employer and the employer contribution, if any; and

(2) the participating local district may change the amount of the required employee contribution annually, effective July 1 immediately following its decision to change the amount. The participating local district must document the change by amending its Adoption Agreement to state the new required employee contribution amount. An employee already participating in the district's 401(a) plan at the time the required employee contribution amount is changed must change to the new required contribution amount.

7. **Disability Retirement Benefits: Participants in a 401(a) Plan who are Not Members under The Plan**

A. **Applicability**. Employees who are participants in a 401(a) plan under this section and who are not members under The Plan are covered in the event of disability as set out in paragraph B.

B. **Disability Retirement Program**. The disability retirement program established under this paragraph is that established by section18521 *et seq*. and implemented by the System's related rules and policies, including but not limited to the disability application, determination and review processes, and standards for benefit eligibility and standards for continuation of benefits.

(1) Title 5 M.R.S. §18524, sub-§2, applies to an employee with fewer than 5 years of participation in the 401(a) plan.

(2) Except as provided in subparagraph 3, the amount of the disability retirement benefit is 60% of the participant's annual compensation being paid at the time the participant became disabled, subject to adjustment as provided by 5 M.R.S. §18407 and this chapter.

(3) A participant who is found eligible for a disability retirement benefit and who terminates employment may elect to withdraw the balance of the participant's 401(a) account. If such a withdrawal includes employer contributions made on behalf of the participant, the disability retirement benefit will be actuarially adjusted so that the participant receives a disability retirement benefit of not more than the amount specified in subparagraph 2.

(4) Benefits cease if the participant is found no longer eligible under the applicable statute, or on the date that the participant is required to receive a Required Minimum Distribution under federal law, whichever is earlier.

SECTION 14. RETIRING AND RETURNING TO WORK

If a person who is a recipient of a service retirement benefit under The Plan returns to employment by a participating local district of The Plan in a position for which membership would be mandatory or optional for a new hire, the person continues to receive the service retirement benefit and does not re-enter The Plan as a member. During the period that a retiree is returned to employment, contributions must be remitted to the System by the participating local district in the amount of the greater of (i) 5% of the person's earnable compensation, or (ii) the equivalent of employer and employee unfunded actuarial liability contributions at the aggregate rate on the person's earnable compensation. For purposes of this section, earnable compensation does not include Workers' Compensation earnings paid to the person.

SECTION 15. TRANSITION

1. **Rates.** Employer and employee rates for July 1, 2018, through June 30, 2019, shall be the rates set under this Rule prior to the amendment effective July 1, 2018. The transition from those rates to the rates calculated pursuant to Sections 7 and 8 shall be accomplished by smoothing in the new rates over an actuarially sound period.

2. **Unused Sick Leave or Vacation Leave.** Section 6, subsection 7, applies to those with a retirement effectiveness date on or after August 1, 2019.

3. **Retiring and Returning to Work.** Section 14 does not apply to a retiree employed by a participating local district on October 1, 2018, until the earlier of termination of employment or June 30, 2021.

4. **Membership Election.** The one-time election to join The Plan by November 1, 2021 under PL 2021, c. 286, § 6 applies only to employees of participating local districts who specifically adopt that provision in their participation agreement prior to November 1, 2021, or at the next meeting of the participating local district's executive or legislative body, whichever is later. For participating local districts adopting the provision on or after November 1, 2021, the one-time election date shall be such later date stated in the amended participation agreement.

STATUTORY AUTHORITY:
5 M.R.S. §§ 17103(4), 18200 *et seq*., 18801 *et seq*.

EFFECTIVE DATE:
May 11, 1993

AMENDED:
July 20, 1993
May 6, 1995
April 1, 2001
September 28, 2002
January 17, 2004
October 12, 2004
October 29, 2005 – filing 2005-449
October 9, 2006 – filing 2006-433
February 1, 2011 – filing 2011-45
December 9, 2013 – filing 2013-295 (header corrected March 7, 2016)
June 5, 2016 – filing 2016-099
August 30, 2017 – filing 2017-133
May 26, 2018 – filing 2018-082
September 19, 2018 – filing 2018-188
June 24, 2019 – filing 2019-101
November 4, 2019 – filing 2019-189
July 18, 2020 – Section 16 added, filing 2020-160
November 25, 2020 – filing 2020-236
October 4, 2021 – filing 2021-197

July 23, 2022 – filing 2022-137
January 24, 2023 – filing 2023-011
APAO ACCESSIBILITY CHECK: September 2, 2025

AMENDED:
September 2, 2025 – filing 2025-170

APAO ACCESSIBILITY CHECK (Word):
February 20, 2026 (no issues detected)

AMENDED:
February 24, 2026 – filing 2026-053

PROPOSED REPEALED RULE

94-411 MAINE STATE RETIREMENT SYSTEM

Chapter 802 PARTICIPATING LOCAL DISTRICTS: MEMBERSHIP FOR PART-TIME, SEASONAL OR TEMPORARY EMPLOYEES

SUMMARY: This Chapter establishes the extent to which a participating local district may include or exclude its part-time, seasonal or temporary employees from membership in the Maine State Retirement System. It specifies the manner in which a participating local district must notify the System of its decision with respect to these employees. It provides that under certain circumstances, employees have an option to withdraw from or join the System. It requires that participating local districts continue to contribute to the System in accordance with their existing plans on behalf of part-time, seasonal or temporary employees until the System is notified of any change and it establishes deadlines for action and the consequences of failure to act.

1. Purpose and Scope

The purpose of this Chapter is to establish the criteria and procedures by which participating local districts may, in accordance with Federal Social Security law and IRS rules and with Retirement System statutes, include part-time, seasonal or temporary employees in or exclude them from membership in the System. Under Retirement System statutes (5 MRSA §18202, sub-§2) a statutory amendment which could grant benefits to employees of a participating local district is effective as to that district only if the district adopts the amendment. Accordingly, the provisions of PL 1991, c. 619 which could grant benefits (e.g., "immediate vesting" in a non-forfeitable right to a refund of contributions at 7.5%; annualized compensation) are effective as to a participating local district only if adopted by it. This Chapter provides the mechanism for and results of adoption, and nonadoption of these. The non-benefit provisions of PL 1991, c. 619 which apply to participating local districts are effective without adoption by the districts.

The Chapter governs membership for those part-time, seasonal or temporary employees who fit the definitions of these terms as established by Federal law (26 CFR Part 31) and adopted by the Maine Legislature and by this Chapter. Thus, not all employees who work in part-time or seasonal or temporary positions are part-time, seasonal or temporary employees within the scope of this Chapter.

This Chapter supersedes and replaces Chapter 802 (emergency) of the Board's rules.

2. Authority

This Chapter is adopted under the authority of 5 MRSA S18202 (2), 5 MRSA §18206 as amended by PL 1991, c. 619, and 5 MRSA §8051 - §8064.

3. Definitions

A. Board. "Board" means the Board of Trustees of the Maine State Retirement System.

B. Participating local district. “Participating local district" means a local district which has approved the participation of its employees in the Retirement System under §18201.

C. Part-time, seasonal or temporary employee. "Part-time, seasonal or temporary employee", means an employee whose employment position is part-time, seasonal or temporary as defined in 26 CFR Part 31, attached to this rule as an Appendix.

D. PL 1991, c. 619. "PL 1991, c. 619" means, for purposes of section 5 and section 6 of this Chapter, those provisions of PL 1991, c. 619 which could grant benefits to the employees of participating local districts.

E. System. "System" means the Maine State Retirement System.

4. Applicability"

This Chapter applies to all participating local districts, regardless whether they have Section 218 agreements, and as of January 1, 1992, governs membership in the System by part-time, seasonal or temporary employees of the districts.

5. Participating Local Districts Without Section 218 Agreements

A participating local district which does not have a Section 218 agreement may:

A. Adopt PL 1991, c. 619 for all Part-time, seasonal or temporary employees. A district may adopt PL 1991, c. 619 for all of its part-time, seasonal or temporary employees who were employees of the district on December 31, 1991, and all part-time, seasonal or temporary employees hired on or after January 1, 1992 by filing with the Board a certified copy of the vote of the body entitled to approve participation in the System. All of the district's part-time, seasonal or temporary employees must be members of the System.

B. Adopt PL 1991, c. 619 for employees who were part-time, seasonal or temporary employees of the district on December 31, 1991. A participating local district may adopt PL 1991, c. 619 only for those part-time, seasonal or temporary employees who were employees of the district on December 31, 1991, by filing with the Board a certified copy of the vote of the body entitled to approve participation in the System. All of the district's part-time, seasonal or temporary employees who were employees of the district on December 31, 1991, must be members of the Retirement System. Part-time, seasonal or temporary employees hired by the district after December 31, 1991, may not become members of the System.

NOTE: A district must also meet the requirements of Federal Social Security law and IRS rules for part-time, seasonal or temporary employees hired after December 31, 1991.

C. Decline to adopt PL 1991, c. 619. A participating local district may decline to adopt the provisions of PL 1991, c. 619 by filing with the Board a certified copy of the vote of the body entitled to approve participation in the System.

(1) A person who was a part-time, seasonal or temporary employee of the district on December 31, 1991, who was a member of the System on December 31, 1991 and who first became a member before July 1, 1991 may elect to withdraw from the System, as follows:

a. The district must give written notice to each such employee of the employee's right to withdraw from membership.

b. The employee must give written notice to the district that s/he elects to withdraw from membership.

c. The district must transmit each employee's written notice of election to withdraw to the System no later than September 1, 1992.

d. All elections to withdraw are effective as of January 1, 1992 and are final. The System will refund the contributions of each employee who elects to withdraw.

e. An employee who does not elect to withdraw continues to be a member under the System’s statutes without the amendments made by PL 1991, c. 619 and may not later withdraw under this Chapter.

(2) The provisions of paragraph I(a)-(e) apply to the part-time, seasonal or temporary employees of a participating local district which, acting

under Chapter 801 (Emergency), declined to adopt the provisions of PL 1991, c. 619 and which does not act to change its election under subsection F. An employee who was removed from membership as a result of action taken by the district under Chapter 801 (Emergency) who does not elect to withdraw must be reinstated as a member effective as of the date of removal. Employer and employee contributions must be made on compensation paid for service rendered during the time between removal and reinstatement.

(3) The district may exclude from membership persons who were part-time, seasonal or temporary employees of the district on December 31, 1991, and who were members of the System on December 31, 1991 but who became members on or after July 1, 1991. The exclusion is effective as of January 1, 1992. The provisions of this paragraph apply to participating local districts which, acting under Chapter 801 (Emergency), declined to adopt the provisions of PL 1991, c. 619 and which does not act to change its election under subsection F.

a. The district must establish the exclusion by filing with the Board a certified copy of the vote of the body entitled to approve participation in the System, together with the names of the affected members.

b. Contributions of excluded employees related to service after January 1, 1992 must be refunded.

(4) A part-time, seasonal or temporary employee hired after December 31, 1991 may not become a member of the System.

NOTE: A district must also meet the requirements of Federal Social Security law and IRS rules for its part-time, seasonal or temporary employees. The amendments made by c. 619 do not apply to the district’s part-time, seasonal or temporary employees.

D. Effective date of action. Regardless of the date upon which the vote under A, B or C is filed, the action is effective as of January 1, 1992.

E. Status until action taken. Until a participating local district takes action as required under this section, it must continue to make contributions to the System, if it is required to do so by terms of its participation, for all of its part-time, seasonal or temporary employees whether they are employees of the district on December 31, 1991 or are hired thereafter.

NOTE: A district must also meet the requirements of Federal Social Security law and IRS rules for its part-time, seasonal or temporary employees.

F. Change of Prior election. A district which filed an election with the System under Chapter 801 (Emergency) before the effective date of this Chapter may change its election by taking action under A, B or C above. The deadline established by G applies to a change of election and the new election is effective as of January 1, 1992. If a district files a change of election, the election bearing the latest date controls. An election made under this Chapter is final.

G. Failure to act. Except as provided in section 6, a district which does not file the vote required by this Chapter with the Board by September 1, 1992, will be deemed to have declined to adopt the provisions of PL 1991, c. 619.

(1) The district may not in future make an election under this Chapter.

(2) The provisions of section 5(C) with respect to employee election apply as in Section 5(c).

NOTE: A district must also meet the requirements of Federal Social Security law and IRS rules for its part-time, seasonal or temporary employees.

H. No Part-time, seasonal or temporary employees. A district which has no part-time, seasonal or temporary employees on December 31, 1991, must make its election under this chapter no later than the time at which it first hires a part-time, seasonal or temporary employee.

6. Participating Local Districts Having Section 218 Agreements

A participating local district which has a Section 218 agreement may adopt PL 1991, c. 619 only for those part-time, seasonal or temporary employees of the district who were not covered by the district's Section 218 agreement prior to July 1, 1991, and who were members of the System on June 30, 1991, for the purpose of offering to those employees the choice of membership in the System under the System's statutes as amended by c. 619. The district must make the adoption by filing with the Board a certified copy of the vote of the body entitled to approve participation in the System.

A. The district must give written notice in a timely manner to each such employee of the employee’s right to choose to be a member of the System under the System’s statutes as amended by PL 1991, c. 619.

B. The employee must give written notice to the district that s/he chooses to be a member of the System under the System's statutes as amended by PL 1991, c. 619.

C. The district must transmit to the System no later than September 1, 1992 each employee's written notice of choice.

D. The employee's choice is effective as of January 1, 1992 and is final.

E. An employee who does not choose to be a member as provided in this section by July 1, 1992, may not later become a member under this section.

EFFECTIVE DATE: May 4, 1992

EFFECTIVE DATE: June 9, 1992 (Permanent Rule)

EFFECTIVE DATE (ELECTRONIC CONVERSION): May 5, 1996

NON-SUBSTANTIVE CORRECTIONS: October 3, 1996 - minor spelling and format.

APAO WORD VERSION CONVERSION (IF NEEDED) AND ACCESSIBILITY CHECK: July 17, 2025

APPENDIX TO CHAPTER 802, M.S.R.S. RULES

26 CFR Part 31: DEFINITIONS OF PART-TIME, SEASONAL AND TEMPORARY EMPLOYEE

(iii) Definitions of part-time, seasonal and temporary employee--

(A) Definition of part-time employee. For purposes of this section, a part-time employee is any employee who normally works 20 hours or less per week. A teacher employed by a post-secondary educational institution (e.g., a community or junior college, post-secondary vocational school, college, university or graduate school) is not considered a part-time employee for purposes of this section if he or she normally has classroom hours of one-half or more of the number of classroom hours designated by the educational institution as constituting full-time employment, provided that such designation is reasonable under all the facts and circumstance. In addition, elected officials and election workers (otherwise described in section 3121 (b) (7) (F) (iv) but paid in excess of $100 annually) are not considered part-time, seasonal or temporary employees for purposes of this section. The rules of this paragraph (d) (2) (iii) are illustrated by the following example.

