

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

John J. Binienda

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to purchasing power protection for retiree benefits.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
John J. Binienda	17th Worcester
Robert P. Spellane	13th Worcester
Christine E. Canavan	10th Plymouth
Stephen L. DiNatale	3rd Worcester
John P. Fresolo	16th Worcester
Walter F. Timilty	7th Norfolk

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. 2420 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO PURCHASING POWER PROTECTION FOR RETIREE BENEFITS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 The teachers' retirement board is hereby authorized and directed to analyze, study and evaluate the costs
2 and the actuarial liabilities attributable to providing seventy-five percent purchasing power protection for
3 annuitants of the teachers' retirement system. The teachers' retirement board shall also make recommendations
4 on implementing said purchasing power protection incrementally in order to secure seventy-five percent
5 purchasing power protection for annuitants of the teachers' retirement system. In order to effectuate the funding
6 for the change in benefits for the annuitants of the teachers' retirement system, the board shall prepare a
7 supplemental pension funding schedule which shall be designed to reduce the actuarial pension liability attributed
8 to the seventy-five percent purchasing power protection to zero on or before June thirtieth, two thousand and
9 thirty-four; provided that in preparing such schedule the board shall consider the actuarial value and the market
10 value of the systems assets and liabilities, the long term investment rate of return on the systems assets and the
11 systems unfunded actuarial liability, and provided further, that the board shall triennially update such
12 supplemental schedule until said June thirtieth, two thousand and thirty-four. The teachers' retirement board shall
13 file said report together with its recommendations and draft legislation necessary to carry out such
14 recommendations into effect by filing the same with the clerk of the house of representatives, the joint committee
15 on public service and the house and senate committees on ways and means on or before December 31, 2010.

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