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Legislative Document

No. 111

H.P. 77

House of Representatives, January 13, 2021

An Act To Allow Career Educators To Retire without Penalty

Received by the Clerk of the House on January 11, 2021. Referred to the Committee on Labor and Housing pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TUELL of East Machias.
Cosponsored by Senator MOORE of Washington and
Representatives: CARLOW of Buxton, McCREA of Fort Fairfield, STEARNS of Guilford.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §17851, sub-§3-B** is enacted to read:

3 **3-B. School administrator or teacher with creditable service of 35 years or more**
4 **in service at retirement.** A school administrator or teacher in service who has completed
5 35 or more years of creditable service qualifies for a service retirement benefit if the
6 member retires at any time after completing 35 years of service.

7 **Sec. 2. 5 MRSA §17852, sub-§3-C** is enacted to read:

8 **3-C. School administrator or teacher with creditable service of 35 years or more**
9 **in service at retirement.** The amount of the service retirement benefit for a school
10 administrator or teacher qualified under section 17851, subsection 3-B is computed in
11 accordance with subsection 1, except that the benefit may not be reduced due to a member's
12 age.

13 **Sec. 3. 5 MRSA §17859, sub-§3-A**, as enacted by PL 2019, c. 436, §1, is amended
14 to read:

15 **3-A. Contributions to the Maine Public Employees Retirement System.** For a
16 reemployed retired state employee, retired teacher or retired school administrator, the
17 portion of the employer contribution that goes to pay the retirement system for the unfunded
18 liability must be continued at the same contribution rate of the employer as described in
19 section 17253 as is required for the position as if the position were filled by an employee
20 who is not a retired state employee, retired teacher or retired school administrator. For a
21 reemployed retired teacher or retired school administrator who retired under section 17851,
22 subsection 3-B, the retired teacher or retired school administrator must pay the employee
23 contribution at the rate described in section 17701. A retired state employee, retired teacher
24 or retired school administrator who returns to service under this section is not a member
25 and therefore may not accrue additional creditable service during the reemployment period
26 or change the retired state employee's, retired teacher's or retired school administrator's
27 earnable compensation for benefit calculation purposes.

28 **SUMMARY**

29 This bill allows teachers and school administrators in service after 35 years of
30 creditable service to retire and collect retirement benefits without penalty. It also requires
31 that a reemployed retired teacher or retired school administrator pay the same employee
32 contribution rate to the retirement system as is required for the position if the position were
33 filled by an employee who is not retired.