

Rene Gagnon
Sanford, Maine

April 22, 2025

Testimony in Support of LD 1638
An Act Regarding Disability Retirement Benefits under the Maine Public Employees Retirement System

Good morning, Sen. Tipping, Rep. Roeder, and to all the members of the Labor Committee. My name is Rene Gagnon and I live in Sanford. I will be 63 in the end of May. Thank you for the opportunity to testify in support of this bill to retroactively eliminate the MainePERS Social Security offset. I urge the committee to vote the bill out of committee with a unanimous Ought to Pass!

Prior to leaving my employment due to my medical condition, I worked as a truck driver for the City of Sanford for seventeen years.

In 2013 I was removed from employment with the City as they deemed it unsafe for me to be driving and working around heavy equipment. At the time my Average Final Compensation was \$38,559.10. Therefore my 59% disability benefit should have been \$22,749.81—a monthly benefit of \$1,895.82. However, my calculated benefit was \$1,228.82. I was not informed by MainePERS and did not understand on my own that I was losing \$667/month because of an offset.

I was battling liver disease and was progressively becoming weaker and weaker. My medications alone cost me over \$800.00 monthly. My wife, Lisa, took a position at a local convenience store which allowed her the flexibility needed to take me back and forth to medical appointments, but also, at the same time, limited her income. We struggled to pay for our mortgage, property taxes, utilities, my life-sustaining medications plus to purchase food!

In 2015 I underwent a liver transplant which saved my life. My wife lost still more hours as her employer continued to allow her the time she needed to be there for me. Then 2024 came and I had to have a kidney transplant. Lisa had returned to working at a local branch of People's Bank. She again had to take several weeks off because I needed someone with me around the clock for the first three weeks after the transplant.

We are still struggling and the mortgage is still there!!! The costs of everything are rising, including property taxes, heat, food and medication.

Eliminating the Maine PERS Social Security Offset is the right thing to do. Making myself and the others on the list of 51 whole is the right thing to do. I need the \$667 withheld monthly from my disability benefit due to the offset. It is not fair to leave it to the benefit of the PLD plan while denying me and the 50 others relief from this underpayment of our benefits. My employer (the taxpayers of the City of Sanford), myself and all the others hurt by the offset paid into both Social Security and MainePERS. Offsetting between Social Security and the retirement system was unfair from the onset. There is no reason for MainePERS to deny the release of these funds from the PLD plan to their rightful owners.

Paying out our withheld benefits with interest and COLAs costs the state nothing and is a huge deal for me. With all of the worries we have been dealing with, it would be a great comfort to me to know that things can be a little easier for us with the offset amount restored to my monthly benefits and receiving the backpay of the underpayment—especially for my wife who has worked so hard to hold our home together and take care of me.

Thank you for your consideration of this critical legislation which will mean a lot to the 51 disabled retirees. Please vote the bill out of committee with a unanimous Ought to Pass!

Rene Gagnon