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TESTIMONY IN SUPPORT OF

L.D. 240

AN ACT TO CREATE CONSISTENCY IN RETIREMENT SERVICE BENEFITS DEFERRAL UNDER THE MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

February 12, 2025

Senator Tipping, Representative Roeder, and members of the Labor Committee. I am Steven Bailey, executive director of Maine School Management Association, testifying on behalf of the legislative committees of the Maine School Boards Association and Maine School Superintendents Association in strong support of L.D. 240; An Act to Create Consistency in Retirement Service Benefits Deferral Under the Maine Public Employees Retirement System.

This bill addresses an important issue regarding retirement benefits for members of participating local districts (PLDs) within the Maine Public Employees Retirement System (MainePERS). It ensures that individuals who retire under the State Employee and Teacher Retirement Program have the option to defer the initiation of service retirement benefits from any plan in which their benefits would be reduced due to not yet reaching normal retirement age. This is a matter of fairness and consistency in our retirement system.

Additionally, this bill aligns with sound fiscal policy. Providing members with the option to defer benefits allows them to make informed financial decisions based on their individual circumstances, reducing the immediate financial strain on MainePERS while ensuring retirees receive their rightful benefits in full at the appropriate time.

For these reasons, I respectfully urge the committee to support L.D. 240. This legislation is a commonsense solution that ensures fairness, stability, and consistency within Maine's public retirement system. Thank you for your time and consideration.