

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Thomas M. McGee

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 pension liability scheduling.

PETITION OF:

NAME:

Thomas M. McGee

DISTRICT/ADDRESS:

Third Essex and Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO PENSION LIABILITY SCHEDULING.

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

1 Notwithstanding the provisions of Sections 22C and 22D of Chapter 32 of the general
2 laws, a retirement system may, upon the occurrence of an extraordinary market event, extend
3 its funding schedule by up to 20 years for losses incurred in such extraordinary market event.
4 An extraordinary market event shall be determined by the state actuary but such determination
5 shall not be made in the absence of a market loss of less than ten percent. When the annual
6 amount, determined by the actuary pursuant to section 22 of Chapter 32, to be paid for any
7 retirement system is greater than seven percent more than the amount paid the prior year, the
8 amount paid by any government unit within that retirement system shall not be increased
9 greater than seven percent. Any difference between the amount determined pursuant to said
10 section 22 and seven percent shall be added to the unfunded pension liability of the system and
11 shall be funded over the remaining years in the funding schedule.

12