Example. A community college treats a teacher as a full-time employee if the teacher is assigned to work 15 classroom hours per week. A new teacher is assigned to work 8 classroom hours per week. Because the assigned classroom hours of the teacher are at least one-half of the school's definition of full-time teacher, the teacher is not a part-time employee.

(B) Definition of seasonal employee. For purposes of this section, a seasonal employee is any employee who normally works on a full-time basis less than 5 months in a year. Thus, for example, individuals who are hired by a political subdivision during the tax return season in order to process incoming returns and work full-time over a 3-month period are seasonal employees.

(C) Definition of temporary employee. For purposes of this section, a temporary employee is any employee performing services under a contractual arrangement with the employer of 2 years or less duration. Possible contract extensions may be considered in determining the duration of a contractual arrangement, but only if, under the facts and circumstances, there is a significant likelihood that the employee's contract will be extended. Future contract extensions are considered significantly likely to occur for purposes of this rule if on average 80 percent of similarly situated employees (i.e., those in the same or a similar job classification with expiring employment contracts) have had bona fide offers to renew their contracts in the immediately preceding 2 academic or calendar years. In addition, future contract extensions are considered significantly likely to occur if the employee with respect to whom the determination is being made has a history of contract extensions with respect to his or her current position. An employee is not considered a temporary employee for purposes of this rule solely because he or she is included in a unit of employees covered by a collective bargaining agreement of 2 years or less duration.

MAINEPERS

PARTICIPATING LOCAL DISTRICT ADVISORY COMMITTEE

TO: PLD ADVISORY COMMITTEE

FROM: DR. REBECCA M. WYKE, CEO

SUBJECT: CEO UPDATE

DATE: JULY 23, 2026

Transitions

It is with some sadness that we say goodbye to Mike Colleran, our Chief Operating Officer and General Counsel. Mike has been with MainePERS for 13 years and is greatly respected by all of us, as well as by the many stakeholders he has interacted with over his time at MainePERS. Mike first joined MainePERS in 2013 as Associate General Counsel. He was promoted to General Counsel in 2016. In 2021, he took on the additional role of Chief Operating Officer. Mike will retire effective July 31st. Please join me in thanking Mike for his service and extending our best wishes for a well-deserved retirement.

Nanette Ardry will assume the role of General Counsel effective August 1st. Nanette has served as MainePERS' Associate General Counsel since 2023. Nanette has more than 20 years of service as a public sector attorney. At the Maine Office of the Public Advocate, she held the position of Senior Counsel representing utility ratepayers' interests. She has also held several senior roles at the Maine Revenue Service including Director of the Appeals Division, General Counsel, and Deputy Executive Director. Nanette holds a Bachelor of Arts in Political Science from Tufts University and a Juris Doctor from Seattle University School of Law. She also holds certificates in human resources and in mediation. Please join me in congratulating Nanette on her new role.

I hope you will also join me in extending congratulations to Chip Gavin, as he takes on the additional role of Chief Operating Officer following Mike's retirement. Chip has served as our Chief Services Officer since 2022. Effective August 1st, his new title will be Chief Operating and Services Officer. Chip is a long-time public servant who has spent time at the University System (UMS), as well as State government in Maine and Massachusetts. Chip worked in communications and as a reporter early in his career and also held positions as the Chief Facilities Management and General Services Officer (UMS), the Director of the Bureau of General Services and the Chief Deputy Secretary of State (Maine), and the Special Assistant to the Attorney General (Massachusetts).

Additionally, I am pleased to introduce Karen Doyle as the new Chief Financial Officer. Karen brings with her a wealth of experience from 23 years in Maine state government, including serving as the Director of Finance and Administration for the Department of Transportation and as Acting Associate Commissioner for the Department of Administrative and Financial Services. More recently Karen has been employed by MaineHealth as Director of Finance and Financial Planning Director. Karen holds a Bachelor of Arts in Economics from the University of Maine and a Master of Business Administration from Northeastern University. She also holds several certifications: Certified in Financial Management, Certified Government Financial Manager, Certified Internal Auditor, and Certified Healthcare Financial Professional. Please join me in welcoming Karen to MainePERS.

Annual Member Survey

MainePERS conducted a member satisfaction survey March 30 - April 16, 2026. A random selection of 5000 members from State Sponsored and Participating Local District Plans were identified to receive the survey. Copies of the active and retired member surveys are attached.

Active Member Survey

MainePERS has approximately 56,000 active members currently employed by a participating employer. In the spring of 2026, 2,500 active members were randomly selected to receive the survey. Those selected had a mailing and email address on file, received a pension contribution from their employer within the last 60 days, and had no disbursement of contributions. One hundred and seventy-nine (179) active members responded to the survey, an 8% response rate of those delivered. The confidence level of the survey is 85%, with a margin of error of 5.2%.

Of those responding, 61.45% rate their overall satisfaction with MainePERS as “satisfied” or “very satisfied”, 31.85% “neutral” or “no opinion”, and 6.70% “dissatisfied” or “very dissatisfied”. More than two-thirds (69.83%) stated they “agree” or “strongly agree” that MainePERS acts with integrity, 26.82% “neutral” or “no opinion”, and 3.35% “disagree” or “strongly disagree”. And, 46.37% “agree” or “strongly agree” that MainePERS staff are knowledgeable, 51.40% “neutral” or “no opinion”, and 2.23% “disagree or “strongly disagree”.

Responses to the survey questions suggest some desire for more frequent communication, information that is easier to understand, and more timely responses to questions raised. Responses also indicated an interest in pre-retirement informational meetings, retirement security planning seminars, and participation in defined contribution plans. More than half (55.62%) of the respondents indicated they have accessed the Member Portal.

Compared to the 2025 survey results for active members, there were slightly fewer respondents (179 v 181), but the response rate remained the same (8%).

Retired Member Survey

MainePERS has approximately 52,000 retired members. In the spring of 2026, 2,500 retired members were randomly selected to receive the survey. Those selected had a mailing and email address on file and were service or disability retirees who had received a benefit payment within the last 60 days. Six hundred and seven (607) retired members responded to the survey, a 26% response rate of those delivered. The confidence level of the survey is 98%, with a margin of error of 4.1%.

Of those responding, 95.70% rate their overall satisfaction with MainePERS as “satisfied” or “very satisfied”, 3.80% “neutral” or “no opinion”, and 0.50% “dissatisfied” or “very dissatisfied”. Over ninety percent (92.89%) stated they “agree” or “strongly agree” that MainePERS acts with integrity, 6.78% “neutral” or “no opinion”, and 0.33% “disagree”. And, 81.35% “agree” or “strongly agree” that MainePERS staff are knowledgeable, 18.15% “neutral” or “no opinion”, and 0.50% “disagree” or “strongly disagree”.

Responses to the survey suggest retired members are generally satisfied with the frequency of communication, clarity of information, and timeliness of responses to questions raised. Responses also indicated an interest in cybersecurity awareness and preventing identify fraud.

In their comments, several retired members noted they were still on a preliminary benefit after six months. However, many retirees also expressed appreciation for the work of MainePERS and its staff. Nearly half (48.18%) of the respondents indicated they have accessed the member portal.

Compared to the 2025 survey results for retired members, there were fewer respondents (607 v 655) with a slightly lower response rate (26% v 28%).

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

2026 Member Satisfaction Surveys

PLD Advisory Committee
July 28, 2026

Dr. Rebecca Wyke, CEO

Member Satisfaction Survey
March 30 – April 16

Actives

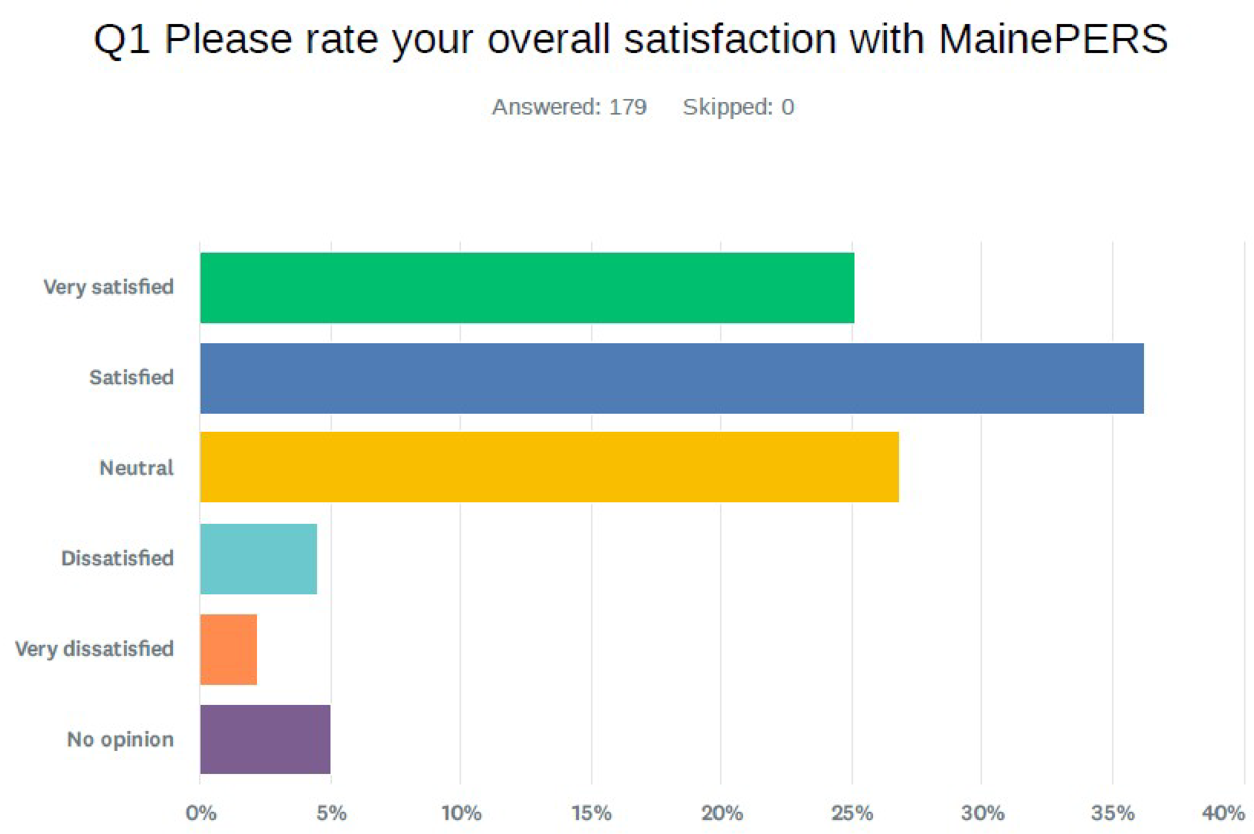
- Approx. 56,000
- Random selection of 2500 members
- 179 Respondents
- 8% response rate
- 85% confidence level
- Margin of error 5.2%

Retirees

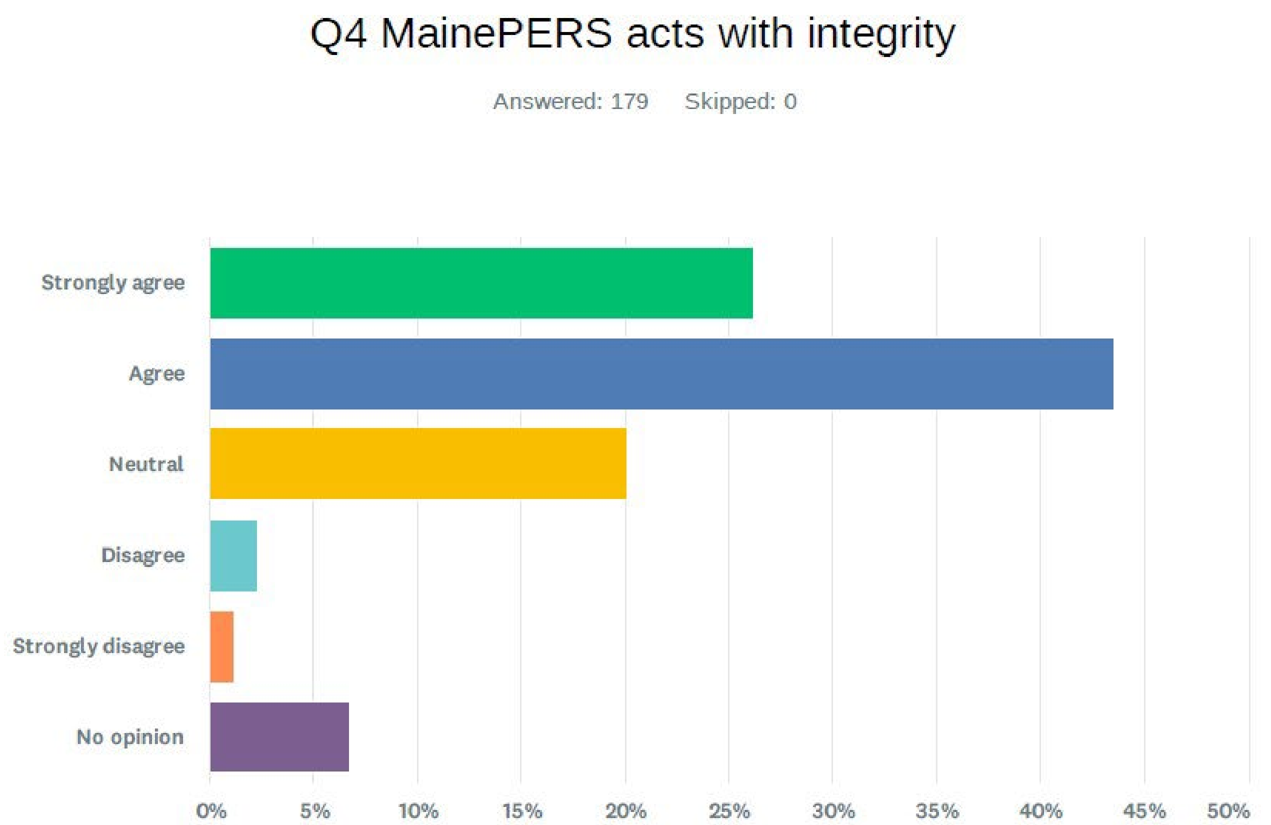
- Approx. 52,000
- Random selection of 2500 members
- 607 Respondents
- 26% response rate
- 98% confidence level
- Margin of error 4.1%

