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An Act To Remove the Age Penalty for State Retirees Working at State Correctional Institutions That Are Closing

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

Sec. 1. 5 MRSA §17852-A is enacted to read:

§ 17852-A. Computation of benefit for certain correctional facility employees

1. Definition. As used in this section, unless the context otherwise indicates, "correctional facility" has the same meaning as in Title 34-A, section 1001, subsection 6.

2. Correctional facility employees. Notwithstanding section 17852 and any other provision of law, the service retirement benefit for a member for whom an appropriation of funds has been made under subsection 4 is computed as provided in subsection 3 if the member:

- A. Has creditable service of 25 years or more;
- B. Has not reached what would be the member's normal retirement age absent this section;
- C. Is employed in a correctional facility that closes and that is located more than 100 miles from the nearest correctional facility; and
- D. Retires as a direct result of the closure of the facility described in paragraph C.

3. Benefit. The amount of the service retirement benefit for a member qualified under subsection 2 is 1/50 of the member's average final compensation multiplied by the number of years of creditable service.

4. Appropriation of funds. The service retirement benefit for a member who meets the conditions of subsection 2 is computed under subsection 3 only if the retirement system has received an appropriation from the Legislature for the additional actuarial costs that result from the elimination of a reduction for retirement prior to normal retirement age.

5. Certification. The Commissioner of Administrative and Financial Services shall provide certification of the pending closure of a correctional facility to the retirement system. The retirement system shall calculate the funds necessary under subsection 4 and report that information to the joint standing committee of the Legislature having jurisdiction over retirement matters. The committee is authorized to report out legislation appropriating funds for the costs set forth in the report.

SUMMARY

This bill allows employees at state correctional facilities that close who have not reached their normal retirement age to retire and receive their full retirement benefit if certain conditions are met and funding is appropriated for the additional actuarial costs that result from the elimination of a reduction for retirement prior to normal retirement age.

This bill requires the Commissioner of Administrative and Financial Services to provide certification of the pending closure of a state correctional facility to the Maine Public Employees Retirement System. The bill requires the retirement system to calculate the amount of funding necessary to pay for the actuarial costs and report that information to the joint standing committee of the Legislature having jurisdiction over retirement matters. The bill provides that the joint standing committee may report out legislation appropriating funds for the costs set forth in the report.