

Maine Legislative Retirement System

DISABILITY RETIREMENT BENEFIT

You may be eligible for a disability retirement benefit if you become mentally or physically disabled, as defined by MainePERS law, while you are in service. The amount of your disability benefit is either 66 2/3% or 59% of your average final compensation, depending on whether you are in the “age-limited” disability plan or the “no-age-limit” disability plan.

GROUP LIFE INSURANCE & PRE-RETIREMENT DEATH BENEFIT

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

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

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

Welcome to the Maine Legislative Retirement System

An Overview of Benefits for Legislative Members

A publication of

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JULY 2007

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Welcome to the Maine Legislative Retirement System

The Maine Legislative Retirement System (MLRS) was established to ensure that certain benefits are available to Legislators. *For more information contact us at 1-800-451-9800, or visit us online at www.maineprs.org.*

MEMBERSHIP

- ◆ Every Legislator serving in the Legislature on or after December 3, 1986 must be a member of the Maine Legislative Retirement System.
- Legislators who were members of the Maine Public Employees Retirement System (MainePERS) on December 2, 1986 may remain members of that System.
- ◆ Membership may be waived in certain situations.

HOW SERVICE CREDIT ACCUMULATES

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

VESTING

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

QUALIFYING FOR A RETIREMENT BENEFIT

You qualify to receive a retirement benefit:

- ◆ Once you have at least 25 years of creditable service. For this purpose, 25 years of service credit can include service with the MainePERS; or
- ◆ Age 60 Plan: When you reach Normal Retirement Age (NRA) of 60 if you had at least ten years of creditable service on July 1, 1993. The ten years of service credit can include service with MainePERS; or
- ◆ Age 62 Plan: When you reach NRA of 62 if you had less than ten years of service on July 1, 1993, were in service on or after October 1, 1999 and have at least five years of service credit. The five years of service credit can include service with MainePERS.
- ◆ You must have at least 25 years of creditable service to retire before your Normal Retirement Age.

CALCULATION OF BENEFIT

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

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

Example:

$$\begin{aligned} \text{Average Final Compensation} &= \$10,870.00 \\ \text{Service Credit} &= 8 \text{ years} \\ \\ (\$10,870.00 \div 50) \times 8 \text{ years} &= \$1,739.20 \text{ annual} \\ &\quad \text{benefit (or } \$144.93 \\ &\quad \text{monthly) at NRA} \end{aligned}$$

- ◆ If you retire before Normal Retirement Age, an age reduction factor is applied for each full year that you are below NRA. The age reduction factor for members in the Age-60 plan is approximately 2.25% per year. The age reduction factor for members in the Age-62 plan is 6% per year.