Active Member Survey

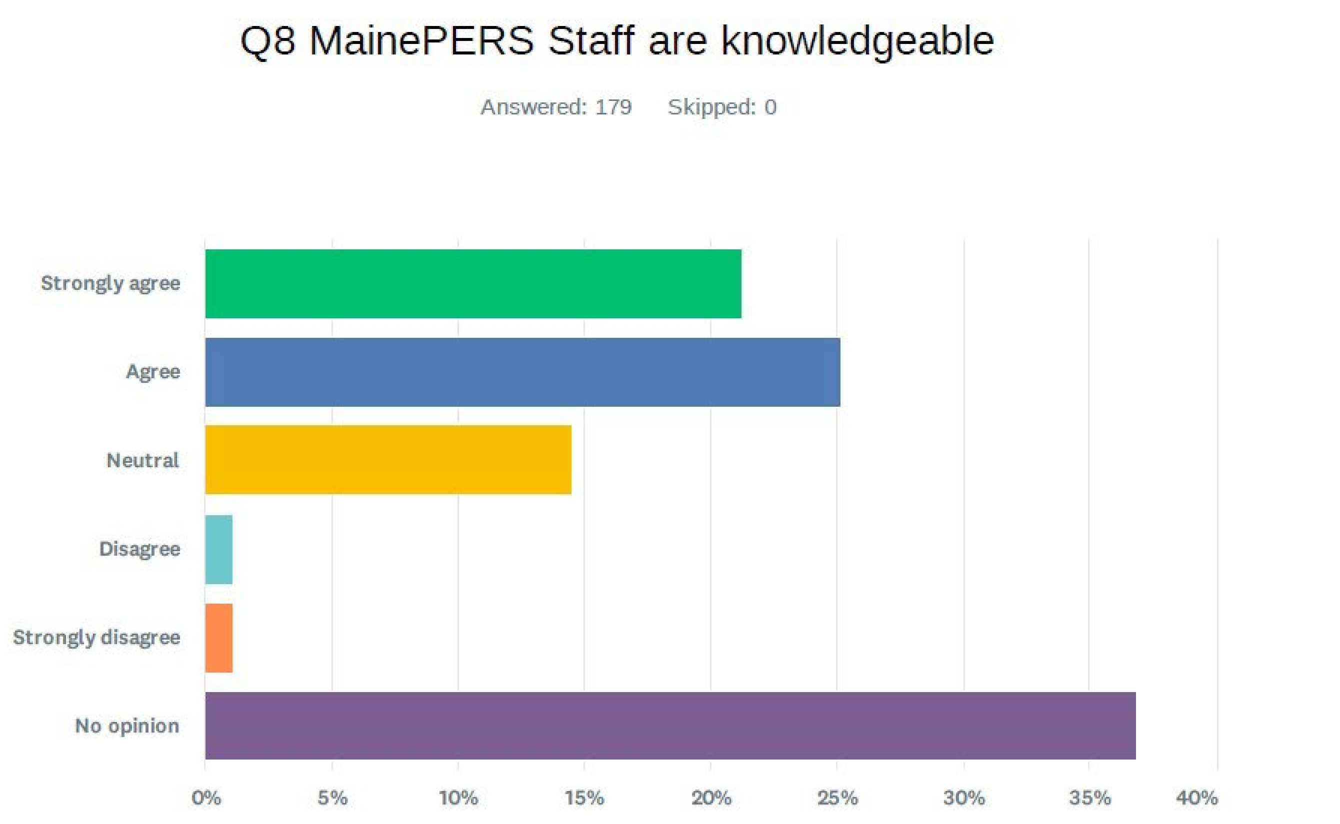
Active Member Survey



Active Member Survey



Active Member Survey

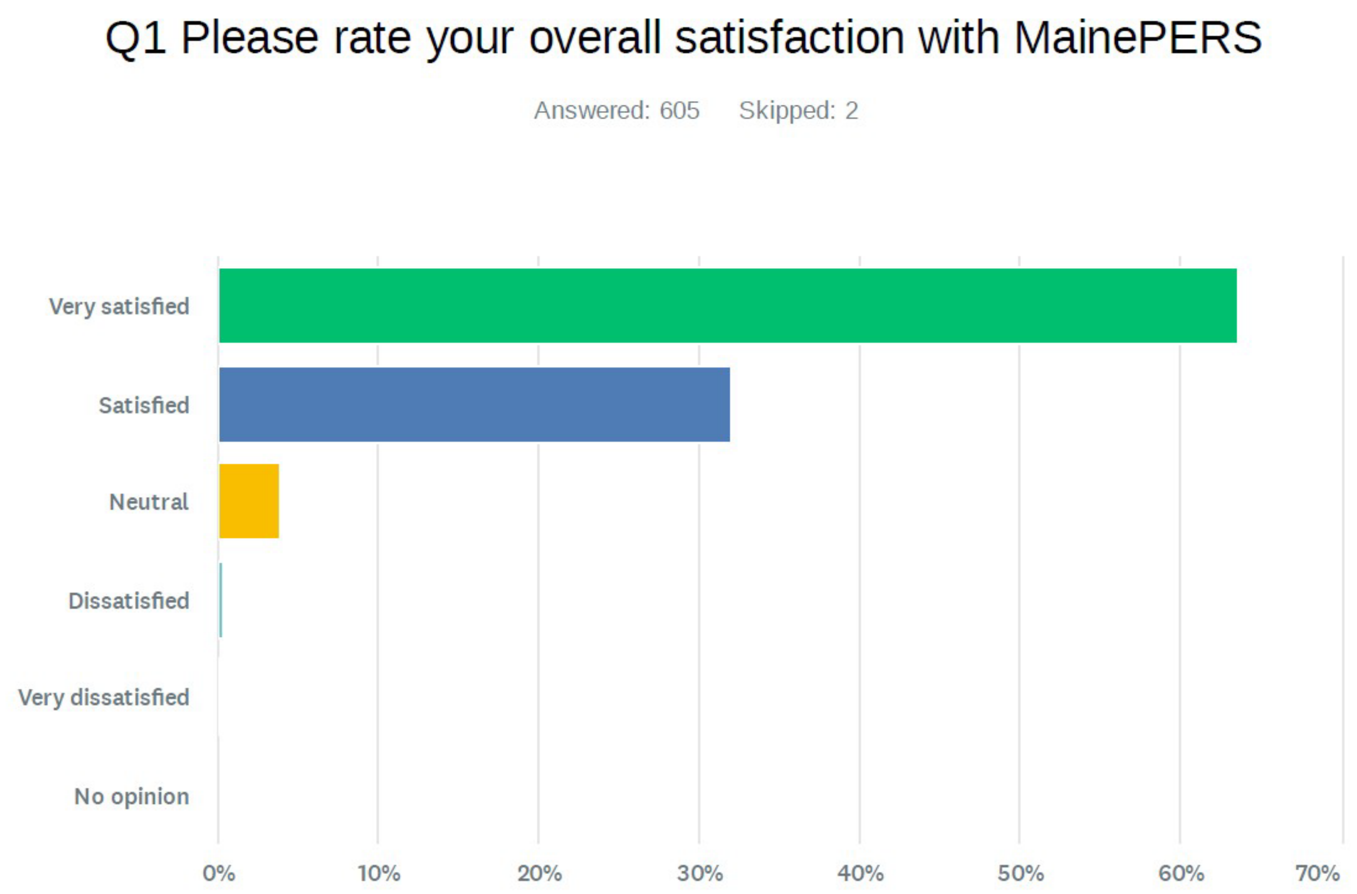


Active Member Survey

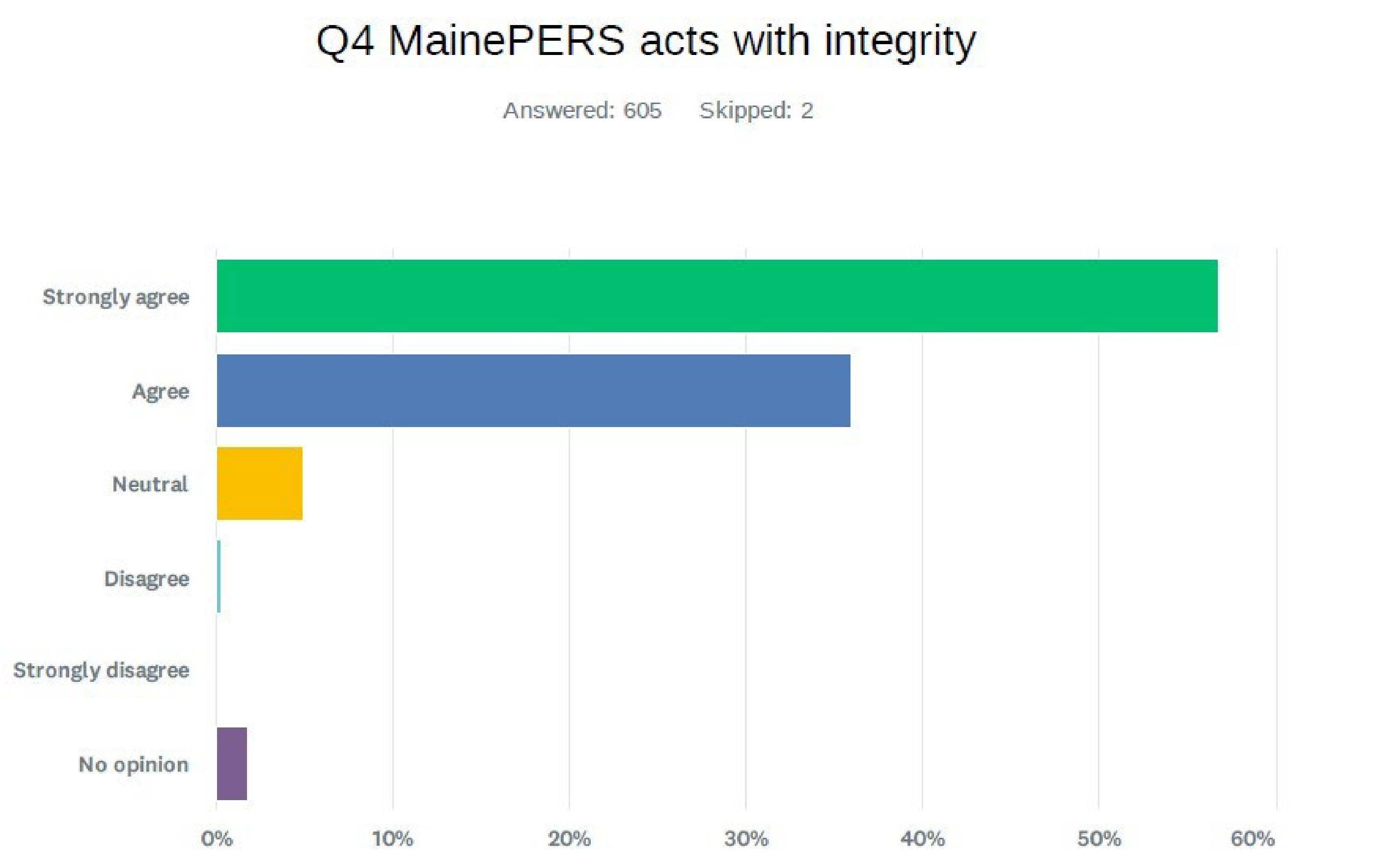
- More frequent communications
- Information that is easier to understand
- More timely responses to requests
- Interest in pre-retirement meetings
- Retirement security planning seminars
- Information on defined contribution plans
- More than half have accessed the Member Portal
- Compared to the 2025 Survey:
  - Slightly more respondents, 179 v 171
  - Same response rate, 8%

Retired Member Survey

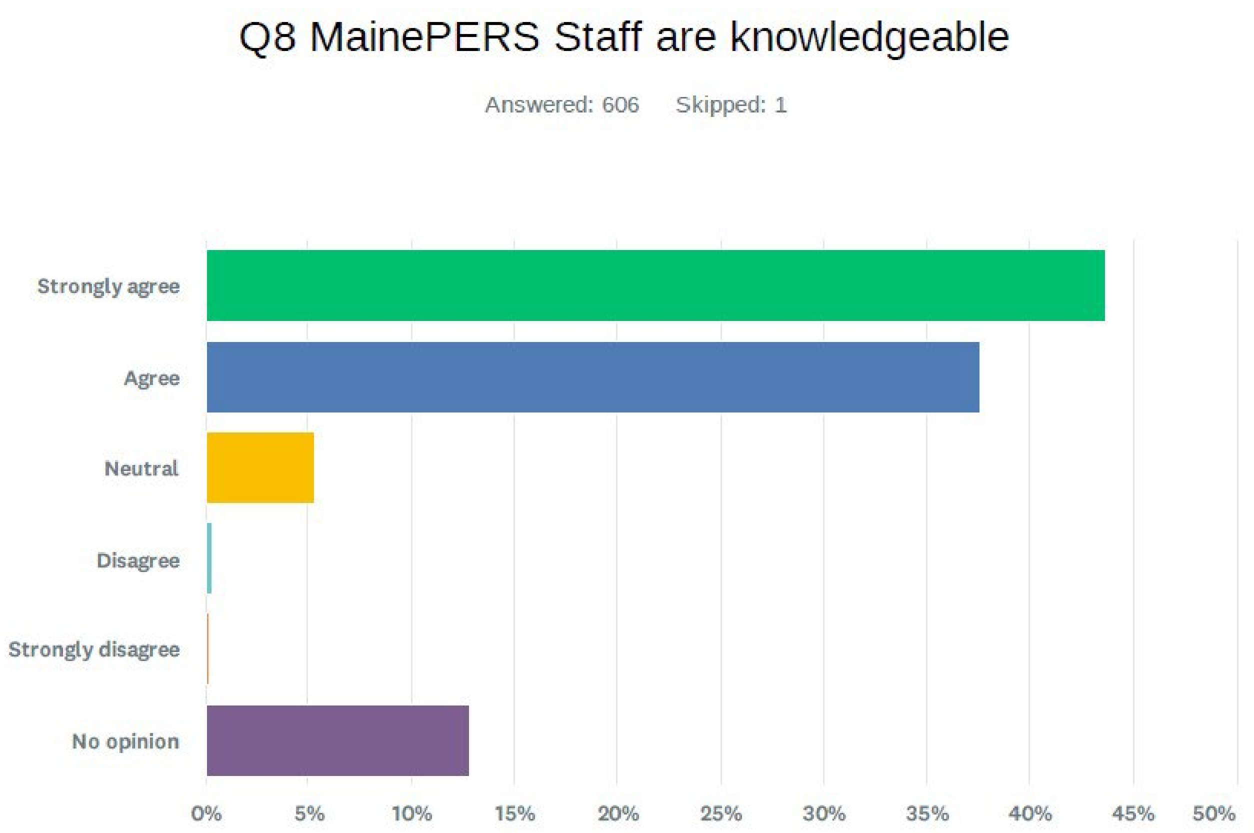
Retired Member Survey



Retired Member Survey



Retired Member Survey



Retired Member Survey

- Generally satisfied with frequency of communication, clarity of information, & timeliness of responses
- Interested in information on cybersecurity awareness & preventing identity fraud
- Many retired members expressed appreciation for MainePERS and its staff
- Nearly half have accessed the Member Portal
- Compared to the 2025 Survey:
  - Fewer respondents, 607 v 655
  - Slightly lower response rate, 26%

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MEMORANDUM

Date: July 23, 2026

To: PLD Advisory Committee Members

From: Bill Brown, Director of Actuarial and Legislative Affairs

Re: Actuarial Valuation/Fiscal Year 2028 Rate Setting

Fiona Liston, Bonnie Rightnour and Greg Reardon from Cheiron will join the meeting to discuss the upcoming June 30, 2026, Valuation and fiscal year 2028 rate setting. This preliminary discussion is to prepare the Committee in advance of the discussion on November 17, at which rates will be set for fiscal year 2028.

