

**§17754. Out-of-state service**

**1. Generally.** For members who began membership before January 1, 1976, additional service credit must be allowed for out-of-state service, subject to the following conditions.

A. The member must have creditable service in Maine of at least 20 years in the aggregate. [PL 1985, c. 801, §§ 5, 7 (NEW).]

B. The member, before any retirement benefit becomes effective for that member, must make contributions into the Members' Contribution Fund for the years of out-of-state service on the same basis as the member would have made contributions had the service been in Maine, including interest at a rate to be set by the board not to exceed regular interest by 5 or more percentage points. Interest is computed beginning the end of the year when those contributions would have been made, if the service had been in the State, to the date of payment. The payment must be made to the State Employee and Teacher Retirement Program by a single direct payment or by annual direct payments made in accordance with section 17701, subsection 4. [PL 2007, c. 491, §136 (AMD).]

C. If the member was formerly subject to the Revised Statutes of 1944, chapter 37, sections 221 to 241, the member's last 7 years of creditable service before the date of retirement must be in Maine. [PL 2007, c. 491, §136 (AMD).]

D. If the member is a teacher employed for the first time after July 1, 1947, the member's last 10 years of creditable service before the date of retirement must be in Maine and no more than 10 years of service credit for out-of-state service may be allowed. [PL 2007, c. 491, §136 (AMD).]

E. If a member is not a teacher, the member's last 10 years of creditable service before the date of retirement must be in Maine and no more than 10 years of service credit may be allowed for out-of-state service. [PL 2007, c. 491, §136 (AMD).]

F. [PL 1993, c. 349, §17 (RP).]

G. Upon complete payment of the back contributions under paragraph B or section 17764, the member must be granted service credit for the period of time for which the contributions have been made. Upon making partial payment of the back contributions under paragraph B or section 17764, the member must be granted service credit on a pro rata basis in accordance with rules adopted by the board. [PL 1993, c. 349, §18 (AMD).]

[PL 2007, c. 491, §136 (AMD).]

**2. Alternative.** If service credit for out-of-state service is not allowed under subsection 1, additional service credit for out-of-state service must be allowed for any member in the determination of the retirement benefit under this Part, if the member, before any retirement benefit becomes effective for that member, pays into the Members' Contribution Fund, by a single direct payment or annual direct payments to the State Employee and Teacher Retirement Program, an amount that, together with regular interest on that amount, is the actuarial equivalent, at the effective date of the retirement benefit, of the portion of the retirement benefit based on the additional creditable service. Annual payments must be made in accordance with section 17701, subsection 4.

A. Additional amounts paid under this subsection become a part of the members' accumulated contributions. [PL 2007, c. 491, §136 (AMD).]

B. If any retirement benefit becomes effective before the completion of the payment under this subsection, the member is entitled to service credit for that portion of the additional creditable service that the total amount of payments actually made, plus regular interest on those payments to the date the retirement benefit becomes effective, bears to the actuarial equivalent of the total portion of the retirement benefit based on the additional creditable service. [PL 1989, c. 710, §9 (AMD).]

[PL 2007, c. 491, §136 (AMD).]

**3. Service credit not to be used in another state.** Notwithstanding anything to the contrary, any application for a retirement benefit that becomes effective after May 11, 1966, and for which out-of-state service credit is to be granted must be accompanied by a certified statement from the appropriate retirement system that the out-of-state service credit granted has not been or will not be used to obtain benefits in another state.

[PL 1985, c. 801, §§ 5, 7 (NEW).]

**SECTION HISTORY**

PL 1985, c. 801, §§5,7 (NEW). PL 1989, c. 95, §6 (AMD). PL 1989, c. 709, §1 (AMD). PL 1989, c. 710, §§7-9 (AMD). PL 1993, c. 349, §§17,18 (AMD). PL 2007, c. 491, §136 (AMD).

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