



There are limits on the amount of money a disability retiree may earn before benefits are reduced or eliminated. Two separate amounts are set in law that may affect your disability benefit. The earnings limitation describes the amount you may earn from employment before an impact to your monthly benefit. Your Substantially Gainful Activity amount is the benchmark of earnings that ends your eligibility for disability retirement. If you exceed your earnings limitation, your benefit may be reduced over the following year by the amount of overearnings. If you exceed your Substantial Gainful Activity (SGA) amount, your benefit will be terminated.

Limitation for Earnings from Employment

Your earnings limitation, which is the maximum amount you may earn without reducing your benefits, is the **greater** of:

1. An amount defined in law as the minimum you may earn each year. That Minimum Earnings Limitation is \$35,500 in 2026 and will be adjusted annually for inflation (specifically by using the Consumer Price Index for All Urban Consumers or CPI-U).
2. The difference between your disability benefit in any given year and your official Average Final Compensation (the average of your three highest years of pay), adjusted annually for inflation.
3. The difference between your disability benefit in any given year and your Final Annual Compensation (your last annual rate of compensation received during MainePERS covered employment prior to receiving a disability retirement benefit), adjusted annually for inflation.

If you only received a disability benefit for part of the year, your earnings limitation will be adjusted based on the number of months you received disability benefits. Actual earnings will be used for the months you received disability benefits and compared to the adjusted earnings limitation.

Substantial Gainful Activity

Your Substantial Gainful Activity amount, which is the maximum amount you may earn before your benefit is terminated, is the greater of:

1. Your Average Final Compensation, adjusted annually by CPI-U
2. Your Final Annual Compensation, adjusted annually by CPI-U
3. The minimum SGA (\$35,500 in 2026, adjusted annually by CPI-U)

Please contact Disability Services for more information.

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