2026 Valuation Results

The System's actuary, Cheiron, is working on the June 30, 2026, valuation, which will be completed in October. The results of the valuation report will be presented to the Board of Trustees for acceptance at its meeting on October 8. Cheiron will present the valuation report results to the Committee at its November 17 meeting.

Fiscal Year 2028 Rate Setting

Employer and member rates for fiscal year 2028 will be determined based on the results of the June 30, 2026, valuation work. Fiona will review how rates were established for fiscal year 2027 and discuss projected rates for fiscal year 2028, continuing with an approach that supports the goals of: 1) allocating costs 58% to employers and 42% to employees, and 2) paying the aggregate rate that is produced by the annual valuation. In order to provide employers with fiscal year 2028 rates in a timely manner the Committee will need to take action to recommend rates at the November 17 meeting.

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PLD Consolidated Plan Advisory Committee Meeting

Maine Public Employees Retirement System

Bonnie Rightnour, FSA, EA, MAAA

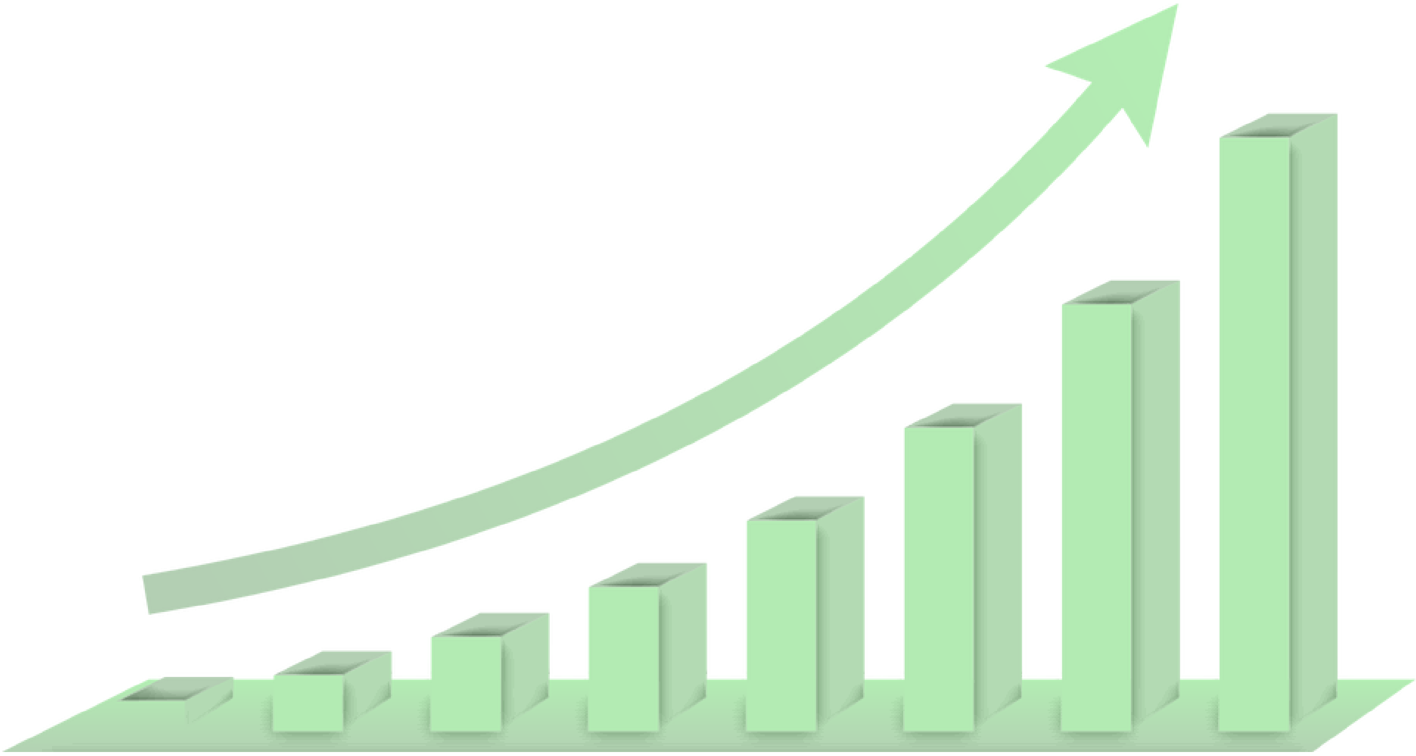
Greg Reardon, FSA, EA, MAAA

July 28, 2026

Agenda

- Historical Review
- Process of Ratesetting
- FY 2028 Ratesetting Projections

Historical Review



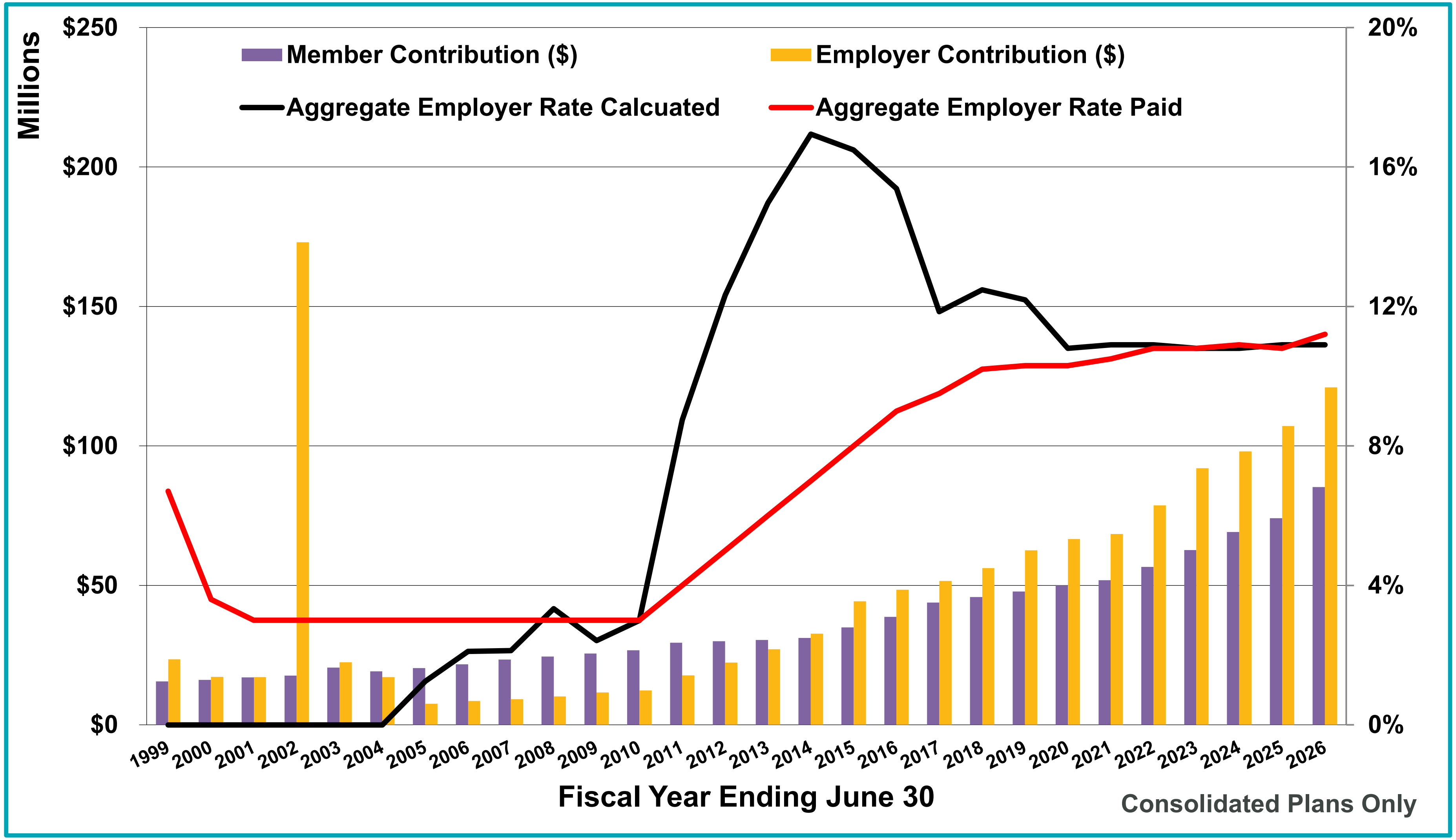
PLD Consolidated Plan Formation

- Prior to 1996, PLDs had their own individual plans
  - Could set benefit parameters
  - Had individual pool of funding
- From 1994-96, the Consolidated Plan was established
  - 3-year window to join
  - 11 plans to choose from, including regular and special plan options
  - Initial Unpooled Unfunded Actuarial Liability (IUUAL) established as either an additional cost to pay or a surplus account that could be used to make pooled contributions (some paid these off in lump sums)
- Plan was 100% funded on a pooled basis
- Investment returns created large pooled surplus, so employer rates were dropped to 3% of payroll for FY 2001-2010

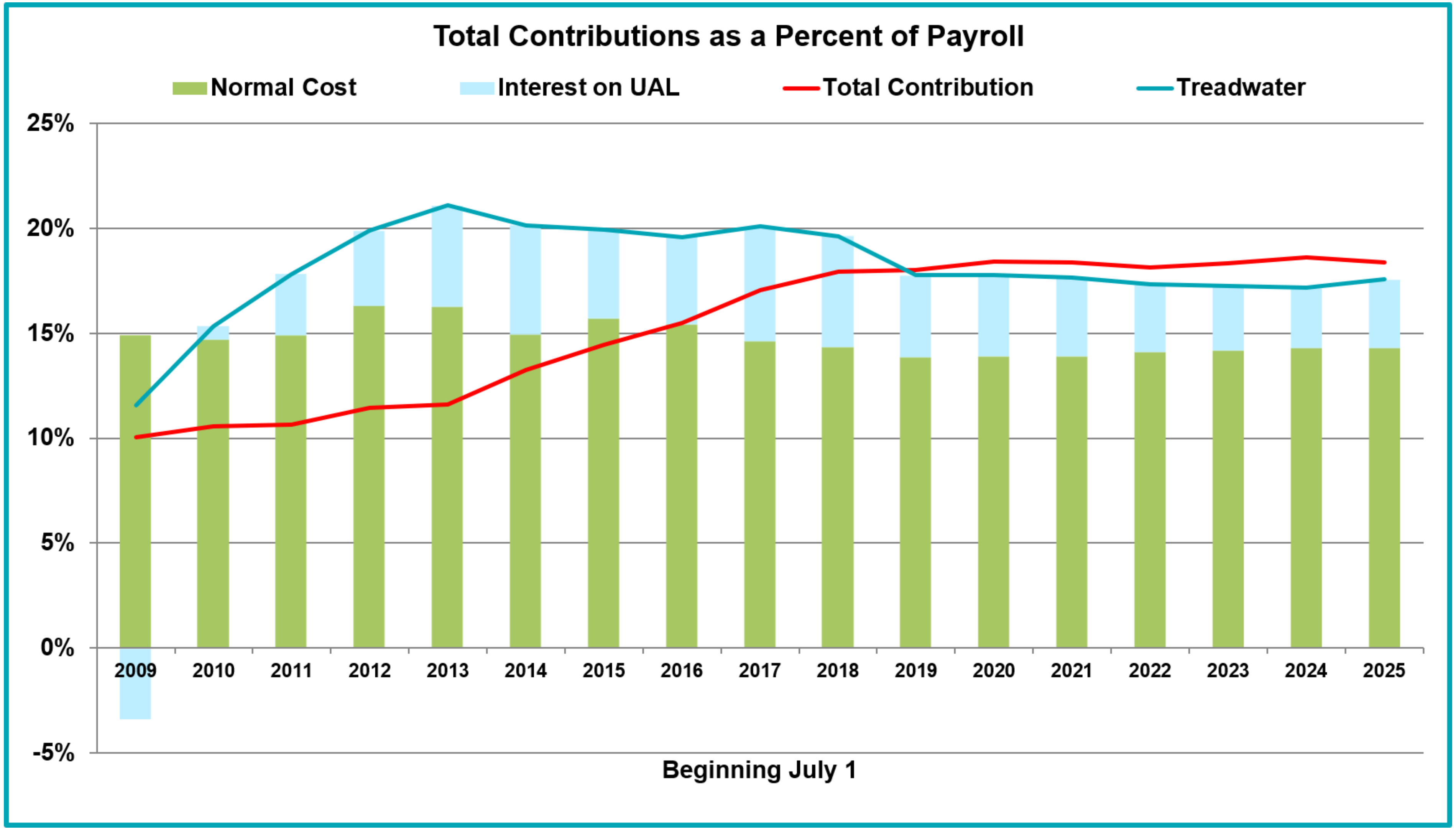
PLD Consolidated Plan History

- Market downturn in 2008-09 used up remaining surplus and caused the calculated contribution rate to increase
- During the period FY 2011-2019, the actual rates were increased in a measured fashion from 3% to the calculated amount
- For the FY 2020 valuation, the Board adopted a rate-sharing methodology with a goal of having PLD pay 58% of the cost and members pay 42%
- It took a few years of phasing-in to this new methodology without unduly adjusting individual plan rates but with the FY 2025 rates (established with the 2023 valuation) the goal was met

