

4/17/2023

**131st Maine Legislature - L.D. 1499**

**AN ACT REGARDING PENALTIES FOR EARLY RETIREMENT FOR CERTAIN MEMBERS OF THE  
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM**

Senator Tipping, Representative Roeder and Members of the Committee on Labor and Housing:

I am Veronica Decker, Retired Art Teacher at Leavitt Area High School (SAD-52), testifying in support of L.D.1499. In 2011, Legislators decided that state contributions toward retiree health insurance would begin at the normal retirement age (60 or 62) for workers vested in the retirement system as of June 30, 2011. As part of this transition, workers who had at least 25 years of service as of July 1, 2011, but who had not yet reached their normal retirement age would have to retire by Dec. 31, 2011, in order to have partially paid health insurance immediately upon retiring. Otherwise, their eligibility for partial paid health insurance wouldn't kick in until they reached their normal retirement age. This meant I had to take a penalty of 6 percent per year for each year I retired prior to normal retirement age. A teacher who was five years short of normal retirement age, for example, took a 30-percent hit to their pension in order to access retiree health insurance – even though they already had attained at least 25 years of service. I know you have heard testimony on several benefit changes (COLA cap, Normal retirement age, and vested years) and now forced pension cuts on employees.

So why am I here? To tell you my story. In 2011, I reached my 25<sup>th</sup> teaching year but was only 58 years old so I was required to work 4 more years to get my full benefits. With all the changes going on in the teaching profession along with legislative changes, the straw that broke the camel's back was this health care cut. I decided to sacrifice retirement pension pay to keep my healthcare benefits. I believe there has never been a benefit changed on you once you were considered vested. In order to keep this promised health insurance coverage I had one chance by taking early retirement before the legislative change took effect and so I choose to take the 24% cut in retirement benefits.

I believe L.D. 1499 is the right thing to do (restore early retirement cuts to 2.25%) and urge its passage.

Thank you for your time.

Veronica L Decker