

SENATE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Walsh, Marian (SEN)

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 cost of living adjustment for public retirees.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Walsh, Marian (SEN)	Suffolk and Norfolk

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. S01679 OF 2007-2008.]

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO THE COST OF LIVING ADJUSTMENT FOR PUBLIC RETIREES.

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

1 _____ Subdivision (1) of section 22C of chapter 32 of the General Laws, as
2 amended by section 1 of chapter 377 of the acts of 2008, is hereby further amended by striking
3 out, in the first sentence of the second paragraph thereof, the words “June 30, 2025” and
4 inserting in place thereof the following words, June 30, 2028.

5
6 SECTION 2. Section 22D of said chapter 32, as appearing in the 2006 Official
7 Edition, is amended by inserting in line 29 after the word “approve” the following
8 words: - provided further, however, that in the event that a system has accepted
9 the provisions of paragraph (j) of Section 103, the funding schedule, and any
10 updates thereto, shall be designed to reduce the unfunded actuarial liability of
11 said system to zero as of such year, that may be subsequent to June 30, 2028,
12 as the commission shall approve.

13
14 SECTION 3. Paragraph (c) of section 102 of said chapter 32, as appearing in the
15 2006 Official Edition, is amended by striking out in lines 32, 36 and 43 the dollar
16 amount “\$12,000” and inserting in place thereof the following dollar amount: -

17 \$16,000.

18

19 SECTION 4. Section 103 of said chapter 32 is amended by inserting the following new
20 paragraph: -

21 (j) Notwithstanding the provisions of paragraph (a) to the contrary, the board of any
22 system may, by accepting the provisions of this paragraph as hereinafter provided, elect to pay a
23 cost-of-living adjustment on a base amount greater than \$12,000. Acceptance of this paragraph
24 shall be by a majority vote of the board of such system, subject to the approval of the legislative
25 body. For the purpose of this paragraph, "legislative body" shall mean, the city council in
26 accordance with its charter, in the
27 case of a town, the town meeting, in the case of a county or region, the county or regional
28 retirement board advisory council, in the case of a district, the district members,
29 and, in the case of an authority, the governing body. Acceptance of this paragraph
30 shall be deemed to have occurred upon the filing of the certification of such vote
31 with the commission. A decision to accept the provisions of this paragraph may not be revoked.

32 Notwithstanding the provisions of subdivision (6A) of Section 22 or
33 Section 22D to the contrary, for each system that has accepted the provisions of
34 this paragraph, the board, in consultation with the commission, shall prepare a
35 funding schedule which shall reflect the costs and the actuarial liabilities attributable
36 to the cost of living allowance that may be paid in accordance with the provisions
37 of this paragraph and said schedule shall be designed to reduce the applicable
38 retirement system's pension liability to zero by such year, that may be subsequent
39 to June 30, 2028, as approved by the commission. The board shall file revised
40 funding schedules triennially with the joint committee on public service until such
41 costs and liabilities are reduced to zero.

42

43 SECTION 5. The provisions of sections one and three of this act shall take effect
44 for cost of living adjustments to be made, in accordance with the provisions of
45 section 102 of said chapter 32, commencing July 1, 2009.