Historical Review – Contributions

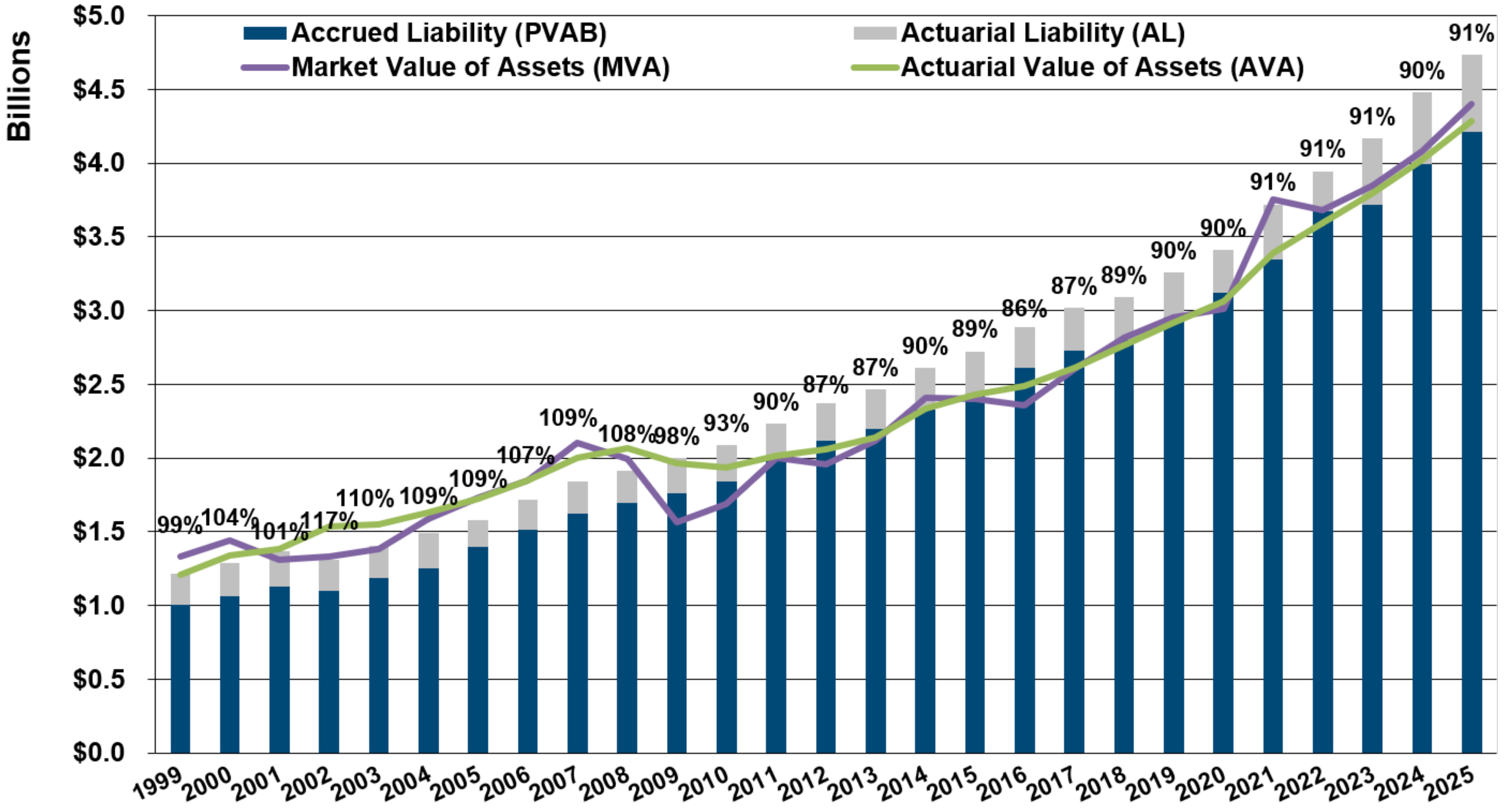


Historical Review – Treadwater



**Tread Water equals Normal Cost + interest on the Unfunded Actuarial Liability*

Historical Review – Assets & Liabilities



Percentages shown are AVA/AL funded ratios.

Consolidated Plans Only

Process of Ratesetting

PLD Ratesetting Methodology

- PLD employer and member rates for FY 2020 and beyond are based on a risk-sharing framework
  - 58% PLD, 42% member
  - Contribution capped 12.5% employer, 9% member
  - Caps apply to the aggregate rates in both cases
- Plan-specific PLD rates for each of the sub-plans
- PLD member rates for each of the Regular Plans are split into two distinct rates based on the member’s applicable normal retirement age (60 or 65). A single distinct member rate continues for each Special Plan.

PLD Contribution Rates

	FY 2026 Rates			FY 2027 Rates*			DIFFERENCE		
	PLD	Member*	Total	PLD	Member**	Total	PLD	Member**	Total
Regular AC	10.2 %	7.3 %	17.5 %	10.2 %	7.3 %	17.5 %	0.0 %	0.0 %	0.0 %
Regular BC	5.0	3.6	8.6	5.0	3.6	8.6	0.0	0.0	0.0
Special 1C	14.1	10.2	24.3	14.1	10.2	24.3	0.0	0.0	0.0
Special 2C	12.1	8.8	20.9	12.1	8.8	20.9	0.0	0.0	0.0
Special 3C	13.2	9.5	22.7	13.2	9.5	22.7	0.0	0.0	0.0
Special 4C	12.9	9.4	22.3	13.1	9.5	22.6	0.2	0.1	0.3
Regular AN	9.0	6.6	15.6	9.0	6.6	15.6	0.0	0.0	0.0
Special 1N	12.9	9.3	22.2	12.9	9.3	22.2	0.0	0.0	0.0
Special 2N	11.0	7.9	18.9	11.7	8.4	20.1	0.7	0.5	1.2
Special 3N	11.4	8.2	19.6	11.5	8.3	19.8	0.1	0.1	0.2
Aggregate	11.2 %	8.0 %	19.2 %	11.2 %	8.1 %	19.3 %	0.0 %	0.1 %	0.1 %

* With the exception of Special 4C, 2N and 3N, rates for FY 2027 were held to the FY 2026 rate versus decreasing.
** Aggregate member rates shown. Actual rates are 0.75% lower for age 65 regular plans than age 60 regular plans.

PLD Head Counts by Plan

	Active Head Counts as of 6/30/2025				
	Age 60	Age 65	Total	Payroll*	% of Total
Regular AC	2,328	6,613	8,941	$571.3	63.7
Regular BC	11	40	51	3.6	0.4
Special 1C			439	39.9	3.1
Special 2C			907	70.6	6.4
Special 3C			2,773	246.3	19.7
Special 4C			100	6.8	0.7
Regular AN	205	500	705	43.7	5.0
Special 1N			16	1.4	0.1
Special 2N			2	0.1	0.0
Special 3N			132	12.0	0.9
TOTAL PLAN			14,066	$995.7	100.0%

* Payroll figures are in millions

PLD Aggregate Projections

- 7/1/2026 valuation will produce an aggregate contribution rate to be allocated to the subplans for FY 2028 budgets
- Rate will depend on actual liability experience, actual investment returns through FY 2026, and the updated assumptions resulting from the experience study
- We estimate the aggregate rate to increase to 20.0%. This is based on:
  - Updates to assumptions resulting from the experience study are anticipated to increase the aggregate rate 0.9%.
  - Based on a preliminary return of 9.45% for FY 2026, we project a 0.3% decrease in the aggregate rate.
  - An increase of 0.1% as a result of the actual COLA granted on 9/1/2025, which was higher than the assumption.

Cost-Sharing Provision

- If the aggregate contribution rate developed in a given valuation exceeds the maximum level of 21.5% of payroll there may be a reduction in the COLA granted to retirees in an amount designed to close that gap
- For example – if the aggregate rate is calculated to be 23% of payroll
  - This is 1.5% in excess of the cap
  - If payroll is $750 million then the contribution shortfall would be $11.25 million
  - The amount of COLA otherwise payable to retirees would be reduced by an amount sufficient to recoup this shortfall
- This provision has not been triggered since it was instituted as part of the 2018 plan/funding changes

Required Disclosures

In preparing this presentation, we relied on information supplied by the Maine Public Employees Retirement System. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23, *Data Quality*.

The actuarial assumptions, models used, data, and methods are those used in the latest actuarial valuation for these plans as of June 30, 2025, updated to include the 2026 Board approved demographic experience study assumption changes.

The results of this presentation rely on future Plan experience conforming to the underlying assumptions and methods outlined in the reports. Future results may differ significantly from the current results presented in this presentation due to such factors as the following: Plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in Plan provisions or applicable law.

This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Cheiron's presentation was prepared solely for the Maine Public Employees Retirement System for the purposes described therein, except that the Plan Auditor may rely on the report solely for the purpose of completing an audit related to the matters herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Bonnie Rightnour, FSA, EA, MAAA
Principal Consulting Actuary

Greg Reardon, FSA, EA, MAAA
Principal Consulting Actuary

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MEMORANDUM

Date: July 22, 2026

To: PLD Advisory Committee Members

From: Bill Brown, Director of Actuarial and Legislative Affairs

Re: Cost-of-Living for PLD Retirees

We are providing preliminary information about inflation and retiree cost-of-living adjustments (COLA). This information is based on the 2025 valuation data and may change slightly once the 2026 valuation work has been completed.

Cost-of-Living for PLD Plan Retirees

The Board of Trustees is mandated by rule to award a cost-of-living adjustment (COLA) on retirement benefits each September based on the increase in the Consumer Price Index for All Urban Consumers (CPI-U) as of June 30th. The CPI-U for the year ending June 30, 2026 was 3.5%.

The increase for the PLD Consolidated Plan is paid to eligible retirees on the total benefit up to a cap of 2.5%. The Board is expected to vote at its August 13, 2026 meeting to grant the COLA as provided under the Plan.

While the plan provides for a 2.5% COLA, the actuarial assumption used for funding purposes is 1.91%. This assumption is based on the COLA experience of the plan and recognizes that the CPI-U is often lower than the 2.5% permitted under the plan. In years which the CPI-U is less than the 1.91% assumption, the plan has an experience "gain" which can decrease overall plan liabilities. In years in which the CPI-U is higher than the 1.91% assumption, as it has been for the past six years, the plan has an experience "loss" which can increase the overall plan liabilities.

The following table provides the experience loss information for the 2.5% COLA for 2026

	COLA Assumption (1.91%)	Capped COLA (2.5%)	Experience Loss
Liability (in millions)	$44.1	$57.8	$13.7
Impact on Aggregate Contribution Rate	0.3%	0.4%	0.1%

Taken in isolation, the 2026 COLA would increase the aggregate plan rate by 0.1%. However, other plan experience (i.e. gains and losses) will be combined with the COLA experience to determine actual plan funding requirements.

Cost-of-Living for other Retirees

The COLA provisions for retirees from the State-sponsored plans, including State employees, teachers, legislators and judges, are different from those that apply to PLD Plan retirees. Specifically, the cap for these plans is 3%, and it is payable on a maximum level of benefits (i.e. “COLA base”), which for 2026 is $27,142.56. In contrast, the cap for the PLD Plan is 2.5%, and the COLA applies to the entire benefit.

Information about recent COLA History

The table below shows COLA history since the COLA cap was lowered to 2.5%.

Year	CPI-U	COLA
2018	2.9%	2.5%
2019	1.6%	1.6%
2020	0.6%	0.6%
2021	5.4%	2.5% cap plus additional 1% cumulative COLA
2022	9.1%	2.5% cap plus additional 1% cumulative COLA
2023	3.0%	2.5% cap plus additional 0.5% one-time payment paid February 2024
2024	3.0%	2.5%
2025	2.7%	2.5%
2026	3.5%	2.5% cap

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

MEMORANDUM

Date: July 23, 2026

To: PLD Advisory Committee Members

From: Bill Brown, Director of Actuarial and Legislative Affairs

Re: Group Life Insurance Premium Study

Ryan Benitez from Cheiron will join the meeting to discuss the recently completed Group Life Insurance (GLI) premium study. There is already a scheduled premium increase for fiscal year 2028, and the actuary has recommended an additional increase in premiums in fiscal year 2032 for Active and Retiree Basic participating local district participants. A copy of the actuarial presentation is included with this memo.

Background

Participating Local Districts may elect to participate in the Group Life Insurance Program administered by MainePERS and choose the level of coverage and payment offered to its participants. This program provides basic, supplemental and dependent coverage. The current premium for basic insurance is $0.24 per $1,000 of coverage. Premiums for supplemental coverage are on an age-based schedule, and premiums for dependent coverage vary based on the selected level of coverage.

Study Results

The GLI Premium Study results show that some retiree life insurance payments were paid from active assets due to a logic error in our current pension administration system that has since been corrected. The study recommends a one-time transfer of assets of $5,373,894 from the Retiree Trust to reimburse the Active Trust. The Board will consider this recommendation at their August meeting.

Two years ago, the Board approved a recommendation by the actuary and the Committee to increase the Basic premium to $0.25 bi-weekly per $1,000 of coverage in fiscal year 2028. The actuary now recommends further increasing the premium to $0.26 per $1,000 of coverage in fiscal year 2032 to continue toward the goal of improved funding of the program.

The actuary also recommends completing the next GLI Premium Study in two years rather than the more typical four-year cycle. Future premium levels will be established based on the results of future studies.

Recommendation

We seek the Committee’s concurrence with the actuary’s recommendation to increase the GLI Basic premium to $0.26 per $1,000 of coverage in fiscal year 2032.

