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Legislative Document

No. 1638

S.P. 646

In Senate, April 15, 2025

An Act Regarding Disability Retirement Benefits Under the Maine **Public Employees Retirement System**

Received by the Secretary of the Senate on April 11, 2025. Referred to the Committee on Labor pursuant to Joint Rule 308.2 and ordered printed.

> DAREK M. GRANT Secretary of the Senate

Presented by Senator DUSON of Cumberland. Cosponsored by Representative GEIGER of Rockland and

Senators: BRADSTREET of Kennebec, HICKMAN of Kennebec, INGWERSEN of York, Representatives: BRIDGEO of Augusta, COLLINS of Sidney, FOLEY of Wells, ROEDER of Bangor.

1 Be it enacted by the People of the State of Maine as follows: 2 **Sec. 1. 5 MRSA §17906, sub-§2, ¶A,** as amended by PL 1991, c. 885, Pt. E, §8 and affected by §47, is further amended to read: 3 4 A. The amount of any disability retirement benefit payable under this article must be 5 reduced by any amount received by the beneficiary for the same disability under either or both of the following: 6 7 (1) The worker's compensation or similar law, except amounts that may be paid 8 or payable under former Title 39, section 56-B or Title 39-A, section 212, 9 subsection 3; or. 10 (2) The United States Social Security Act, if the employment for which creditable 11 service with the employer is allowed was also covered under that Act at the date of disability retirement. 12 13 Sec. 2. 5 MRSA §17925, sub-§3, as amended by PL 2015, c. 392, §1, is repealed. Sec. 3. 5 MRSA §18525, sub-§3, as amended by PL 1995, c. 643, §21, is repealed. 14 Sec. 4. 5 MRSA §18530, sub-§4, ¶A, as amended by PL 1991, c. 885, Pt. E, §15 15 and affected by §47, is further amended to read: 16 17 A. The amount of any disability retirement benefit payable under this article must be 18 reduced by any amount received by the person for the same disability under either or 19 both of the following: 20 (1) The workers' compensation or similar laws, except amounts that may be paid 21 or payable under former Title 39, section 56-B or Title 39-A, section 212, 22 subsection 3; or. 23 (2) The United States Social Security Act, if the employment for which creditable service with the employer is allowed was also covered under that Act at the date 24 25 of disability retirement. 26 Sec. 5. Retroactivity; payment of benefits and interest. This Act applies 27 retroactively to a person who was receiving disability retirement benefits under the Maine 28 Public Employees Retirement System as of December 31, 2024 if those disability 29 retirement benefits were reduced because the person received disability retirement benefits 30 under the United States Social Security Act. A person affected by this Act must be paid 31 the difference between: 32 1. The amount of disability retirement benefits, including any cost-of-living 33 adjustments, the person should have received absent any reduction to such benefits due to 34 the receipt of disability retirement benefits under the United States Social Security Act; and

The person must be paid the difference with interest accruing from the date the person's disability retirement benefits were reduced to the date of the payment made pursuant to this section. The rate of interest must be calculated pursuant to the Maine Revised Statutes, Title 36, section 186.

2. The amount of disability retirement benefits the person actually received.

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1 SUMMARY

 Under current law, the disability retirement benefits paid by the Maine Public Employees Retirement System to a person who is disabled are reduced if that person receives benefits from the United States Social Security Act. This bill removes that reduction for persons who are disabled and were receiving disability retirement benefits from the Maine Public Employees Retirement System as of December 31, 2024. The provisions of the bill retroactively apply to the date that person began receiving reduced disability retirement benefits and requires that the person be paid the withheld benefits, including any cost-of-living adjustments and interest. The bill also removes the requirement that such a person include in the application for disability retirement benefits proof that the person has made application for benefits under the United States Social Security Act.