

**HOUSE . . . . . No.**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

**Karyn E. Polito**

*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 the purchasing power protection for retiree benefits.

PETITION OF:

NAME:

Karyn E. Polito

DISTRICT/ADDRESS:

11th Worcester

[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE HOUSE, NO. 2695 OF 2007-2008.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand and Nine**

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AN ACT RELATIVE TO THE 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  
2 evaluate the costs and the actuarial liabilities attributable to providing seventy-five percent  
3 purchasing power protection for annuitants of the teachers' retirement system. The teachers'  
4 retirement board shall also make recommendations on implementing said purchasing power  
5 protection incrementally in order to secure seventy-five percent purchasing power protection  
6 for annuitants of the teachers' retirement system. In order to effectuate the funding for the  
7 change in benefits for the annuitants of the teachers' retirement system, the board shall  
8 prepare a supplemental pension funding schedule which shall be designed to reduce the  
9 actuarial pension liability attributed to the seventy-five percent purchasing power protection to  
10 zero on or before June thirtieth, two thousand and seven; provided that in preparing such  
11 schedule the board shall consider the actuarial value and the market value of the systems

12 assets and liabilities, the long term investment rate of return on the systems assets and the  
13 systems unfunded actuarial liability, and provided further, that the board shall triennially  
14 update such supplemental schedule until said June thirtieth, two thousand and seven. The  
15 teachers' retirement board shall file said report together with its recommendations and draft  
16 legislation necessary to carry out such recommendations into effect by filing the same with the  
17 clerk of the House of Representatives, the joint committee on public service and the house and  
18 senate committees on ways and means on or before December 31, 2008.

19