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Group Life Insurance (GLI) 2026 Premium Study Participating Local Districts

Ryan Benitez, ASA, MAAA

July 28, 2026

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Agenda

- GLI Benefits, Premium Structure, and Funding for Retirees
- Overview of Premium Study Key Findings
- Premium Study Recommendations
- Discuss Next Steps

MainePERS GLI Benefits Overview

Active Life Insurance Benefits

Basic Life 100% Salary

AD&D 100% Salary
(Additional depending on cause of death)

Supplemental Life (100 to 300% Salary)

Dependent Life Plan A - $5,000 (Spouse)
$5,000 (Child), $1,000 (Child Under 6 Months)

Dependent Life Plan B - $10,000 (Spouse)
$5,000 (Child), $2,500 (Child Under 6 Months)

Retirement Basic Life Benefits

Year 1	100% Salary
Year 2	85% Salary
Year 3	70% Salary
Year 4	55% Salary
Year 5+	40% Salary

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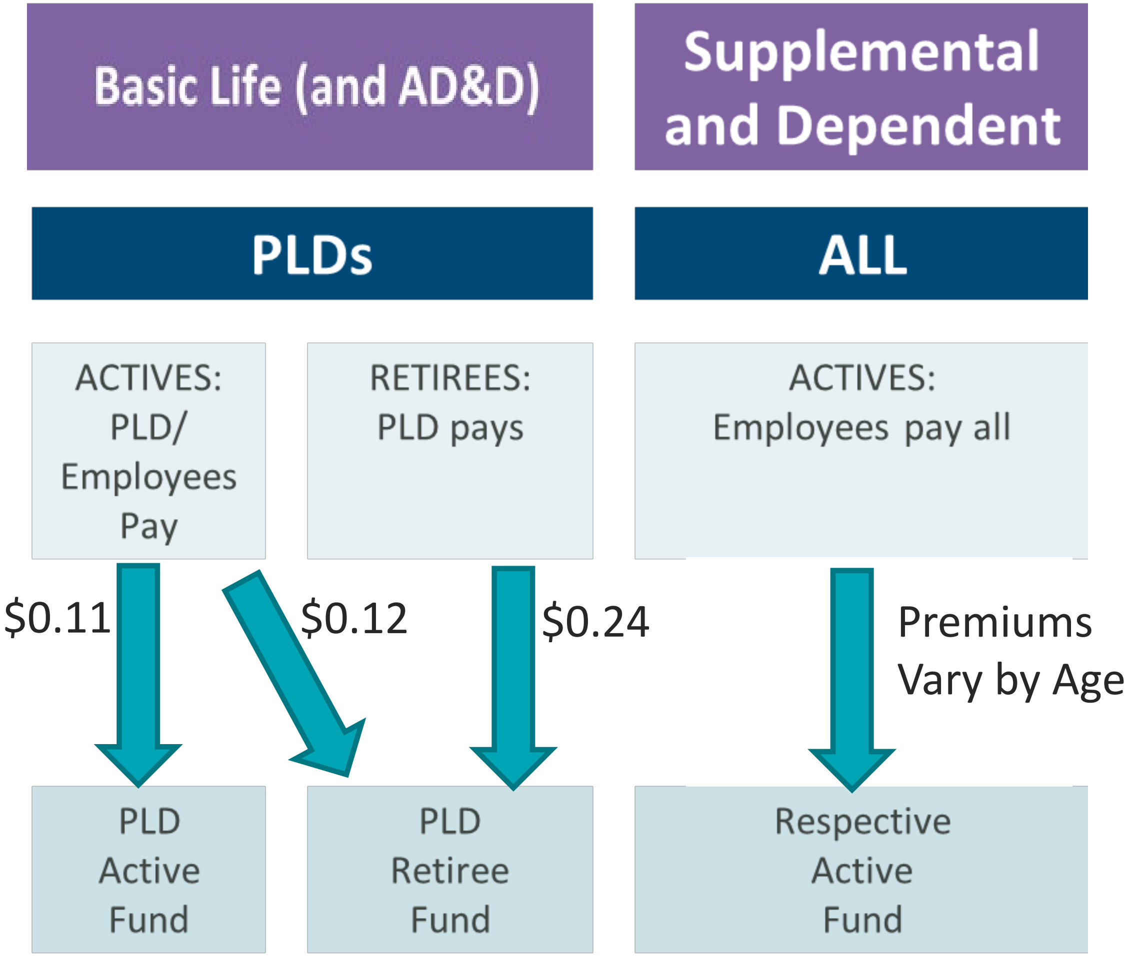
Funding Overview

Basic Life Insurance Premiums of $0.24 bi-weekly per $1,000 of coverage are paid on behalf of active and retired employees.

For actives, $0.12 of this amount pays for active life insurance benefits while $0.12 of this pre-funds retiree life insurance benefits.



Amounts shown in arrows are biweekly premiums per $1,000 of coverage

Retiree Basic Life Benefits – Funded Status and Funding Goals

- Annual GLI Report reviews the Basic Life benefits that are available after retirement
- Responsibility to pay retiree benefits creates an Unfunded Actuarial Liability (UAL), similar to the pension plan

	Participating Local Districts June 30, 2024	June 30, 2025	2024 to 2025 % Change
Assets and Liabilities			
Discount Rate	6.50%	6.50%	
Actuarial Liability	$ 34.4	$ 35.7	3.8%
Market Value of Assets (MVA)	$ 23.3	$ 26.7	14.6%
Unfunded Actuarial Liability (UAL)	$ 11.1	$ 9.0	-18.9%
MVA Funded Ratio	68%	75%	

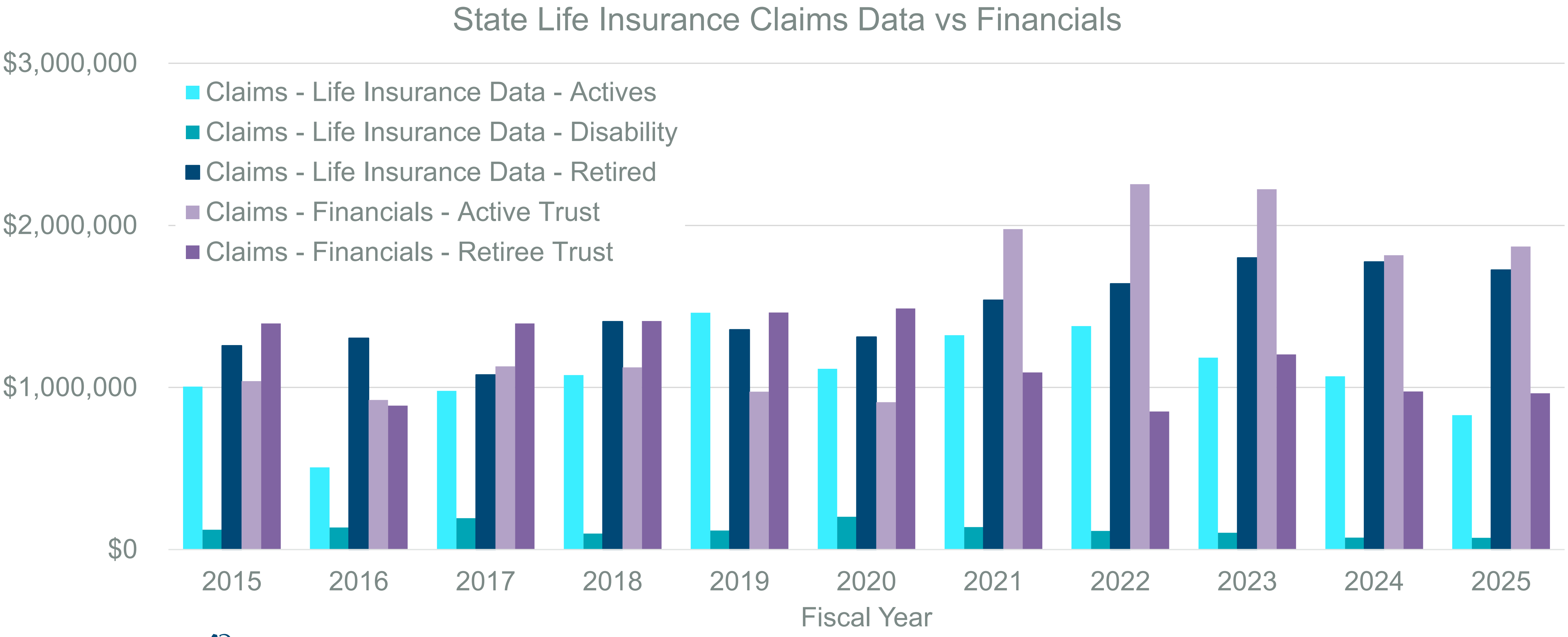
*($ amounts in millions)

- One purpose of the Premium study is to review the sufficiency of the retiree premiums (along with the active premiums) to achieve full funding within designated timeframe
  - 28 Years from 2008 for PLDs (by 2036)

Key Findings and Recommendations

- Some retiree life Insurance payments have been taken from the active trust instead of the retiree trust.
  - Disabled individuals were coming from active trusts, but premiums are set for retiree trust.
  - Some retirees were classified as active participants due to a pension administration system (PAS) logic error.
- Recommend one-time transfer of assets from retiree trust to reimburse the active trust
- Premium Rate Recommendations
  - Maintain scheduled increases for Active & Retiree Basic PLD participants in 2028 with additional increase in 2032
  - No changes to Supplemental/Dependent Rates
- Next Premium Study recommended for 2028 rather than 2030
  - To track emerging experience with retiree payments coming out of correct trust

PLD - Since 2021, Active Claims in the financials have been much higher than seen in life insurance data. Retiree Claims have been lower.



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Life Insurance Data is based on Date of Death and will not perfectly match timing for financials.

One-Time Asset Transfer

- Payments for disabled individuals were coming from active trusts, but premiums are set for retiree trust. (Discussed in 2024 Premium Study, and corrected for FYE 2025)
- Payments came from active trust for some retired participants who had been miscategorized as active due to PAS logic error.
- **The estimated impact (using actual investment earnings) is**
  - **PLD - $5.4 million**

One-Time Asset Transfer Amounts - Actual Investment Return for Retiree Funds						
	PLD Actives					
Fiscal Year Ending	Claims - Financials	Claims - Data	Difference	Annual Investment Return*	Cumulative Return to 6/30/2026	Value at 6/30/2026
2021	$1,976,676	$1,495,601	$481,075	-14.24%	146.72%	$705,829
2022	$2,254,515	$1,480,688	$773,827	11.32%	171.08%	$1,323,863
2023	$2,223,206	$1,429,526	$793,680	14.51%	153.68%	$1,219,753
2024	$1,816,180	$1,093,351	$722,829	13.34%	134.21%	$970,109
2025	$1,869,783	$894,974	$974,809	18.42%	118.42%	$1,154,340
Total	$10,140,360	$6,394,140	$3,746,220			$5,373,894

*Annual Investment Return indicates the return for the following Fiscal Year.

Claims Data has been scaled to match the total of retiree and active payments from the financials

Classic Values, Innovative Advice.

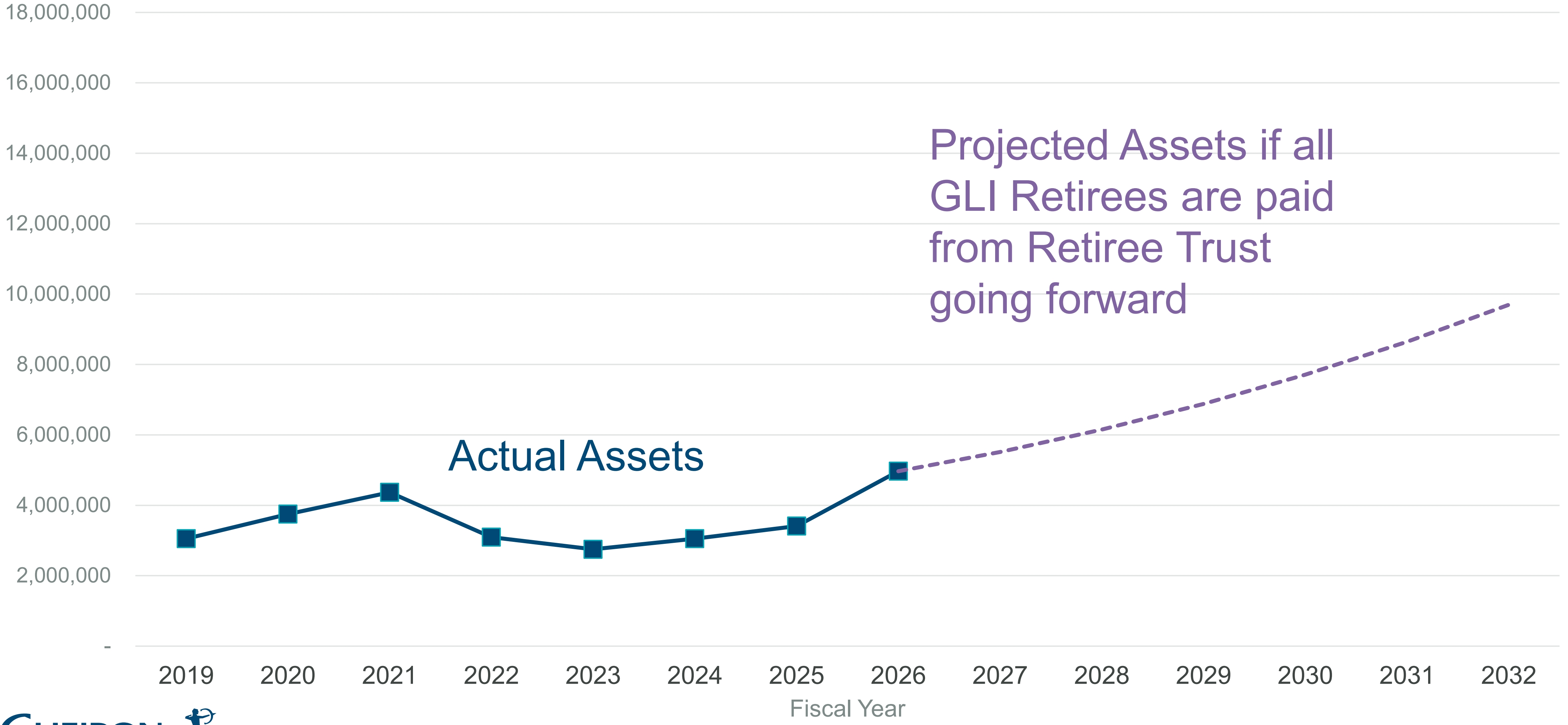
Current and Recommended Premium Rates

Rate Schedule - Bi-weekly Rates Per $1,000 of Coverage			
Current Rates		Rates for Fiscal Year 2028	
	PLD		PLD
Active Basic Retiree Basic	$ 0.24	Active Basic Retiree Basic	$ 0.25
Supplemental		Supplemental	
Age <= 34	$ 0.02	Age <= 34	$ 0.02
35-44	$ 0.03	35-44	$ 0.03
45-49	$ 0.05	45-49	$ 0.05
50-54	$ 0.07	50-54	$ 0.07
55-59	$ 0.14	55-59	$ 0.14
60-64	$ 0.20	60-64	$ 0.20
65 plus	$ 0.40	65 plus	$ 0.40
Dependent A	$ 0.89	Dependent A	$ 0.89
Dependent B	$ 1.57	Dependent B	$ 1.57

PLD Active and Retiree Basic	2024 Premium Study included increase to $0.25 in 2028.

