



## SECTION I

### Explanation of Provisions of Optional Membership in MSRS

**The following explanations reference Employee Section 4 which the employee must complete and Employer Section 5 a.-g. which the employer must complete.**

- a. MSRS membership is optional for a PLD employee in a position covered by Social Security under a Section 218 Agreement. An employee who declines membership on the date of hire may choose to become a member on any subsequent anniversary of the date of hire, provided that the district remains a PLD. Membership must commence on the actual date of hire, or on the actual anniversary date.
- b. MSRS membership is optional for a non-PST employee of a PLD not covered by Social Security under a Section 218 Agreement that has an employer provided alternative plan as defined in 5 MRSA §18252-B. An employee who declines membership on the date of hire may choose to become a member at any time, provided that the district remains a PLD.
- c-e. MSRS membership is optional for an official who is elected or appointed for a fixed term, a chief administrative officer of a PLD, or an employee in a position that is not subject to the Municipal Public Employees Labor Relations Law. An employee who declines membership on the date of hire may choose to become a member at any time, provided that if the person is a PLD employee, the district remains a PLD.
- f. MSRS membership is optional for individuals employed by a local district on the date when the participation of the district in the Retirement System begins, whether under 5 MRSA, Chapters 425 or 427. An employee who declines membership at that time may choose to become a member at any time, provided that the district remains a PLD. Once an employee joins the Maine State Retirement System, membership is no longer optional.
- g. MSRS membership is optional for individuals employed in certain positions within the Maine Community College System (MCCS).
- h. MSRS membership is optional for individuals who have been on active State service for more than 5 consecutive days after July 30, 2004. Those who elect not to join must participate in the Social Security Administration. Once an individual makes an election to join or not to join, that election remains in force for the entire time that the individual is part of the Maine National Guard. The election is irrevocable.

**NOTE: An employee who has declined membership in the MSRS defined benefit plan based on Section 5a or Section 5c, 5d or 5e on the reverse and participates in either the 401(a) DC or 457 DC plans provided through MSRS, may not exercise the option to become a member of the MSRS defined benefit plan once s/he has completed five years of participation in either of the DC plans.**

## SECTION II

### Information Regarding Effective Date of Membership

For all employees, the effective date on which an employee is joining MSRS, to be provided in Section 7 on the reverse, is the first day for which contributions will be deducted from the employee's earnable compensation; it is not the payday on which the first payroll check will have deductions for MSRS. For example, consider a payroll period from January 1 through January 14, with a payday of January 19. An employee becomes eligible to join MSRS on January 8 and chooses to do so. The effective date of membership is January 8, and contributions should be deducted accordingly.

Some PLD members will have a membership date that differs from their date of hire. That may be the case for employees with optional membership in the Maine State Retirement System (MSRS), as explained in Section I above. That may also be the case for employees who do not meet membership eligibility requirements upon initial date of hire. For those individuals, if membership is mandatory, the effective date that they join MSRS is the date that they become eligible for membership. If membership is optional, and if upon meeting membership eligibility requirements, an individual chooses not to join MSRS, that individual is then subject to the membership guidelines explained in Section I.