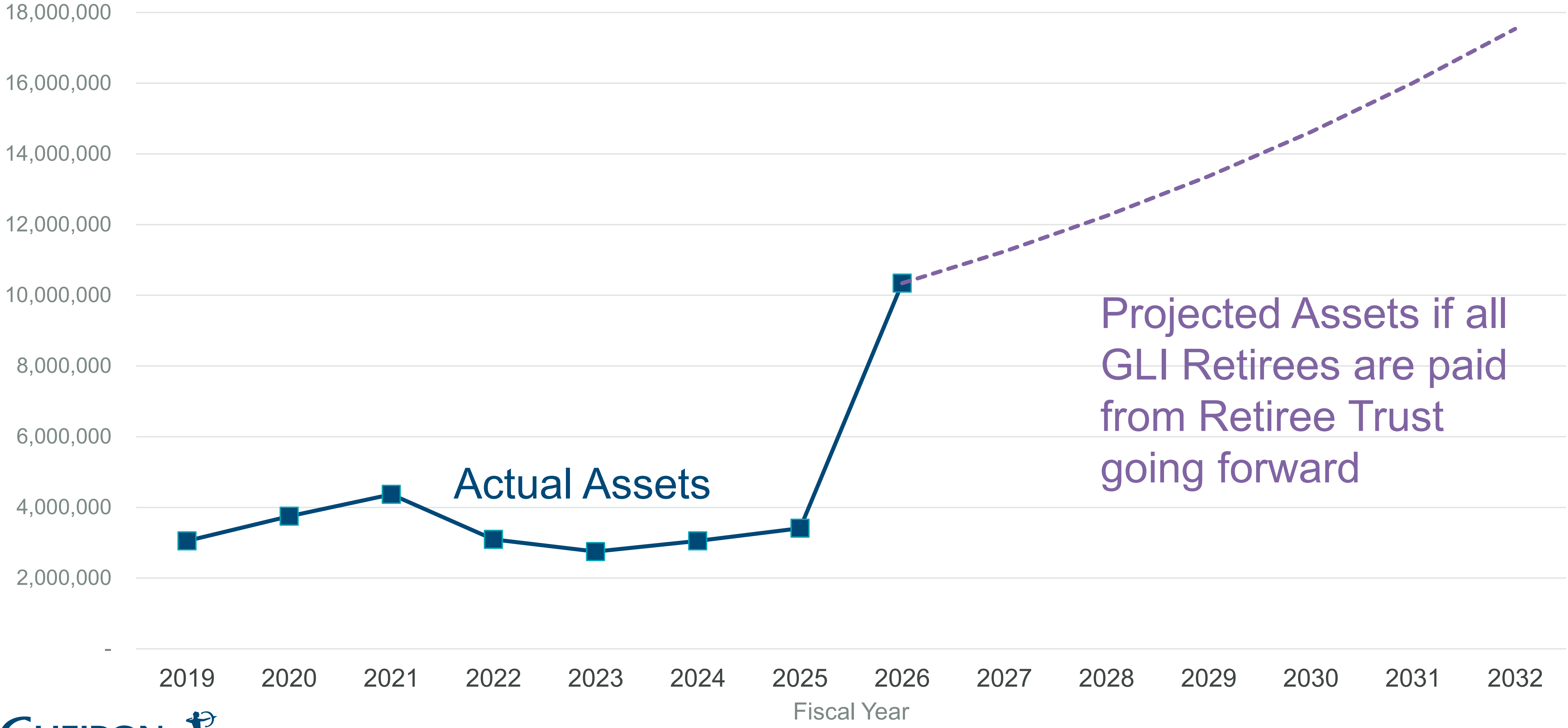
- **PLD** overall rate already scheduled to increase from $0.24 to $0.25 in 2028.
- Based on this Premium Study, recommend an additional increase in 2032 from $0.25 to $0.26.
  - Allocation to active fund recommended to stay at $0.12 for active employees with difference allocated to retiree fund for the scheduled and recommended increases.

PLD Active Basic Assets – Without Asset Transfer



Assumes that beginning FY 2027, all retiree claims will be paid from the Retiree Trust.

PLD Active Basic Assets – With Asset Transfer



Assumes that beginning FY 2027, all retiree claims will be paid from the Retiree Trust.

CHEIRON Classic Values, Innovative Advice.

Summary of Recommendations

Basic Life

- Scheduled increase from $0.24 to $0.25 in 2028 (Adds $0.13 million in premiums in 2028)
- Recommended increase from $0.25 to $0.26 in 2032 (Adds $0.14 million in premiums in 2032)
- Recommend maintaining premium allocated to Active Fund at $0.12 in all years, with remainder going to the Retiree Fund
- Recommended transfer of assets of $5,373,894 from Retiree Trust to Active Trust

No change to Supplemental, or Dependent Premium

Next Premium Study in 2028

CHEIRON

Classic Values, Innovative Advice.

Contact us if you have any questions

Ryan Benitez, ASA, MAAA
Consulting Actuary
tel: 703-893-1456 (ext. 1115)
cell: 706-726-3386

MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

PLD Plan Activity Memo

Date: July 22, 2026
To: PLD Advisory Committee Members
From: Deanna Doyle, PLD and MaineSTART Plan Administrator

New or Rejoining PLD Employers (3)				
Employer	**Plan**	**Effective**	**# of Members or Potential Members**	**Comments**
Central Lincoln County Ambulance Service (P0422)	3C	6/1/2026	9	New PLD joined effective **6/1/2026** under 3C for its full-time EMS employees. PLD does not have a section 218 agreement with Social Security so membership is mandatory for full-time EMS employees hired after 6/1/2026. PLD is allowing EMS employees who join to purchase credit for prior serivce at the employees expense. PLD adopted the open enrollment provision and gave authorization for its Service Chief to adopt a 457b or 401a plan with MaineSTART in the future.
Littleton, Town of (P0423)	AC	6/1/2026	1	New PLD joined effective **6/1/2026** under AC for its full-time employees and adopted the Group Life Insurance Program. PLD has a section 218 agreement with Social Security so membership is otpional and in addition to Social Security. PLD is allowing employees who join to purchase credit for prior service at the employees' expense. PLD authorized its Town Manager to adopt a 457b or 401a plan with MaineSTART in the future.
Washington Academy (P0424)	GLI	7/1/2026	N/A	New School Support PLD to adopt Group Life Insurance coverage only for its eligile non-Teacher plan school support employees effective **7/1/2026**

Employer Plan Changes (14)				
Employer	**New Plan**	**Old Plan**	**# of Members**	**Comments**
Cumberland County (P0005)	3C	2C	114	Adopted 3C for corrections employees for future service only effective **6/1/2026**
Durham, Town of (P0234)	AC	AN	14	Adopted AC for future service only effective **7/1/2026**
Freeport, Town of (P0142)	3C	2C	6	Adopted 3C for firefighters future service only effective **7/1/2026** and amend exclusions to comply with Chap 802
Hancock County (P0056)	3C	2C	17	Adopted 3C for law enforcement officers future service only effective **7/1/2026**
Hermon, Town of (P0150)	AC	AN	16	Adoped AC for general government employees for future service only effective **7/1/2026**
Lincoln, Town of (P0076)	3C	3N	26	Adopted 3C for firefighters for future service only effective **6/1/2026**
Livermore Falls, Town of (P0109)	AC	AN	11	Adopted AC for general government employees for future serivce only effective **7/1/2026**
Maine Academy of Natural Sciences (P0346)	AC	AC	?	Updated exclusions to add coverage for hourly employees who regularly work 25 hours per week, 52 weeks per year effective **7/1/2026**. Previously only allowed full-time hourly employees to particiapate.
Norway, Town of (P0125)	3C	2C	10	Adopted 3C for Police oficers for future service only effective **7/1/2026**
RSU #75 - MSAD #75 Topsham (P0461)	AC	AC	4	Added coverage for technology professionals under AC effective **7/1/2026** and is allowing newly eligible employees to purchase credit for past service in non-Teacher plan positions at the employees expense
Waldo County Jail (P0046J)	3C	2C	13	Adopted 3C future service only for corrections officers effective **7/1/2026**
Winthrop, Town of (P0179)	3C	2C	8	Adopted 3C for police officersfor future service only effective **7/1/2026**
Winthrop, Town of (P0179)	2C	AC	3	Adopted 2C for dispatchers for future service only effective **7/1/2026**
Wiscasset, Town of (P0417)	3C	2C	3	Adopted 3C for EMS employees for future service only and amended eligibility requirements to comply with Chap 802 effective **7/1/2026**

Pending Plan Change Inquiries (24)				
Employer Plan	**New Plan**	**Old Plan**	**# of Members**	**Comments**
Aroostook County (P0106)	N/A	N/A	?	Considering employer paid employee contribution arrangement
China, Town of (P0235)	N/A	N/A	1	Update exclusions to define full-time as 35 hrs/wk, 52 wks/yr effective 8/1/2026 - currently require employees to work more than 35 hours per week to be eligible
Damariscotta, Town of (P0192)	3C	AC	1	Adopt special plan 3C for future service only for non-union, full-time police officers effective 11/1/2025
Dover-Foxcroft, Town of (P0167)	1C	AN	5	Adopt 1C for police future service only
Franklin County (P0102)	3C	AC	4	Limited all service plan change for non-union law enforcement officers employed on 7/1/2026 to 3C from AC for service from 7/1/2006 through 12/31/2013. Study in progress.
Freeport, Town of (P0142)	1C	3C	18	Adopt 1C from 3C for police officers employed and participating on 7/1/2027 for all service - study pending
Gray, Town of (P0399)	AC	N/A	49	Add coverage for additional classifications of employees under AC
Knox County Sheriffs, Corrections & Communications (P0359)	3C	3N	?	Adopt 3C for certain job classificaitons future sserivce only
Lisbon, Town of (P0103)	Adopt Group Life Insurance	N/A	?	Adopt the Group Life Insurance program for MainePERS-eligible employees
Maine School of Science & Mathematics (P0352)	Adopt Group Life Insurance	N/A	?	Adopt the Group Life Insurance program for non-Teacher plan, MainePERS-eligible school support employees
Mt. Desert, Town of (P0016)	3C	2C & AC	19+	Adopt 3C for all service for current police (including harbor masters), firefighters and dispatchers
Paris, Town of (P0127)	3C	2C	6	Adopt 3C for police effective 9/1/2024 for future service only
Penobscot County (P0011)	3C	2C	53	Do limited period all service plan change to3C from 2C effective 3/1/2026 for law enforcement officers employed on 3/1/2026 for serivce during the period from 1/1/2026 through 1/31/2026. Study in progress
Pittsfield, Town of (P0110)	2C	AN	4	Adopt 2C for union police officers for all serivce retroactive to 7/1/2023 or future service only. Adopt 2C for all other employees future service only eff 8/1/2026
Regional School Unit No. 34	AN or AC	N/A	?	Add coverage for additional classifications of employees under AN or AC
Sagadahoc County (P0096)	3C	AC	1	Adopt 3C future service only for domestic violence investigator
Sanford Sewerage District (P0089)	AC	AN	?	Adopt COLA for future service only or for all service either just for current employees as of 1/1/2027 or for all employee, current and former and retirees/benes. Study in progress
Somerset County (P0101)	3C/2C	AC	28	Adopt 3C or 2C future service only or all serivce effective 8/1/2026
Southwest Harbor, Town of (P0368)	1C or 3C	2C		Adopt 1C or 3C for police officers future service only
Wells Fire & Police (P0349)	1C	3C & 2C	24	Adopt 1C for all service full or limited for police officers
Wells Fire & Police (P0349)	1C	3C & 2C	18	Adopt 1C for all service full or limited for firefighters effective 1/1/2027 - study pending
Wells, Town of (P0107)	3C or 2C	AC	8	Adopt 3C or 2C for all service full or limited for dispatchers
Yarmouth, Town of (P0116)	3C	1C	?	Adopt 3C for police officers hired on/after XX date. Current police officers will remain covered under 1C for as long as they remain continuously employed.
York, Town of (P0028)	N/A	N/A	?	Considering employer paid employee contribution arrangement

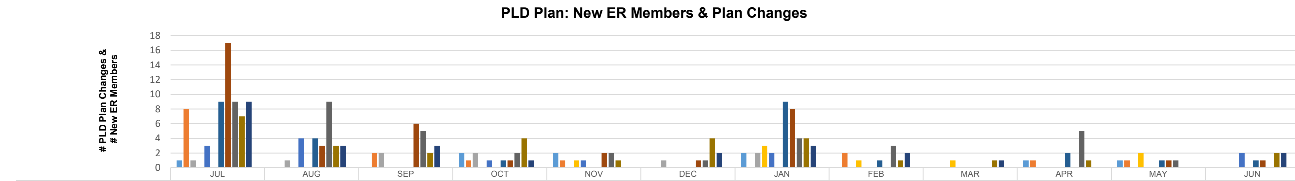
Pending New or Rejoining PLD Employer Inquiries (30)				
Employer	**In Addition to SS?**	**Effective**	**# of Potential Members**	**Comments**
Bangor School Department	No	2026	?	Rejoin under AC for certain school support employees - Need to determine if they have an alternate plan like the City of Bangor.
Boothbay, Town of	Yes	2025	27	New PLD
Brunswick Housing Authority	Yes	2026	22	New PLD - Join under AC and Adopt GLI Program and MaineSTART 457b or 401a with Employer Match effective 10/1/2026
Exeter, Town of (P0156)	Yes	2026	?	Rejoin under the Consolidated Plan
Fayette, Town of (P0296)	Yes	2026	?	Rejoin under Consolidated Plan
Georgetown, Town of (P0261)	Yes	2026/2027	?	Rejoin PLD
Gorham, Town of (P0133)	Yes	2025	?	Rejoin for general government employees under AC
Hudson, Town of	No	2026	?	New PLD
John's Bay Coastal Alliance Education Serivce Center	No	2026	?	New School Support PLD
Maine's Essential Care and Support Workforce Partnership	?	2026	?	New PLD if qualify as Local District
Maine Organic Farmers and Gardeners Association (MOFGA)	?	2025	?	New PLD if qualify as Local District
Maine Redevelopment Land Bank Authority	No	2026	4	New PLD
Manchester, Town of	Yes	2026	?	New PLD
Mount Vernon, Town of	Yes	2026	?	New PLD
MSAD #17 South Paris	Yes	2026	?	New School Support PLD
Ogunquit Sewer District	Yes	2026	?	New PLD
Penobscot Nation Warden Service	?	2025	?	New PLD - Need to determine if under Indian Tribal Government
Portland Harbor Commission	No	2026	2	New PLD considering joining under AC
Regional School Unit No. 22	Yes	2026	?	New School Support PLD
RSU #9 - MSAD #9	Yes	2026	1	Rejoining School Support PLD to provide coverage under AC for Director of Nutrition
RSU #19	No	2026	?	New School Support PLD
RSU #50	No	2026	?	New School Support PLD
RSU #80 - MSAD #4 Guilford	Yes	2026	?	New School Support PLD
Saco River Corridor Commission	No	2025	?	New PLD if qualifies as Local District
Searsmont, Town of	No	2026	?	New PLD
Strong, Town of	Yes	2025	?	New PLD
Swanville, Town of	No	2026	?	New PLD
Vinalhaven, Town of	Yes	2026	?	New PLD
Wallagrass, Town of (P0162)	Yes	2026	1	Rejoin under the PLD Consolidated Plan
Woodland, Town of	Yes	2025	?	New PLD

Active Withdrawal /Partial Withdrawal Inquiries (1)				
Employer	**In Addition to SS?**	**Effective**	**# of Potential Members**	**Comments**
Midcoast Council of Governments (P0343)	No	TBD	?	Wants to make full withdrawal, have not be administering plan appropriately for several years so need to resolve membership issues first

PLD PLAN and MaineSTART

Function	Measure	Supplemental Board Metrics	Explanation
PLD PLAN	**ER Members & Plan Changes**	Yes; Monthly	This metric indicates the number of new employers joining the Participating Local District defined benefit plan as well as the number of existing employers making changes to their plan benefits including the scope covered employees and terms of coverage.
	PLD Activity - Employer and Member Numbers	Pending	This metric indicates the cumulative number of employers and active members in the Participating Local District plan.
	PLD Activity - Monthly and Cumulative Plan Changes	Pending	This metric indicates the cumulative number of new employers joining the PLD and the cumulative number of existing employers making changes to their plan benefits.

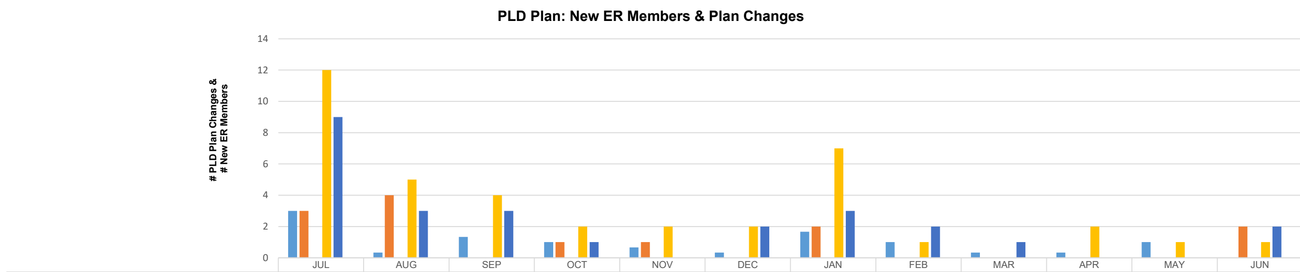
PLD Plan 7/19/2026



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY22 # New PLD Plan Employers	1	0	0	2	2	0	2	0	0	1	1	0
FY23 # New PLD Plan Employers	8	0	2	1	1	0	0	2	0	1	1	0
FY24 # New PLD Plan Employers	1	1	2	2	0	1	2	0	0	0	0	0
FY25 # New PLD Plan Employers	0	0	0	0	1	0	3	1	1	0	2	0
FY26 # New PLD Plan Employers	3	4	0	1	1	0	2	0	0	0	0	2
FY27 # New PLD Plan Employers	0											
FY22 # PLD's Adopting Plan Changes	9	4	0	1	0	0	9	1	0	2	1	1
FY23 # PLD's Adopting Plan Changes	17	3	6	1	2	1	8	0	0	0	1	1
FY24 # PLD's Adopting Plan Changes	9	9	5	2	2	1	4	3	0	5	1	0
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3	3	1	0	2	3	2	1	0	0	2
FY27 # PLD's Adopting Plan Changes	0											

PLD Plan: Number of new employers joining the PLD Retirement Program and number of employers making plan changes.

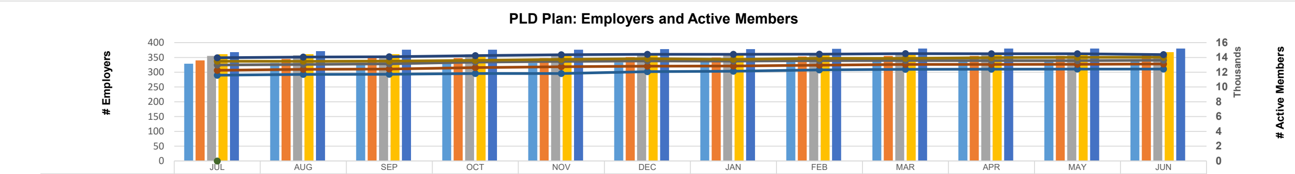
Note: This metric has transitioned to reflect PLD employer changes (joining, returning, adopting plan changes) in the month of their implementation. Prior reporting included PLD changes occurring in future months. This new format is consistent with MainePERS activity reporting to our actuary.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3 YR Avg # New PLD Plan Employers (FYRs 23, 24, 25)	3	0	1	1	1	0	2	1	0	0	1	0
FY26 # New PLD Plan Employers	3	4	0	1	1	0	2	0	0	0	0	2
FY27 # New PLD Plan Employers	0											
3 YR Avg # PLD's Adopting Plan Changes (FYRs 23, 24, 25)	12	5	4	2	2	2	7	1	0	2	1	1
FY26 # PLD's Adopting Plan Changes	9	3	3	1	0	2	3	2	1	0	0	2
FY27 # PLD's Adopting Plan Changes	0											

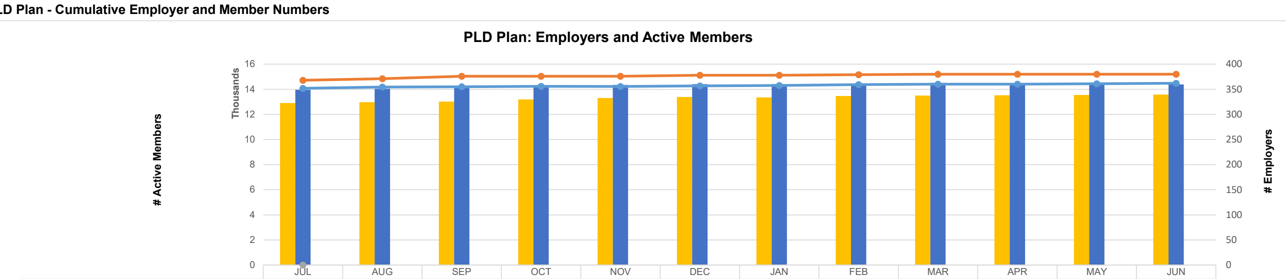
PLD Plan: 3 year average includes FY22, FY23 and FY24 for the number of new employers joining the PLD Retirement Program and number of employers making plan changes against fiscal years 2025 and 2026.

PLD Plan - Cumulative Employer and Member Numbers



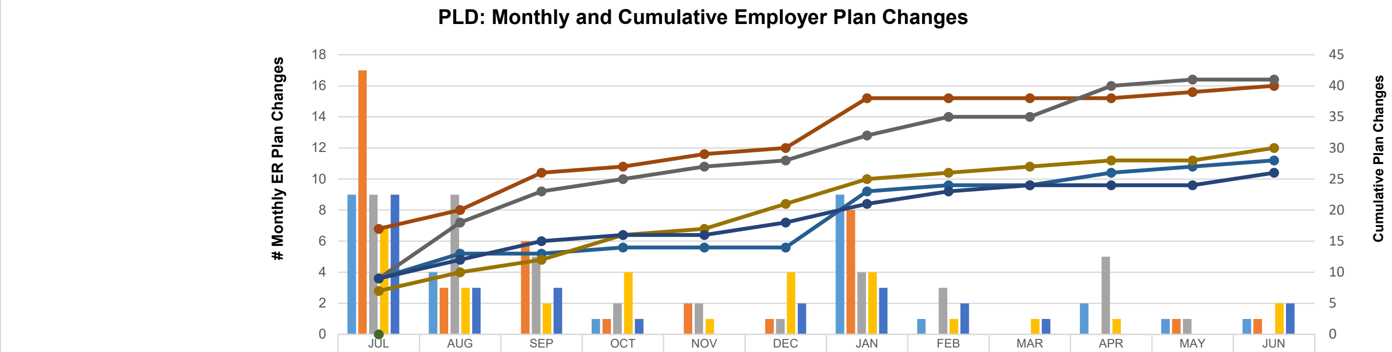
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY22 PLD Employers	329	331	331	331	331	333	336	337	338	338	339	340
FY23 PLD Employers	340	345	348	348	348	351	350	353	355	355	355	356
FY24 PLD Employers	355	357	356	360	360	360	363	363	363	362	362	362
FY25 PLD Employers	361	361	361	360	359	359	360	362	363	364	366	368
FY26 PLD Employers	368	371	376	376	376	378	378	379	380	380	380	380
FY27 PLD Employers	0											
FY22 PLD Active Members	11,598	11,716	11,726	11,823	11,823	12,080	12,141	12,312	12,384	12,402	12,422	12,421
FY23 PLD Active Members	12,258	12,387	12,422	12,631	12,732	12,818	12,830	12,961	13,045	13,051	13,076	13,112
FY24 PLD Active Members	12,975	13,046	13,139	13,358	13,469	13,523	13,494	13,558	13,583	13,565	13,570	13,618
FY25 PLD Active Members	13,486	13,474	13,503	13,593	13,728	13,825	13,730	13,869	13,882	13,969	14,006	14,029
FY26 PLD Active Members	13,956	14,040	14,098	14,236	14,355	14,411	14,416	14,448	14,512	14,489	14,501	14,382
FY27 PLD Active Members	0											

PLD Plan - Cumulative Employer and Member Numbers



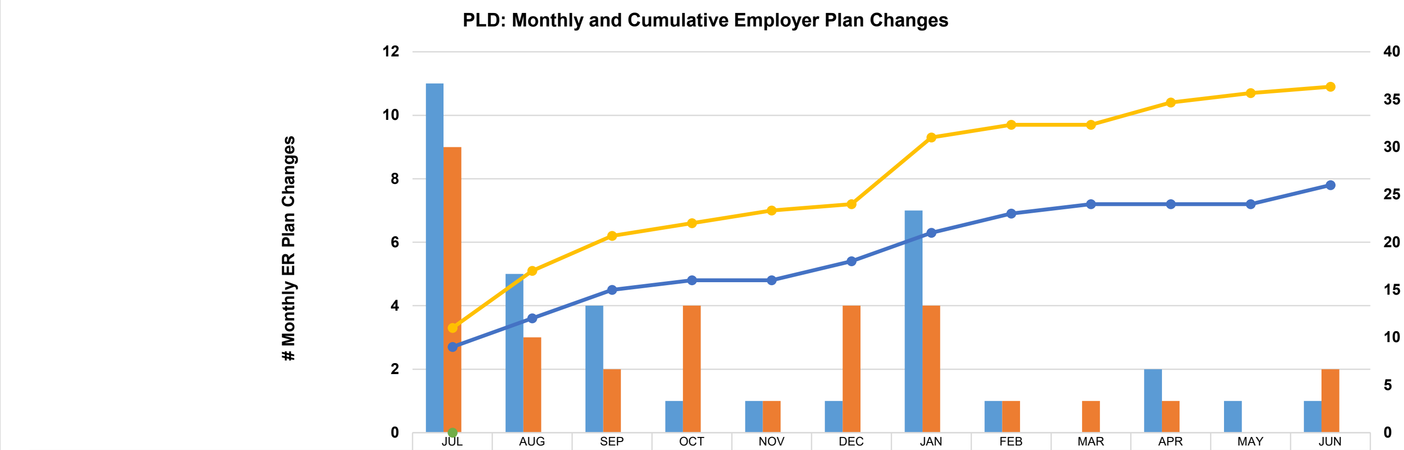
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3 YR Avg PLD Active Members (FYRs 23, 24, 25)	12,906	12,969	13,021	13,194	13,310	13,389	13,351	13,463	13,503	13,528	13,551	13,586
FY26 PLD Active Members	13,956	14,040	14,098	14,236	14,355	14,411	14,416	14,448	14,512	14,489	14,501	14,382
FY27 PLD Active Members	0											
3 YR Avg PLD Employers (FYRs 23, 24, 25)	352	354	355	356	356	357	358	359	360	360	361	362
FY26 PLD Employers	368	371	376	376	376	378	378	379	380	380	380	380
FY27 PLD Employers	0											

PLD Plan Employers and Active Members: 3 year average includes FY23, FY24 and FY25 for the number of employers in the PLD Retirement Program and number of active members against fiscal years 2026 and 2027.



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY22 # PLD's Adopting Plan Changes	9	4	0	1	0	0	9	1	0	2	1	1
FY23 # PLD's Adopting Plan Changes	17	3	6	1	2	1	8	0	0	0	1	1
FY24 # PLD's Adopting Plan Changes	9	9	5	2	2	1	4	3	0	5	1	0
FY25 # PLD's Adopting Plan Changes	7	3	2	4	1	4	4	1	1	1	0	2
FY26 # PLD's Adopting Plan Changes	9	3	3	1	0	2	3	2	1	0	0	2
FY27 # PLD's Adopting Plan Changes	0											
FY22 Cumulative Plan Changes Adopted	9	13	13	14	14	14	23	24	24	26	27	28
FY23 Cumulative Plan Changes Adopted	17	20	26	27	29	30	38	38	38	38	39	40
FY24 Cumulative Plan Changes Adopted	9	18	23	25	27	28	32	35	35	40	41	41
FY25 Cumulative Plan Changes Adopted	7	10	12	16	17	21	25	26	27	28	28	30
FY26 Cumulative Plan Changes Adopted	9	12	15	16	16	18	21	23	24	24	24	26
FY27 Cumulative Plan Changes Adopted	0											

PLD Plan - Monthly and Cumulative Employer Plan Changes



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
3 YR Avg # PLD's Adopting Plan Changes (FYRs 23, 24, 25)	11	5	4	1	1	1	7	1	0	2	1	1
FY26 # PLD's Adopting Plan Changes	9	3	2	4	1	4	4	1	1	1	0	2
FY27 # PLD's Adopting Plan Changes	0											
3 YR Avg Cumulative Plan Changes Adopted (FYRs 23, 24, 25)	11	17	21	22	23	24	31	32	32	35	36	36
FY26 Cumulative Plan Changes Adopted	9	12	15	16	16	18	21	23	24	24	24	26
FY27 Cumulative Plan Changes Adopted	0											

Monthly and Cumulative Employer Plan Changes: 3 year average includes FY23, FY24 and FY25 for the number of employers in the PLD Retirement Program and number of active members against fiscal years 2026 and 2027.